



# Sustainability Report

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# Customers and suppliers

## Active stakeholder engagement

### Management approach

Vetropack understands that its business is influenced by numerous stakeholders. These include investors (equity and borrowed capital), customers (direct customers and retailers), suppliers and employees and their representatives. Vetropack's stakeholder groups also comprise society in general, as represented by supervisory authorities, legislators, trade associations and non-government organisations. Vetropack maintains an open and transparent dialogue with these groups in the interest of long-term value creation.

The Vetropack Code of Conduct and Business Ethics Policy serve as the foundation for active stakeholder engagement at Vetropack. Both the CEO and the CFO maintain relationships with investors and are responsible for responding to their questions and enquiries. This communication takes place in meetings or during plant tours. Vetropack also communicates proactively on its strategic objectives and publishes a financial report twice a year. Its regulatory requirements are met through the publication of annual reports and interim reports, as well as disclosures made at Annual General Assemblies. Other managers are also responsible for maintaining relationships with stakeholders. For example, the CSCO, the Head of Procurement and the CTO are responsible for maintaining contact with suppliers. The management team at each Vetropack production site is responsible for ensuring proper treatment of customers, employees, authorities and members of the local community.

Vetropack uses the company website, the intranet, the online magazine for employees, brochures and the customer magazine to communicate with internal and external stakeholders. It interacts daily with its customers and also conducts surveys every four years – most recently in 2019 – in order to learn more about customers' requirements and their level of satisfaction. The last few years have shown that customers' demands are becoming more and more specific and individual. Many of these specifications relate to sustainability and the source of the products. For example, we now receive enquiries that explicitly request a final product made almost exclusively out of used glass.

This page contains information on the following GRI disclosures: 102-40, 102-42, 102-43, 102-44.

# Multi-supplier strategy

## Management approach

Vetropack works closely with its suppliers to ensure the ongoing, cost-effective and reliable procurement of production equipment and raw materials. Vetropack's multi-supplier strategy reduces the risk of interruptions to glass packaging production operations and also helps ensure reliable product deliveries.

The Procurement department works to improve and further develop the Group's multi-supplier strategy and, in doing so, reaches out to other departments if necessary and possible. Vetropack's Code of Conduct for Suppliers defines the systematic approach used by Vetropack when searching for, assessing and validating potential new suppliers. Relevant criteria here include financial performance, the supplier company's history, its product portfolio, ownership structure, secure IT infrastructure, existing certifications and sustainability performance. Suppliers have signed the Code of Conduct for Suppliers or have provided evidence that they have their own Code of Conduct that is at least equivalent to the former. Contracts involving relevant goods or services also contain explicit clauses on environmental protection, working conditions and on compliance with human rights. Vetropack also investigates its supply chain with regard to risks relating to conflict minerals so that these risks can be minimised. Requirements for complying with the regulations for handling conflict minerals are also included for selected suppliers.

For Vetropack, its Code of Conduct is not a mere requirement but a bilateral agreement. For example, a reporting process that allows suppliers to report incidents of non-compliance with the Code ("whistleblowing") was introduced in the year under review. Suppliers that perform well in relation to environmental and social concerns also receive access to particular incentives (such as supplier awards, a programme for preferred suppliers, access to invitations to tender).

[Code of Conduct for Suppliers](#)



[Vendor Self-Assessment](#)



Long-term collaboration agreements are essential for ensuring that partnerships with suppliers are structured as effectively as possible, particularly when strategically important suppliers are involved. Vetropack considers suppliers of energy, transport services and primary and secondary raw materials to be very important. Vetropack also carries out regular evaluations of the optimal division between internal solutions and external partners for various works processes. For example, in the year under review the company started looking at whether it would be sensible to out-source mould repairs.

Within the framework of its annual management review process, Vetropack evaluates the progress made with the multi-supplier strategy using key performance indicators (KPIs) such as the number of active suppliers per procurement category and the number of long-term contracts in effect.

# Health and safety of customers and consumers

## Management approach

Vetropack supplies the food and beverage industry with products that are used by millions of consumers. It is therefore extremely important to Vetropack that the health and safety of all customers and consumers are ensured at all times.

Vetropack takes measures to ensure that all the glass containers it manufactures are inspected in order to ensure the consistent high quality and safety of its products, as well as compliance with all legal and customer-specific requirements. The management systems in place at all sites are certified in accordance with the requirements of the ISO 9001 quality management standard and the ISO 22000 food safety management standard. All glass works, apart from the one in Italy and in the Republic of Moldova, are also certified in accordance with the requirements of Food Safety System Certification 22000 (FSSC 22000).

Ensuring the highest quality standards is also considered a key objective as part of Strategy 2030. To check progress in this area, the number of complaints per glass container sold and critical defects identified internally are also recorded as management indicators.

## Disclosures

### **GRI 416 Customer Health and Safety**

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

No incidents were reported during the period under review.

# Finances

## Cash flow and profitability, sustainable growth and market position, sustainable return on capital

### Management approach

For Vetropack, financial stability and long-term growth take top priority. The company has established itself as a secure, reliable and fair partner for its key stakeholders. Due to its business activity and size, Vetropack is able, by adopting a prudent business policy, to make a contribution to the United Nations' Sustainable Development Goal No. 9 (Industry, Innovation and Infrastructure).

[Vetropack's Contribution to the United Nations' Sustainable Development Goals](#)



With regard to its financial prosperity, Vetropack views cash flow as an important key figure. An improved cash flow and higher income go hand in hand with sustainable growth. Such a situation ensures the availability of all the resources needed to make investments and thus safeguard Vetropack's leading market position. Looking at the long-term average, annual investment comes to between 8% and 9% of revenue. Having slowed somewhat in response to significant uncertainty in the first year of the pandemic, investment hit a record high of CHF 130 million in the year under review. Investment should also be higher than average in 2022 to exploit the opportunities of the current market situation as much as possible.

Vetropack promotes long-term growth by setting targets for a sustainable return on operating capital employed (ROOCE). When doing so, Vetropack also takes into account the interests of its stakeholders and the social, economic and environmental impact of its business activities.

Firstly, Vetropack is investing in measures to increase production capacity by expanding and modernising furnaces and production lines and by improving efficiency, for example by investing in digitalisation.

[Vetropack Story: Renovating the white glass line at the Pöchlarn plant](#)



Vetropack views the achievement of sustainable growth as a Group-wide task. The Group strategy forms the foundation for numerous projects and initiatives that are supervised, monitored and coordinated by top-level management. Whereas the Sales department is responsible for pricing policy, Technology and Production is working to further reduce the weight of glass containers and develop new products. The Administration and IT department is developing and implementing measures designed to further increase efficiency.

Vetropack Group continually measures the progress it makes by using operating result targets and associated KPIs, such as the costs per tonne of saleable glass produced, for example. In the reporting year, the Board of Directors of Vetropack Group declared the return on operating capital employed to be the main financial indicator, however, Vetropack also places great value on innovation to retain a leading position in the market. The company measures progress using the innovation rate (number of new glass containers divided by total units sold), amongst other indicators.

## Disclosures

### GRI 201 Economic Performance

201-1 Direct economic value generated and distributed

Performance Review: Finances



## Compliance

### Management approach

Compliance with legal provisions and international standards, such as those relating to human rights, for example, is essential for gaining the trust of key international customers in the food and beverage industry and thus ensuring the long-term success of Vetropack.

In order to ensure that awareness of the importance of fair business practices is firmly embedded in Vetropack's corporate culture, the company provides training to its employees on the Code of Conduct, which is based on the values of honesty, reliability and transparency. All employees are required to comply with the principles set out in the Code of Conduct. Employees in key positions are given guidelines for dealing with competitors and implementing anti-corruption guidelines. Decision-makers are additionally provided with extensive information on the company's Business Ethics Policy which focuses on fighting corruption, bribery and discrimination. Vetropack carries out regular inspections (in Accounting and Purchasing, for example) to minimise the risk of corruption and bribery and trains its employees to avoid anti-competitive actions. Vetropack has established a whistleblowing system where suspicions regarding anti-competitive behaviour can be reported. Violations can also be reported to the local Compliance Coordinator, the Management Board, the Compliance and Legal department or the CEO of Vetropack Group. Vetropack also encourages all employees to report any suspected violations while observing the principle of proportionality.

Standardised SMETA audits (Sedex Members Ethical Trade Audits) are performed in order to monitor compliance with the company's Business Ethics Policy and occupational safety and environmental protection provisions. Vetropack carries out on-site audits of environmental and social risks at its suppliers. Audits are also conducted on a regular basis to determine whether suppliers are in compliance with the Supplier Code. Vetropack's new contractual conditions are agreed upon with every new supplier and a growing number of existing suppliers. Acceptance of the Code of Conduct for Suppliers is compulsory. Suppliers have signed the Code of Conduct for Suppliers or have provided evidence that they have their own Code of Conduct that is at least equivalent to the former. Contracts involving relevant goods or services also contain explicit clauses on environmental protection, working conditions and on compliance with human rights. Vetropack also reviews its supply chain with regard to risks relating to conflict minerals so that these risks can be minimised. Provisions are implemented for selected suppliers to ensure that they comply with the regulations for handling conflict minerals.

With regard to data privacy and data security, Vetropack follows the principles of the European General Data Protection Regulation and implements the updates required by law on an ongoing basis. In order to respond to the global increase in cyber attacks, Vetropack has continuously introduced technical measures to improve information security including secure solutions for suppliers. For example, the network architecture was reworked and new solutions for external connections and Vetropack's external security rating were established. These and other measures ensure a much higher security rating.

## Disclosures

### **GRI 205 Anti-Corruption**

205-2 Communication and training about anti-corruption policies and procedures

Employees and suppliers are provided with information on the Anti-Corruption Guidelines on a regular basis. At the end of the fiscal year, 100% of the Management Board and 85% of the employees exposed to corruption risks (previous year: 90%) had been informed of measures and procedures in place to fight corruption since joining the company. These measures and procedures are primarily based on the Business Ethics Policy (BEP) of Vetropack Group. In 2021, training courses on anti-corruption were conducted at the Bülach site.

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### **GRI 206 Anti-Competitive Behaviour**

206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices

No legal actions for anti-competitive behaviour were initiated in 2021.

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### **GRI 307 Environmental Compliance**

307-1 Non-compliance with environmental laws and regulations

### **GRI 419 Socioeconomic Compliance**

419-1 Non-compliance with laws and regulations in the social and economic area

Performance Review: Compliance



### **GRI 406 Non-discrimination**

406-1 Incidents of discrimination and corrective actions taken

There were no incidents of discrimination in 2021.

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## **GRI 408 Child Labour**

### 408 -1 Operations and suppliers at significant risk for incidents of child labour

Both the Code of Conduct and Vetropack's Code of Conduct for Suppliers explicitly forbid child labour. Vetropack requires both its own employees and its suppliers to comply with these provisions, communicates them and provides training in them; it also offers employees and third parties the means of reporting incidents of non-compliance on an anonymous basis free of charge. Vetropack is not aware of any operations or suppliers at risk of incidents of child labour.

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## **GRI 409 Forced or Compulsory Labour**

### 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour

Both the Code of Conduct and Vetropack's Code of Conduct for Suppliers explicitly forbid forced or compulsory labour. Vetropack requires both its own employees and its suppliers to comply with these provisions, communicates them and provides training in them; it also offers employees and third parties the means of reporting incidents of non-compliance on an anonymous basis free of charge.

Vetropack is not aware of any operations or suppliers at risk of incidents of forced or compulsory labour.

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## **GRI 412 Human Rights Assessment**

### 412-2 Employee training on human rights policies or procedures

At the end of the period under review, 92% of Vetropack Group's employees (previous year: 97%) had received training in the relevant aspects of human rights. This figure does not relate exclusively to the reporting period but instead takes into account all employees who have received this training since joining the company.

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## **GRI 418 Customer Privacy**

### 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Compliance with legal provisions and contractual obligations for protecting customer data is a top priority at Vetropack. In order to establish data protection as a firm component of its corporate culture, Vetropack has formulated internal IT guidelines and guidelines for protecting internal and third-party intellectual property. No complaints were reported during the period under review.

# Innovation and intellectual property

## Innovation strategy and portfolio, process innovation with suppliers

### Management approach

Vetropack pursues product, process and organisational innovations that are designed to ensure it can continue to meet customer requirements in future with innovative, environmentally sustainable and high-quality products and services, and thus safeguard the company's long-term business success. Therefore, the topic area of "Drive Innovation" was defined as one of five strategic initiatives in Strategy 2030. To this end, Vetropack continually monitors developments relating to the circular economy, digitalisation, automation and the climate targets for 2050, as it does the changing needs and requirements of customers. As part of its innovation strategy, Vetropack also encourages the development of innovations by suppliers, customers and international research groups, for example as part of the "International Partners in Glass Research" (IPGR) industry association.

[Vetropack Story: The new level of performance](#)



[Vetropack Story: Returnable glass bottles on the rise](#)



The company's CEO supports Vetropack's innovation strategy as an integral component of the Group's overall strategy. The CEO is assisted here by the CTO, who focuses in particular on the development of process innovations in cooperation with suppliers as well.

In the world of digital innovation, the declared target for Vetropack is Industry 4.0. Industrial production is to be interlinked with modern information and communication technology. Intelligent, digitally networked systems provide the technical basis for this. Networking is expected to make it possible to optimise not only one production step but an entire value chain. The network is also expected to include all phases of a product's life cycle – from the idea for a product over its development, production, use and maintenance to its being recycled. The key element of this development is the introduction of a comprehensive management execution system (MES).

To be able to meet different types of innovation, responsibilities within the Engineering and Production department were clearly separated in the year under review. Since January 2022, one of the three organisational units has been the innovation centre, established in 2020, at the Pöchlarn site in Austria. The specialists based there are solely responsible for research and development of product and process-related innovations, while any possible integration in Vetropack glass works is handled separately. External partnerships, such as with educational establishments of university level and research establishments, are also part of this clearly defined area of responsibility. In addition to tempered glass mentioned previously, key areas for Vetropack's research include the furnace technologies of the future, where energy consumption and CO<sub>2</sub> emissions have to be significantly reduced, allowing the company to comply with future environmental requirements.

[Performance Review: Innovation and intellectual property](#)



Cooperation with suppliers is crucial, as it allows Vetropack and its suppliers to identify ways to improve production operations and jointly develop innovative approaches for achieving such improvements. This collaborative effort focuses on the development of innovations for melting, moulding, inspection processes and products. Vetropack's suppliers – and its customers – also play a vital role with regard to digitalisation. They are indeed the drivers but they are also needed as supporters for extensive digitalisation of the entire Vetropack value chain.

Important key figures for measuring progress on innovation are the innovation rate and customer satisfaction value. Strategic initiatives are also reviewed annually based on the market performance of the products involved and the CO<sub>2</sub> emissions produced as a result of melting processes at the plants. Process innovation projects are evaluated on a monthly and annual basis using performance and quality indicators,

# Production and products

## Continuous quality improvement along the value chain

### Management approach

The continual improvement of the quality of all processes along the value chain is a core element of Vetropack's corporate philosophy and one of five strategic directions of Strategy 2030. In line with the "Leader in quality" motto, the company meets rising customer expectations, increases the efficiency of production processes and remains competitive over the long term.

The entire management team at Vetropack holds ultimate responsibility for the continual improvement of quality, although continual improvement processes in the sense of "lean management" as defined by Six Sigma are well established at all plants, where they are actively supported by the respective workforces. For example, internal specialist groups at various facilities work on projects to improve occupational safety, environmental protection and quality assurance. Improving quality and thus product quality is the responsibility of the cross-sectoral "Technical Performance, Technology and Quality" specialist group as part of the "Leader in Quality" strategic focus.

Progress is assessed by means of various quality indicators, such as the number of customer complaints per glass container sold and the number of internal critical defects. Clear annual targets have been set for all indicators.

## Digitalisation and automation

### Management approach

Vetropack considers digitalisation and automation to be key drivers of the company's further development and defined the topic as a key element of the "Leader in Quality" strategic direction when developing Strategy 2030. The company endeavours to systematically make use of the opportunities offered by digitalisation and automation in order to boost its quality and productivity and reduce costs. Digitalisation and automation also offer additional benefits in that they relieve employees from performing routine tasks, help increase occupational safety, and ensure the efficient exchange of data with suppliers and customers.

The Head of Finance, Controlling, Procurement and Sales, and the Head of Engineering and Production, are responsible for developing and implementing digitalisation and automation projects together with Information Technology. Potential for process optimisation is exploited through investment projects, provided the solution in question is expected to lead to an adequate return on investment (ROI). Successful implementation of digitalisation and automation solutions requires Group-wide harmonisation of work and process flows and the continual training and professional development of employees whose job profiles are significantly affected by digitalisation.

Management approach: Innovation strategy and portfolio, process innovation with suppliers →

Vetropack Story: New labelling machine at Kyjov plant →

# Customer-specific products

## Management approach

Vetropack aims to create added value and firmly establish its brands by offering its customers innovative, distinctive and sustainable glass packaging. Ensuring a high level of customer satisfaction is crucial if the leading position in its European core markets is to be maintained and steady profitable growth is to be achieved.

### New designs



Vetropack's sales team is responsible for a customer-oriented sales and marketing strategy. The information required for this comes from daily interactions with customers and a customer satisfaction survey conducted periodically. The most recent customer survey was carried out in 2019, the next one is planned for 2023. Vetropack was rated "good" or "very good", which puts the company above the competitive average. Order processing, customer orientation, reliability and the proximity of production plants were cited as the company's most important strengths. Knowledge gained from the survey will help Vetropack implement targeted improvement measures designed to increase customer satisfaction even further. A new "Commercial Excellence" function was created in 2021, which led to the introduction of specific training and development measures for "Strategic Account Managers".

Trade fairs and other events are a key instrument for Vetropack to cultivate relationships with customers among other things. However, because of the – in some cases severe – limitations on travel and meeting other people that were still ongoing in the attempt to contain the Covid-19 pandemic, Vetropack has also developed virtual alternatives for cultivating its relationships with customers. These shall continue to be used in addition to face-to-face meetings and, as a result, strengthen Vetropack's customer orientation.

### Performance Review: Production and products



For Vetropack, developing new products together with customers is the key to success, as it makes it possible to tailor products to customers' specific needs and also improves its skills and expertise. In 2020, the overall level of new product launches fell considerably. However, one positive example is the introduction of different bottle sizes for the launch of new whiskey brand "The Busker". The successful product launch was the outcome of a long-standing connection with the brand owner in Italy, with whom Vetropack worked to develop the designs and various product samples. However, the systematic approach to customer-specific innovations has yet to be fully established. To harmonise the Group-wide product development process, Vetropack had launched a new workflow tool in 2020 and subsequently implemented enhancements in the period under review.

In 2020, Vetropack developed a new indicator to measure the number of product innovations sold in the current year, which the company intends to use to track the progress of innovation. Products that have been on the market for up to a year are to account for a growing share of total sales in future. The company also aligns its market strategy so that it can improve the product mix. For this reason, low-margin products are redeveloped with the aim of making them more profitable. If this does not succeed, they are removed from the portfolio altogether. Once every six months, Vetropack reviews profitability as it relates to segments, customers and the countries in which the company operates in order to monitor price levels and the suitability of products on an ongoing basis.

# Employees

## Employee engagement, attractive employer, learning organisation, talent management

### Management approach

Vetropack's long-term success is inextricably linked with attractive working conditions and career development opportunities. The level of employee engagement is directly related to an employee's feeling of well-being in the workplace. A pleasant working environment reduces absences due to health problems and accidents, increases motivation and raises the level of employee creativity and productivity. A high degree of employee satisfaction is also critical for a company's reputation and essential for attracting new talent. To this end, it is important for Vetropack to offer a variety of people a suitable working environment. It will therefore measure and specifically monitor diversity more in future. The company therefore deliberately includes the United Nations' Sustainable Development Goal No. 5 ("Gender Equality") on its agenda.

[Vetropack's Contribution to the United Nations' Sustainable Development Goals](#)



All management functions have a common responsibility to support and motivate employees. Managers are responsible for strengthening employees' loyalty to the company and identifying and promoting talented employees. The Human Resources department implements the Group-wide "employer of choice" strategy, which is supported by the new digital tool "SAP SuccessFactors". This tool manages processes for recruitment, talent management and employee engagement throughout the Group. Employees themselves are encouraged to assume responsibility for their personal and professional development in keeping with the principle of a learning organisation.

Vetropack practises a "Group first" philosophy that includes international career opportunities and the exchange of best practices. This approach promotes identification with the company and a feeling of belonging to the Vetropack family. Vetropack has set itself the goal of becoming a learning organisation. That is why the Group has integrated the concept of continuous learning into its vision and set of values. Vetropack also consistently supports the development of its employees by means of both formal and informal training measures.

Vetropack measures the level of employee satisfaction across the Group every two years, the next time will be in 2022. These surveys provide information on what employees believe to be the strengths and weaknesses of the company. The Group uses three strategic KPIs to track the success of its "employer of choice" strategy: voluntary staff turnover, training costs per employee and the "Trust Index" of the "Great Place to Work" certification organisation. The Bülach site received the "Great Place to Work" certification in 2020. Vetropack is now aiming to achieve this certification at all other locations too.

## Disclosures

### GRI 102 General Disclosures

#### 102-8 Information on employees and other workers

<b>Composition of the workforce (at year-end)</b>	<b>2021</b>	<b>in %</b>	<b>2020</b>	<b>in %</b>
Number of employees in full-time equivalents (excl. apprentices, interns, trainees, contract workers, temporary workers)	3 524		3 491	
Total number of employees (excl. apprentices, interns, trainees, contract workers, temporary workers)	3 562		3 539	
Apprentices	42		39	
Interns	N/A		N/A	
Trainees	N/A		N/A	
Agency/contract/temporary workers	N/A		72	
<b>Permanent employees by employment type</b>				
Full time (excl. apprentices, interns, trainees, contract workers, temporary workers)	3 474	98%	3 467	98%
Women	771		804	
Men	2 703		2 663	
Part time (excl. apprentices, interns, trainees, contract workers, temporary workers)	88	2%	72	2%
Women	65		22	
Men	23		21	
<b>Total workforce by gender</b>				
Number of employees (excl. apprentices, interns, trainees, contract workers, temporary workers)	3 562		3 539	
Women	838	24%	826	23%
Men	2 724	76%	2 713	77%
Apprentices, interns, trainees, contract workers, temporary workers	42		111	
Women	8	25%	28	25%
Men	34	75%	83	75%

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## **GRI 401 Employment**

### 401-1 New employee hires and employee turnover

Performance Review: Fluctuation by gender and age



### 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Labour law stipulations and remuneration practices vary from country to country. The benefits provided to full-time employees therefore also vary in line with the specific circumstances in each country.

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## **GRI 402 Labour/Management Relations**

### 402-1 Minimum notice periods regarding operational changes

Transparent internal communication is a top priority at Vetropack. All regulatory requirements regarding notice periods were met in 2021.

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## **GRI 404 Training and Education**

### 404-2 Programs for upgrading employee skills and transition assistance programs

Vetropack offers all the training and education programmes needed to ensure its employees receive adequate support for their professional development – whether that means being successful in their current job or preparing themselves for the next step in their career. Vetropack employs a multifaceted development approach that attaches great importance to learning on the job. This learning process is supplemented by classroom training and online courses.

The “hard skills of glass production are primarily taught at Vetropack’s own training centre in Pöchlarn, Austria, while “soft skills” are covered through the newly established “Vetrocademy” development platform. The training programmes cover the topics of technology, IT, language skills, project management and leadership. Vetropack had planned to launch the first pillar of the “Vetrocademy”, a comprehensive leadership curriculum for all 400 managers within the Group, as early as 2020. However, due to the coronavirus pandemic, the new offering cannot be introduced until 2022.

### 404-3 Percentage of employees receiving regular performance and career development reviews

Vetropack currently has a process in place to conduct performance reviews for all white collar workers, who represent around 40% of the total workforce. Vetropack did not track the exact percentage in 2021. In 2022 a system to monitor this process is due to start.



# Occupational health and safety

## Management approach

“Safety first” is part of the DNA of Vetropack Group. Employees who work in glass production are exposed to high temperatures and high levels of noise; and moving machine parts may represent a further risk. Ensuring health and safety is a top priority at Vetropack. For the company, this means not only complying with legal provisions but also promoting the physical and mental health of employees.

Occupational health and safety are contained in the Vetropack mission statement and reflected in our occupational safety policy. They are also taken into account and implemented in our strategy and in the design of our business processes. Occupational safety is managed on three levels: the Head of the Corporate Development and IMS (integrated management system) department is directly responsible for the Quality, Safety and Environmental Protection specialist department. The Group Officer for Occupational Safety coordinates activities via the Safety Managers at the business units and plants. They are all responsible for ensuring compliance with safety standards at the production sites.

The Safety Managers come together in the Occupational Safety Working Group to discuss various issues that apply to all plants. This exchange of information is designed to ensure that safety concepts are implemented, that safety regulations are complied with and that various tools and resources that enable the achievement of safety objectives are made available.

All production employees are given annual health and safety training. Near-accidents are also recorded systematically at all locations. The Occupational Safety Working Group also conducts internal audits every year to determine whether the prescribed measures for continual improvement have been implemented and whether the health of Vetropack employees is ensured at all times.

Vetropack currently complies with local requirements as far as the integration of disabled persons in work processes is concerned. In the medium-term, the company intends to develop a Group-wide approach to inclusion.

[Vetropack Story: Renovating the white glass line at the Pöchlarn plant](#)



## Disclosures

### GRI 403 Occupational Health and Safety

403-9 Work-related injuries

403-10 Work-related ill health

[Performance Review: Occupational health and safety](#)



# Environment

## Sustainable products, energy efficiency and renewable energy, minimisation of CO2 emissions, waste reduction, water consumption

### Management approach

Vetropack is committed to keeping the impact of glass production on the environment as low as possible and conserves natural resources accordingly. Vetropack's environmental commitment focuses on climate protection and consequently on the company making an active contribution to achieving the United Nations' Sustainable Development Goal No. 13 ("Climate Action").

As part of the new strategy, Vetropack formulated the objective of becoming an industry-wide leader with regard to environmentally friendly production. Under the "Clearly Sustainable" strategic direction, Vetropack established relevant key figures and short-, medium- and long-term targets. The main key indicator is CO2 emissions per tonne of glass produced. For this indicator, Vetropack has defined a reduction of 30% compared with 2019 as the target for 2030.

Since glass is a sustainable product compared with other packaging materials, Vetropack can also encourage sustainable consumption patterns with its environmental commitment in line with SDG 12 ("Responsible Consumption and Production").

[Vetropack's Contribution to the Sustainable Development Goals](#)



[Vetropack Story: Climate neutrality requires cooperation](#)



The Environment specialist group is responsible at the Group level for coordinating and monitoring all environmentally relevant activities. This group develops and issues binding guidelines and minimum requirements on the basis of the Vetropack corporate strategy and sustainability policy and the Group's environmental management targets (with respect to energy and water consumption, emissions and waste volume).

When managing and procuring energy, Vetropack Group considers both strategic and economic factors as well as technical factors. In so doing, it depends on external consulting expertise and has been using a new energy management system for structured energy procurement since 2021. The aim is to manage energy comprehensively throughout Vetropack Group from planning through strategic procurement to controlling consumption and auditing.

In the glass industry, it is largely the energy-intensive melting processes that have an impact on the environment and natural resources. In the supply chain, the processing of raw materials and packaging materials and the transport of raw materials and finished products primarily influence energy efficiency. Vetropack therefore focuses on increasing the energy efficiency of its furnaces and increasing the proportion of used glass in production. Vetropack is implementing an energy management system at more and more sites for this purpose. In addition to plant-related energy reduction measures – which are linked to the relevant life cycles – alternative energy sources are becoming increasingly important. The company plans to convert to "green electricity" by 2025.

[Vetropack Story: Increasing efficiency and reducing costs](#)



The company wants to achieve a proportion of used glass of 70% and operate climate-neutral logistics across the whole Group by 2030. Another important way of conserving natural resources is lighter glass containers. Efforts to reduce their weight are being made as part of VIP Glass technology.

[Vetropack Story: Vetropack Improved Performance Glass entering a new phase](#)



Production operations already conserve water resources to a very large extent because water is used only as a coolant in glass production and its consumption is regulated in a closed-cycle system. Vetropack also seeks to produce as little waste as possible. Such waste mainly results from the processing of used glass, and this in turn is due to the fact that large amounts of foreign materials are still being deposited into used-glass collection containers. Vetropack has therefore invested in a new used glass recycling plant, which will increase the recovery rate for old glass and at the same time ensures that the glass quality is not impaired. Thanks to this investment, the proportion of used glass can also be increased. Metals, paper and other residual materials from the recycling process can be separated by this means and be recovered even more efficiently.

In addition to improving the environmental footprint of Vetropack products, providing evidence of this and communicating it to customers is becoming ever more important. For large customers in particular, information about the environmental footprint of their glass packaging is increasingly important. Vetropack therefore reviews the progress it makes in terms of environmental performance using various indicators for which annual targets are defined. The indicators used here include data on energy consumption, greenhouse gas emissions, water consumption and waste volume. Vetropack evaluates its environmental management activities by means of internal inspections and audits and – where required by law – inspections by certified external institutions.

## Disclosures

### **GRI 301 Materials**

301-2 Recycled input materials used

### **GRI 302 Energy**

302-3 Energy intensity

### **GRI 305 Emissions**

305-1 Direct GHG emissions (Scope 1)

305-2 Energy indirect GHG emissions (Scope 2)

305-4 GHG emissions intensity

### **GRI 306 Waste**

306-3 Waste generated

[Performance Review: Environment](#)



## GRI 303 Water and Effluents

### 303-1 Interactions with water as a shared resource

In general, no water is consumed to produce glass. Water is used only as a coolant and its consumption is regulated in a closed-cycle system. Cooling water occasionally needs to be replaced, and The fact that water is only used and not consumed in the glass production process is clear from the minimal difference of around 92 000 m3 between the quantity of fresh water obtained by Vetropack in the year under review (total 1 319 963 m3) and the quantity of waste water (total 1 227 932 m3) (see disclosure 303-5).

### 303-2 Management of water discharge-related impacts

The quality of wastewater discharge systems must comply with the minimum standards of national and/or local governments. As a basic principle, Vetropack complies with all wastewater discharge regulations that apply to its production sites. If a deviation is found, Vetropack takes measures immediately in cooperation with the relevant authorities.

Performance Review: Compliance



### 303-5 Water consumption

Performance Review: Environment



# GRI Content Index



MATERIALITY  
DISCLOSURES SERVICE

2022

**For the Materiality Disclosures Service, the GRI Services team reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The Materiality Disclosures Service was performed on the German version of the report.**

General Standard Disclosures		Information
GRI 101: 2016	Foundation	
GRI 102: 2016	General Disclosures	
	Organisational Profile	
GRI 102-1	Name of the organisation	Vetropack Holding AG
GRI 102-2	Activities, brands, products, and services	Development, production and sales of packaging glass for the food and beverage industry.
GRI 102-3	Location of headquarters	Headquarters of Vetropack Holding Ltd in St-Prex (CH) Group management (Vetropack Holding Ltd) in Bülach (CH)
GRI 102-4	<a href="#">Location of operations</a>	
GRI 102-5	<a href="#">Ownership and legal form</a>	
GRI 102-6	<a href="#">Markets served</a>	
GRI 102-7	<a href="#">Scale of the organisation</a>	
GRI 102-8	<a href="#">Information on employees and other workers</a>	
GRI 102-9	<a href="#">Supply chain</a>	
GRI 102-10	Significant changes to the organisation and its supply chain	None
GRI 102-11	<a href="#">Precautionary Principle or approach</a>	
GRI 102-12	External initiatives	Global Reporting Initiative (GRI), Friends of Glass, Participation in the programme of the Swiss Energy Agency for Industry for voluntary climate protection (CO2-reduction) and energy efficiency
GRI 102-13	Membership of associations	CelSian (ex-TNO), CETIE Centre Technique International de l'Embouteillage, Deutsche Glastechnische Gesellschaft, FEVE Fédération Européenne du Verre d'Emballage, Chamber of Commerce Switzerland - Central Europe c/o OSEC, Chamber of Commerce Switzerland - Austria, Metallurgical association of the German glass industry, IPGR International Partners in Glass Research, Food Packaging Forum
	<b>Strategy</b>	
GRI 102-14	<a href="#">Statement from senior decision-maker</a>	
	<b>Ethics and Integrity</b>	
GRI 102-16	<a href="#">Values, principles, standards, and norms of behavior</a>	
	<b>Governance</b>	
GRI 102-18	<a href="#">Governance structure</a>	
	<b>Stakeholder Engagement</b>	
GRI 102-40	<a href="#">List of stakeholder groups</a>	
GRI 102-41	Collective bargaining agreements	Around 90 per cent of all employees are covered by collective bargaining agreements, to varying degrees depending on the respective local legislation.
GRI 102-42	<a href="#">Identifying and selecting stakeholders</a>	
GRI 102-43	<a href="#">Approach to stakeholder engagement</a>	
GRI 102-44	<a href="#">Key topics and concerns raised</a>	
	<b>Reporting Practice</b>	
GRI 102-45	Entities included in the consolidated financial statements	The report covers all production plants and locations of Vetropack Holding Ltd.
GRI 102-46	<a href="#">Defining report content and topic Boundaries</a>	
GRI 102-47	<a href="#">List of material topics</a>	
GRI 102-48	Restatements of information	Are marked at the relevant places in the report.
GRI 102-49	<a href="#">Changes in reporting</a>	
GRI 102-50	Reporting period	01.01.2021 - 31.12.2021
GRI 102-51	Date of most recent report	March 2021
GRI 102-52	Reporting cycle	Annual
GRI 102-53	Contact point for questions regarding the report	Vetropack Holding Ltd, Corporate Communications, 8180 Bülach, Switzerland info@vetropack.com

GRI 102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
GRI 102-55	<a href="#">GRI content index</a>	
GRI 102-56	External assurance	No external assurance was performed.

### Topic-Specific Standards

#### GRI 200: Economic Topics

GRI 201:2016	Economic Performance	Omission
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#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

GRI 201-1	<a href="#">Direct economic value generated and distributed</a>
	Cashflow and Profitability

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

Sustainable Return on Capital

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

Customer-specific Products

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

Innovation Strategy and Portfolio

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

Process Innovation with Suppliers

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

Continuous Quality Improvement along the Value Chain

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

Digitalization and Automation

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

#### GRI 205:2016 Anti-Corruption

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

GRI 205-2 [Communication and training about anti-corruption policies and procedures](#)

#### GRI 206:2016 Anti-Competitive Behaviour

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

GRI 206-1 [Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices](#)

#### GRI 300: Environmental Topics

#### GRI 301:2016 Materials

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

GRI 301-2 [Recycled input materials used](#)

#### GRI 302:2016 Energy

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

GRI 302-3 [Energy intensity](#)

#### GRI 303:2018 Water

#### GRI 103: 2016

103-1/103-2/103-3 [Management approach](#)

GRI 303-1 [Interactions with water as a shared resource](#)

GRI 303-2	<a href="#">Management of water discharge-related impacts</a>
GRI 303-5	<a href="#">Water consumption</a>
<b>GRI 305:2016</b>	<b>Emissions</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 305-1	<a href="#">Direct GHG emissions (Scope 1)</a>
GRI 305-2	<a href="#">Energy indirect GHG emissions (Scope 2)</a>
GRI 305-4	<a href="#">GHG emissions intensity</a>
<b>GRI 306:2020</b>	<b>Waste</b>
GRI 103: 2020 103-1/103-2/103-3 306-1 / 306-2	<a href="#">Management approach</a>
GRI 306-3	<a href="#">Waste generated</a>
<b>GRI 307:2016</b>	<b>Environmental Compliance</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 307-1	<a href="#">Non-compliance with environmental laws and regulations</a>
GRI 400: Social Top-ics	
<b>GRI 401:2016</b>	<b>Employment</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 401-1	<a href="#">New employee hires and employee turnover</a>
GRI 401-2	<a href="#">Benefits provided to full-time employees that are not provided to temporary or part-time employees</a>
<b>GRI 402:2016</b>	<b>Labor/Management Relations</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 402-1	<a href="#">Minimum notice periods regarding operational changes</a>
<b>GRI 403: 2018</b>	<b>Occupational Health and Safety</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
403-1	<a href="#">Occupational health and safety management system</a>
403-2	<a href="#">Hazard identification, risk assessment, and incident investigation</a>
403-3	<a href="#">Occupational health services</a>
403-4	<a href="#">Worker participation, consultation, and communication on occupational health and safety</a>
403-5	<a href="#">Worker training on occupational health and safety</a>
403-6	<a href="#">Promotion of worker health</a>
403-7	<a href="#">Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</a>
403-9	<a href="#">Work-related injuries</a>
403-10	<a href="#">Work-related ill health</a>
<b>GRI 404:2016</b>	<b>Training and Education</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 404-2	<a href="#">Programs for upgrading employee skills and transition assistance programs</a>
GRI 404-3	<a href="#">Percentage of employees receiving regular performance and career development reviews</a>
<b>GRI 406:2016</b>	<b>Non-discrimination</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 406-1	<a href="#">Incidents of discrimination and corrective actions taken</a>
<b>GRI 408:2016</b>	<b>Child Labor</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 408-1	<a href="#">Operations and suppliers at significant risk for incidents of child labor</a>
<b>GRI 409:2016</b>	<b>Forced or Compulsory Labor</b>



GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 409-1	<a href="#">Operations and suppliers at significant risk for incidents of forced or compulsory labor</a>
<b>GRI 412:2016</b>	<b>Human Rights Assessment</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 412-2	<a href="#">Employee training on human rights policies or procedures</a>
<b>GRI 416:2016</b>	<b>Customer Health and Safety</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 416-2	<a href="#">Incidents of non-compliance concerning the health and safety impacts of products and services</a>
<b>GRI 418:2016</b>	<b>Customer Privacy</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 418-1	<a href="#">Substantiated complaints concerning breaches of customer privacy and losses of customer data</a>
<b>GRI 419:2016</b>	<b>Socioeconomic Compliance</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
GRI 419-1	<a href="#">Non-compliance with laws and regulations in the social and economic area</a>
	<b>Active Stakeholder Engagement</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>
	<b>Multi-supplier Strategy</b>
GRI 103: 2016 103-1/103-2/103-3	<a href="#">Management approach</a>