

Sustainability



39	Sustainability
40	ESG governance
42	Material topics and SDGs
46	Economic impact
63	Environmental impact
78	Social impact
95	Governance

Sustainability

Our strategy embraces five strategic thrusts, and Clearly sustainable is the first of them: it represents our ambition of becoming Best in Class in Sustainability in our industry by 2030. As we journey towards this destination, we are holding all areas and hierarchical levels of our company accountable; we are setting ourselves binding goals, and integrating sustainability into our business activities.

Our ambition is to position Vetropack as Best in Class in Sustainability in our industry by 2030. Our Clearly sustainable strategic thrust guides us along the path towards this goal.

We intend to be known for our innovative, ecologically compatible and socially acceptable manufacturing processes and our safe glass products of high quality. To protect the environment, we endeavour to conserve resources and water, close substance cycles, and reduce greenhouse gas emissions. Thanks to an inclusive corporate culture and development of our employees based on continuous learning, Vetropack should be appreciated as an Employer of Choice.

In keeping with Clearly sustainable, we are setting ourselves the following goals for our focus topics:

- Climate protection: reduce absolute Scope 1 and 2 greenhouse gas emissions 50.4 percent by 2032 from a 2021 base year and reduce absolute Scope 3 greenhouse gas emissions (categories: purchased goods and services, capital goods, fuel- and energy-related activities, and upstream transportation and distribution) 30 percent by 2032 from a 2021 base year.
- Resources: 70 percent recycled content by 2030
- Water: targets to be set by 2025
- Occupational health and safety: Group-wide TRIR* of 2.0 by 2030
- Diversity, equity and inclusion: roadmap to be developed in 2025
- Sustainable supply chain to be ensured

* Total Recordable Injury Rate



Sustainability

ESG governance

Sustainability is integrated into our corporate strategy with our Clearly sustainable strategic pillar. This means that we integrate sustainability comprehensively into our day-to-day business, and assign relevant responsibilities across various levels of the hierarchy.

Thanks to our recyclable and reusable glass packaging, we promote sustainable consumption and production patterns that accord with the circular economy and the United Nations' SDG 12. In addition, our [Strategy 2030+](#) sets out how we integrate sustainability into our day-to-day business. This is inherently linked to entrenched responsibility for sustainability aspects throughout the company.

Responsibility at various levels of the hierarchy

The Board of Directors of the Vetropack Group approves the company's strategic orientation as part of our strategy, and it monitors annual progress. The Board may delegate those duties which are not reserved for it by Article 716a of the Swiss Code of Obligations (CO) to the Management Board. In this context, the Management Board acts within the scope of the guidelines issued by the Board of Directors, and is responsible for the operational management of the Vetropack Group.

Likewise, the Board of Directors delegates operational implementation of the sustainability strategy to the CEO, who fulfils his responsibility for issues relevant to ESG as a member of the Sustainability Steering Committee. In addition to the CEO and the Group Sustainability Manager, this committee comprises the following management functions: Director Corporate Development and Integrated Management Systems, Chief Commercial Officer, Chief Technology Officer, Chief

Supply Chain Officer, and Chief Human Resources Officer. The committee meets three times each year.

The Sustainability Steering Committee defines Vetropack's overarching sustainability ambitions, and develops the action plans to realise them. Its remit also includes monitoring progress with target attainment.

The Group Sustainability Manager is responsible for proposing the sustainability targets and for developing specific measures. He reports to the Director Corporate Development and Integrated Management Systems. On behalf of the Sustainability Committee, the Group Sustainability Manager briefs the Board of Directors at least once each year on progress with implementing the sustainability initiatives. In accordance with the law, the Board of Directors approves the non-financial reporting and also, therefore, our sustainability targets. In the year under review, moreover, we submitted the material topics to the Board of Directors for approval; these topics were determined according to the requirements of the Corporate Sustainability Reporting Directive (CSRD). Also see [Material topics and SDGs](#).

In 2024, we implemented the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and expanded our governance structures in respect of climate-related concerns. The relevant information can be consulted in the [TCFD reporting](#) section.

Sustainability as an element of performance assessment

The Board of Directors and the Management Board pursue a long-term strategy that is geared to sustainable business success. Sustainability aspects are not currently incorporated into the assessment of the Board of Directors' performance.

On the other hand, the performance of the Extended Management Board is not measured solely on the basis of key financial indicators. In addition to the financial and individual components, the variable remuneration of its members is also dependent on a non-financial component which integrates various sustainability aspects. As at the end of 2024, these included:

- 60 percent share of recycled content in our products
- Validation of climate targets by the Science Based Targets initiative (SBTi)
- Employee engagement: definition of focus areas and implementation of measures based on the employee survey
- Occupational health and safety: TRIR value of 2.2 (Total Recordable Incident Rate, or accident frequency rate)

Material topics and SDGs

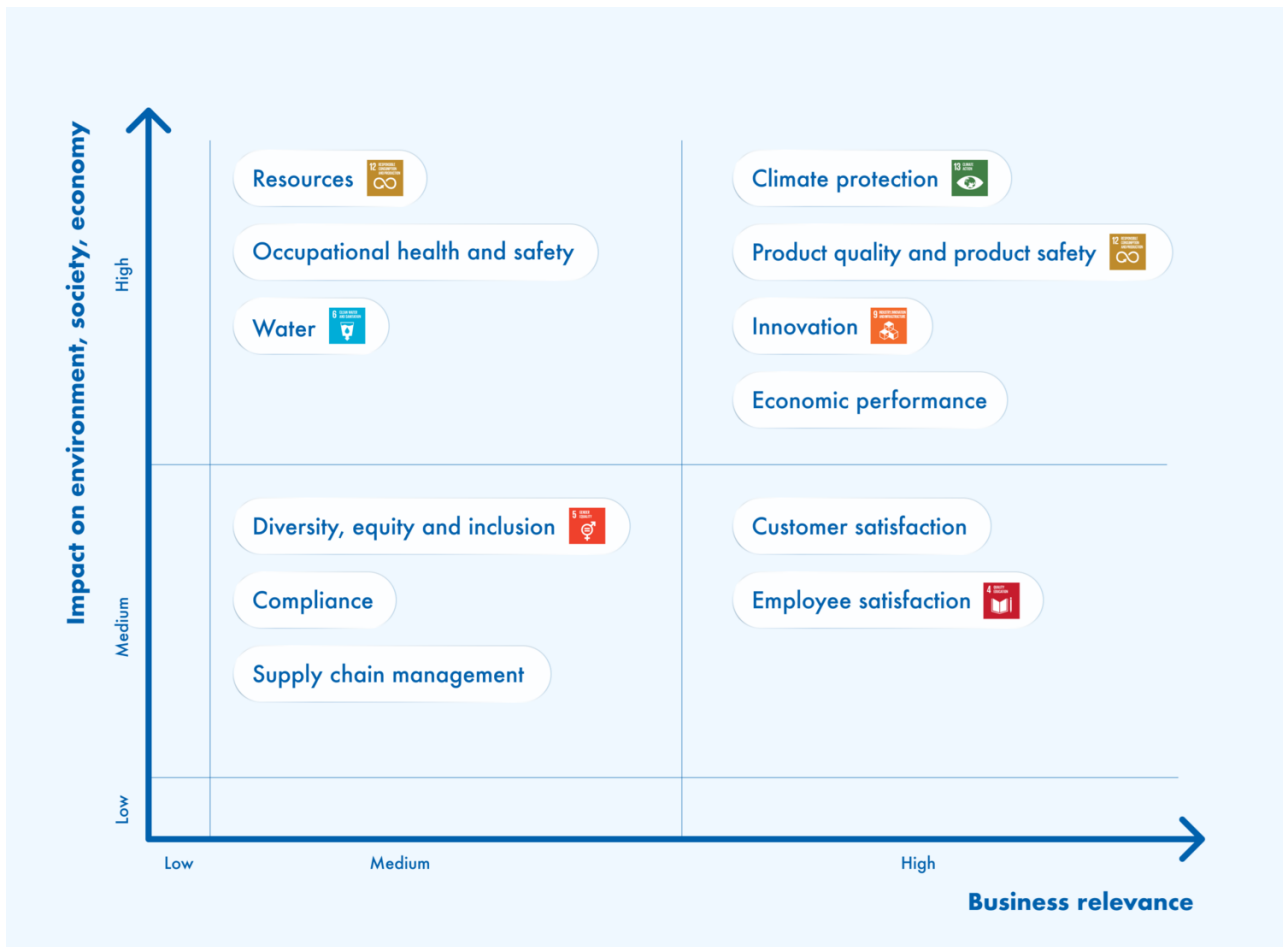
Our commitment to sustainability is based on the material topics and our greatest influence on attainment of the Sustainable Development Goals (SDGs). The basis for this year's non-financial reporting is the materiality assessment undertaken in 2023. We also carried out a double materiality assessment during 2024, in compliance with the requirements of the Corporate Sustainability Reporting Directive (CSRD). By doing so, we have laid the foundations for future reporting.

For the 2024 fiscal year, we are reporting in accordance with the GRI Standards and the requirements of the Swiss Code of Obligations (Articles 964a-c, CO). Our material topics provide the central basis for this purpose. We also align our strategic sustainability management with the material topics.

Identifying the material topics

We carried out a comprehensive reappraisal of the material topics in 2022. In this context, employees from different levels of the hierarchy and who perform various functions determined the 'Financial materiality' (risks and opportunities for our business) and the 'Impact materiality' (positive and negative impacts on the environment, society and the economy). For the 2023 reporting year, the Extended Management Board undertook a re-evaluation of the topics. The main focus here was on transparent reporting in accordance with the requirements of Swiss legislation. The [CO reference table](#) shows how our material topics are allocated to the non-financial matters stipulated by Swiss legislation (Article 964b, CO). These topics provide the foundation for this report.

Materiality matrix for the 2024 fiscal year



New material topics for the 2025 fiscal year

Vetropack carried out a materiality assessment in compliance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) in the year under review. For this purpose, we involved large numbers of technical experts from various departments, and we conducted online surveys with the participation of around 120 stakeholders (shareholders, employees, suppliers, customers, consumers, legislators and associations). This double materiality assessment resulted in seven material topics. They will form the basis of our first reporting in accordance with the European Sustainability Reporting Standards (ESRS) for the 2025 fiscal year. To a large extent, the new material topics will be congruent with the existing topics. This confirms that our current sustainability management is focusing on the right key issues. In the Environment section, 'Pollution' will be added as a new topic. On the other hand, the ESRS do not recognise any economic topics. Going forward, therefore, we shall cover the relevant sustainability activities in other sections of the report.

Contribution to achieving the Sustainable Development Goals (SDGs)

The 17 Sustainable Development Goals (SDGs), adopted in 2015 by the 193 member states of the United Nations, define the sustainability goals that should be pursued by states and companies throughout the world. We have allocated our current material topics to the SDGs in order to set our positive and negative impacts on the environment, society and the economy in the global sustainability context. In this regard, Vetropack focuses on those SDGs which our company has the greatest ability to influence.



Promote basic and continuing education and training

By investing in our employees' development, we intend to position ourselves as an Employer of Choice. We have a comprehensive learning infrastructure in place to promote continuous learning and foster our employees' personal and professional development; through our positioning as a learning organisation, we contribute to the attainment of SDG 4.

Material topic:

Employee satisfaction



Create a diverse and inclusive workplace environment

We promote diversity, equity and inclusion at all levels of the hierarchy. We respond to our employees' needs, address inequalities, and pay fair salaries and wages. Transparent processes, together with policies and guidelines that apply throughout the Group, ensure non-discriminatory working conditions. This boosts our employees' motivation and engagement.

Material topic:

Diversity, equity and inclusion



Make responsible use of water resources

We adopt a responsible approach to water in our production processes, and we use water predominantly in closed loops. We systematically measure water withdrawal, water consumption and water discharge, and we implement local and global legal provisions.

Material topic:

Water



Promote the latest technologies and drive innovations ahead

We create innovations with a material that has a long tradition. We use modern infrastructure and new technologies to manufacture our glass products. Innovations play a key part in reducing greenhouse gas emissions from glass production. We deploy digital solutions to make our processes more efficient and increase product quality.

Material topic:

Innovation



Promote responsible consumption thanks to glass packaging suitable for the circular economy

Our glass containers can be recycled an infinite number of times and they are reusable. From the health perspective, glass packaging is popular because its inert structure enables it to provide optimal protection for food and beverages, and it does not impair their taste or quality. This makes glass the ideal material to promote responsible consumer behaviour.

By advocating a high percentage of recycled glass in new products, we conserve natural resources and promote the circular economy.

Material topics:

- Resources
- Product quality and product safety



Reduce greenhouse gas emissions by following a science-based mitigation pathway

Glass production is very energy-intensive. Greenhouse gases are emitted not only from the melting processes for the raw materials, but also from the extraction and production of these materials. At the same time, we make a significant contribution towards achieving SDG 13 by effective climate protection in order to implement our climate targets, which have been validated by the Science Based Targets initiative (SBTi).

Material topic:

Climate protection



Sustainability

Economic impact

Vetropack endeavours to achieve the long-term development of our company on a self-financed basis. As we work towards this goal, we take account of the interests of our stakeholders as well as the impact of our business activities on the environment and society. To achieve our economic objectives, we design glass packaging according to our customers' requirements and we focus on innovative products that meet high quality and safety standards.



Economic impact

In keeping with our strategic Leader in quality thrust, we meet our customers' expectations and boost our production efficiency – thereby securing competitive advantages. We build up long-lasting partnerships with our customers; we identify their needs by conducting surveys (Voice of Customer), and we develop products in collaboration with them. Our central focus is on guaranteeing the safety of the consumers. To achieve this, we conform to internal and external requirements, and we implement standardised production and quality assurance processes. Innovative technologies help us to reduce the ecological footprint of our manufacturing processes and our glass packaging products.

In this chapter

[Economic performance](#)

[Innovation](#)

[Customer satisfaction](#)

[Product quality and product safety](#)



Sustainability

Economic performance

We endeavour to achieve long-term development for the Vetropack Group on a self-financed basis. To be competitive in the glass packaging industry, we set ourselves operative return targets which, at the same time, promote sustainable growth. It goes without saying that we take account not only of the economic effects of our business activities, but also of their ecological and social impact.

Our [Strategy 2030+](#) is geared to our company's long-term development. It recognises the concerns of our stakeholders and takes account of economic, environmental and social impacts. If we are economically successful, we generate the funds needed for investments to maintain and expand our market position in the glass packaging industry. The profitability of our investments ensures that we have the appropriate capital at our disposal, and that we will develop profitably.

We finance our growth largely from our own resources. One key performance indicator here is Return on Operating Capital Employed (ROOCE). This should be 20 percent in the medium term. We ensure financing of the company's development by optimising the use of capital and generating a positive cash flow before deducting investments and dividend payments.

Concepts, policies and measures

Investments in sustainability

Sustainability criteria play a decisive part for us in the context of our investments. We attach increasing importance to the trade-off between anticipated future energy and CO₂ prices on the one hand, and potential energy and greenhouse gas savings on the other.

Our investments focus on technological innovations that promote the ecological efficiency of our processes. These include new furnaces, such as hybrid furnaces. Melting furnaces lose around one percent of their efficiency every year due to natural ageing. On average new furnaces deliver 10 percent better energy performance than predecessor models. For this reason, investments in various optimisation and refurbishment measures for our furnaces are crucial so we can produce more energy-efficiently in the future, and achieve our climate targets. This is also why such investments are at the core of our decarbonisation roadmap, which sets out the strategic direction for achieving our climate targets as validated by the Science Based Targets initiative. Elements of the decarbonisation roadmap include, for example, new solar systems (at Hum na Sutli and Kremsmünster in 2024, and at Boffalora in 2025) and new furnace concepts (at Kremsmünster from 2028 onwards). More information is available under [Climate protection](#).

Cullet processing plants are another key aspect of investment to improve our economic and ecological efficiency. Thanks to our own cullet processing plants, we can use high-quality cullet as a raw material for new products. This reduces our energy demand, CO₂ emissions and, consequently, production costs. We explain our cullet sourcing strategy in the [Resources](#) and [Supply chain management](#) sections.

In terms of social sustainability, our investments are concentrated on training, workplace optimisations, and providing tools to facilitate collaboration within and among the plants.

Performance Improvement Program (PIP)

The Performance Improvement Program (PIP) empowers us to implement customers' requirements efficiently and respond to growing competition. We are implementing the PIP on a continuous basis in the individual Vetropack plants. The focus in the reporting year was on the plants at Boffalora (Italy) and Kyjov (Czech Republic).

The PIP helps our entire Group of companies to achieve economic and ecological efficiency thanks to strategic production planning, and it strengthens our economic performance capacity throughout the Group. Optimisation of existing production capacities is at the core of the PIP – because optimal utilisation of our furnaces' capacity enables us to achieve economically and ecologically efficient production.

The PIP comprises a process that recurs every year. By adopting a structured approach, the PIP leads to cost savings and improved performance in our company, and it supports the implementation of best practices in production. The PIP focuses on these improvements to production:

- Reducing greenhouse gas emissions by optimising the mix of raw materials: increasing the share of recycled glass and reducing the percentage of soda
- Efficient production and product lines: prioritisation of products with the greatest potential for acceleration; prioritising products with long production runtime
- Colour concepts: we reduce product scrap and produce more efficiently thanks to colour concepts and strategically planned colour changes
- Rightweighting: if possible, glass containers should only contain as much material as is necessary to meet quality criteria such as design and stability. This makes the glass thinner and lowers the weight, thus reducing environmental impact.

Progress and events in the reporting year

Resilience in Gostomel

In May 2023, we were already able to resume production of flint glass at our heavily war-damaged plant in Gostomel, Ukraine. The plant financed the repair measures from its own resources by selling cullet and stocks of products to other glass manufacturers. The plant's geographically favourable location enables customers to collect products directly from the site. This efficient circulation of goods and packaging substantially reduces logistics costs. However, energy security continues to present a risk, as it has in the past. In case of an emergency, we refuel generators directly on site so we can maintain production for several hours. In the reporting year, reconstruction work progressed so far that the second melting furnace should be able to resume operation in 2025, depending on market demand and the geopolitical situation. Our aim is to maintain our market share in Ukraine and, ideally, to gain new market share.

Development of the Italian market

Our new plant at Boffalora is one of the most modern facilities not only in our own Group, but anywhere in Europe. We are manufacturing products here that were not present in the portfolio of our old plant in Trezzano (Italy). As also described in the [Customer satisfaction](#) section, the commissioning of our Italian plant presented us with some challenges. On the one hand, these arose from the new processes we implemented while, on the other, we find ourselves facing a difficult combination of market conditions and consumer sentiment. To meet these challenges, the teams on the ground are aiming to make full use of the new plant's performance capacity. By expanding the product portfolio, we will also acquire new customers in Italy and strengthen our position there.

Making further use of machines and used glass from St-Prex

Following the closure of the St-Prex site, we are endeavouring to continue using of state-of-the-art machines from that plant elsewhere within the Group: this will allow us to replace less efficient or less powerful machines. We began the dismantling work and transferred the first machines during the year under review. In addition, we are transporting the used glass that is no longer utilised in St-Prex to other Vetropack sites, thus returning it to the glass loop.

Efficiency boost from restructuring information technology

To make our processes even more efficient, we made a start on standardising our information technology during the reporting year. To an increasing extent, we are replacing decentral structures with Group-wide, central ones. At the same time, we are stepping up our investment in our employees' digital expertise.

One key issue in the reporting year was the transformation of IT towards an IT/OT organisation. OT (Operational Technology) entails the use of machine computers, robots, sensor technology, and a wide range of IT applications in the production-related environment. This includes a focus on end-to-end digital mapping and automation of processes. Within the scope of our targeted digital transformation, we are expanding our business models through holistic digitalisation. Further insights into our digitalisation activities are offered in the [Innovation](#) section.

Performance indicators

GRI 201-1 Direct economic value generated and distributed

Key financial indicators can be consulted [here](#).



Sustainability

Customer satisfaction

So we can safeguard our position as one of Europe's leading glass container manufacturers for the food and beverage industry, we depend on the satisfaction and loyalty of our customers. Their current and future needs go beyond high quality products and prompt deliveries. That is why we take account of sustainability aspects throughout our entire customer journey, and why we deploy professional customer relationship management to optimise interaction with our customers.

To support our customers with their sustainability ambitions, we need to make our processes and value chain as environment-friendly and socially responsible as possible. For this purpose, our strategic focus is on developing and expanding a readily available range of innovative products with a reduced environmental footprint (such as thermally tempered glass or reusable solutions). By the same token, good customer relationships – which create demand for our products – enable us to plan our production capacity and utilisation, leading in turn to more efficient use of energy and other resources.

Concepts, policies and measures

Customer care and retention, and interaction with customers

The customer journey starts even before the first contact is made: if we are to win new customers, they must be convinced of the advantages of glass as a packaging material. Under the umbrella of the [Friends of Glass](#) initiative, we support awareness-raising measures and campaigns that inform consumers and potential new customers about the health and environmental benefits of glass, based on scientific facts.

Dialogue with our customers focuses on commercial excellence, which is anchored in the Leader in quality strategic pillar in our [Strategy 2030+](#). This is intended to ensure an optimal customer experience throughout the entire customer journey. Our aim is to understand our customers' requirements and respond to them with appropriate products and services. This means that we address our customers' needs in the best possible way, from initial contact and enquiry processing through to and then identifying a suitable product or desired service. We regard developing products jointly with our customers as a sign of successful trust-based collaboration. In line with our customer focus, we collect customer feedback and drive initiatives to improve collaboration on a continuous basis.

The illustration below shows the four golden rules of the customer centricity mindset. Responsiveness means that we answer customer enquiries promptly. Flexibility requires us to seek out solutions for customers' requests, even when they are challenging. Urgency means that we address our customers' concerns quickly, prioritising those of our key customers. We practice Proactive communication by providing our customers with news and identifying future opportunities.



Responsiveness

We use regular customer surveys to measure customer satisfaction – and, therefore, the way the customer experience is perceived. The Net Promoter Score (NPS) is the most important indicator for this purpose. It allows comparisons with our competitors. We assess these aspects in customer surveys:

- Willingness to recommend Vetropack to others
- Performance compared to direct market competitors
- Opportunities to develop new services
- Indications of future expenditure, measured by our share of wallet (SOW)

Alongside customer surveys, we rely on market and trend analyses to advance the strategic development of our business. We also utilise findings from market research, and aim to pursue a customer-oriented sales and marketing strategy.

Ultimately, direct interaction with our customers is essential so we can identify their concerns and respond to them immediately. This is why local managers at the Vetropack sites maintain direct dialogue with our customers. This makes it simpler to implement appropriate projects at speed.

We use a Customer Relationship Management (CRM) system throughout the company to manage customer interactions. CRM simplifies data acquisition, data management and reporting, so the sales team has more time available to interact directly with our customers. Going forward, CRM will also be enabled to record and process customer complaints on a systematic basis and provide better insights.

At present, we already analyse the reasons for every customer complaint and we reach out to customers with comprehensive answers. We assign complaints to four categories: product, packaging, logistics, and commercial process.

We have implemented a Strategic Account Management (SAM) programme to manage our customer relationships on a systematic basis. SAM identifies our strategic customers, and it also supports the tools and processes needed to address the concerns of our key customers. As another SAM activity, we maintain regular exchanges between employees of our company and their counterparts with the same function in the customer's company.

To organise our processes efficiently and systematically, we use SAP as our Enterprise Resource Planning (ERP) system for the entire order-to-cash process.

The environmental footprint of our products

There is growing interest in information about the ecological footprint. Eco-balance data helps to persuade potential new customers to opt for glass products, in view of their environmental footprint. We therefore offer comprehensive data on the environmental impact of the entire product life cycle, in accordance with the standards specified by the European Container Glass Federation (FEVE). For this purpose, we use a Life Cycle Analysis (LCA) tool that was developed jointly with FEVE. More information about our eco-balance calculator is available [here](#).

3D printing laboratory

With our 3D-printing laboratory in Pöchlarn (Austria), we can offer our customers the opportunity to gain 'hands-on' knowledge of a packaging design prior to first production. Thanks to a special resin, we can accurately reproduce the geometry of the glass containers to be manufactured – so, even before production, our customers can get a sense of their look and feel. They can also assess the products with their stakeholders at an early stage, which makes the market launch simpler.

Sensor for optimal filling speed

One challenge for glass is the risk of filling line downtime due to breakage. This risk can influence the filling speed for foods and beverages. Bottlers and fillers who use glass packaging sometimes make a trade-off by lowering the filling speed to lessen the risk of breakage: this, in turn, reduces the filling rate and overall operating efficiency. In response to this challenge, we produce an exact replica of the glass container and use a [sensor](#) to perform load tests. With maximum precision, the sensor measures the forces acting on the glass container during filling. Thanks to this information, customers can adjust the filling speed optimally and implement targeted line improvements so as to increase throughput.

Joint product development

One of Vetropack's strategic focal points is continuous optimisation of the product mix. We are committed to joint product development so we can implement our customers' specific requirements. This is because customised products enable our customers to stand out from the competition in the market through design and functionality, and attract new consumers thanks to unique selling points. An account of a successful collaboration of this sort is available [here](#).

Joint product development focuses increasingly on packaging reduction targets, in response to upcoming regulations and requirements for packaging such as the EU Packaging and Packaging Waste Regulation (PPWR). In this context, we are assisting our customers with implementing the rightweighting concept. This states that only as much material should be used as is needed for the packaging to fulfil its purpose. We are confident that our innovation of thermally tempered lightweight reusable glass will attract new customers – and in this way, we are responding to the preference for packaging with a smaller environmental footprint.

Online presence

Our customers can consult the [online catalogue](#) on the Vetropack website to find all our glass packaging products for beverages (including wines, spirits, beer, soft drinks and mineral water, etc.) as well as foods. Users of the online catalogue can access products based on a wide range of criteria such as filling volume, shape, colour, and closure type.

We publish Success Stories about satisfied customers on our [corporate website](#) or our [LinkedIn channel](#). By posting these stories, we aim to motivate our employees, inspire our existing customers and attract new customers.

Progress and events in the reporting year

Voice of Customer survey

In 2023, we conducted a Voice of Customer survey of over 240 customers. The goal was to gain valuable knowledge on how to improve customer satisfaction and loyalty. As already disclosed in the 2023 Annual report, we attained an NPS of +41 and achieved significant improvements for our strategic accounts. The survey identified customer care, quality and reliability as our greatest strengths. Based on the results, we defined 122 measures and areas with potential for improvement. Some of these measures are to be implemented at Group level, while others will be put into practice locally.

The survey confirmed our customers' growing requirements regarding sustainability. This has prompted us to communicate strategically about this issue, and we have trained the entire sales team on the environmental impact of our products.

Before we conduct the next comprehensive customer survey in 2026, a 'pulse check' will take place in 2025 to measure the interim status and the success of the initiatives launched, and also to make any necessary adjustments.

Customer Talks

Customer focus – the customer centricity mindset – is crucial for our entire company if we are to offer the best customer experience. To heighten awareness of this requirement, we launched an online training programme in the reporting year: it has now been completed by over 900 employees. The content we teach in this programme includes our four golden rules of customer centricity. Another activity related to our customer focus was the series of 'Customer Talk' events we organised for the first time in 2024. For example, we invited one of our strategic accounts to participate in a 'Customer Talk' at Nemšová: we offered glimpses into production at one of our

glassworks and in return, our employees gained valuable insights into the customer's perspective. We also hosted two 'Customer Talks' at our Austrian plants in Pöchlarn and Kremsmünster, to which we invited local wineries. These events focussed on the introduction of a bottle with a special closure, the critical importance of reliable logistics, and the reduction in the weight of our bottles. We will be organising more events of this sort as a way of strengthening customer relationships and building trust.

Challenges for our customer relationships

In the middle of the year, we closed our site in [St-Prex](#). As well as affecting our employees, the discontinuation of our Swiss production impacted the reputation of the Vetropack brand and, therefore, our customer relations. We have maintained constant dialogue with our customers, while optimising our stock levels and stepping up cooperation among our plants so we can ensure continuity of supply.

We also faced challenges in the Italian market. At the plant in Boffalora which opened in 2023, we expanded our product range and consolidated our market position during 2024. There is no denying the challenges that come with opening a new plant. Due to the implementation of new processes and procedures, it was not always possible to supply our customers with the products they required. We recognise the need to continue building our market offering in Italy so as to make full use of the plant's capacity, both for existing and new customers.

New online presence for Vetropack

Since February 2024, our corporate website has featured a new and modern design with bold visuals and a clear focus – making it much easier to use and understand in every respect. Among the new features are the five core promises that we use as tags accompanying all content posted on the website: [#Sustainability](#), [#Innovation](#), [#Safety](#), [#Teamwork](#) and [#Expertise](#). We implemented this structure for various reasons, including the results from the Voice of Customer survey. The increase in user numbers proves the success of this redesign.

Performance indicators

Besides the Net Promoter Score, another indicator we use to measure customer satisfaction is 'Customer complaints per 10 million units of glass packaging sold'. For competitiveness reasons, however, we do not disclose this figure.

GRI 417-2 Incidents of non-compliance concerning product and service information and labeling

No significant incidents of non-compliance concerning product information labeling were notified in 2024. (2023: 0).



Sustainability

Innovation

If we are to remain competitive, we have to rethink glass production. That's why Drive innovation is one of the five strategic thrusts that advance our business development as part of our Strategy 2030+. For Vetropack, innovation means: making progress more efficient by digitalisation, developing fit-for-future products, and deploying the latest technologies to reduce greenhouse gas emissions from manufacturing processes.



We make use of innovations to continue developing our business model and to strengthening our market position. With activities that range from boosting efficiency in our production processes to developing new products with a smaller ecological footprint and optimising our operating processes by applying digital tools: at Vetropack, innovation knows no limits. However, innovations also entail financial risks, because not all innovation projects ultimately lead to success.

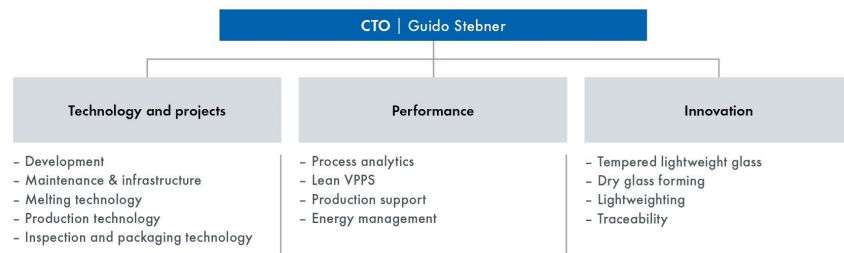
Concepts, policies and measures

Overarching responsibilities

Our CEO supports the innovation strategy as an element of Vetropack's overall corporate strategy. The CTO supports him in this regard. The Steering Committee Innovation controls and oversees the planning and realisation of innovations. The Technology and Production division is responsible for implementation. This division has responsibility for production in our plants, and also

for developing processes and technologies. Our responsibilities in the Technology and Production division are as follows:

- The Technology and Projects unit concentrates on technological developments. We examine new technologies to assess their suitability for Vetropack – and where appropriate, we introduce them into our company. The focus here is on digitalisation and sustainability.
- The Performance unit is responsible for our production processes. Attention focuses on analysing, standardising and consistently optimising processes and on benchmarking both within and outside the Group so as to improve operative performance. To achieve these goals, we make use of Lean and Six Sigma.
- The Innovation unit develops the processes and products of the future. It also includes the Innovation Centre at our Pöchlarn site in Austria. Research at the Innovation Centre focuses on process and product development, as well as exploration of digital technologies in production. This unit includes an Innovation Manager Process/Technology and an Innovation Manager Digital Factory; they were recently joined by an Innovation Manager Product/Material who concentrates on materials and substances for glass production.



An in-house Steering Committee is in place where we regularly review the success of innovation projects and align our innovation strategy accordingly.

Innovations as measures to protect the climate

One project of relevance to climate protection concerns storage and/or utilisation of CO₂ emissions from the glass production process in connection with carbon capture and recovery. In the process known as 'carbon mineralisation', carbon dioxide is converted into carbonates. Since the carbon dioxide does not return to the atmosphere, this project has the potential for substantially reducing future CO₂ emissions from glass production.

In the Zero CO₂ project, members of International Partners in Glass Research (IPGR) – the association chaired by Vetropack's CTO – are developing a prototype furnace that supports the decarbonisation of glass production. And under the auspices of the No Soda Trials, glass is being produced without soda – the main source of emissions.

Digitalisation and automation

We are digitalising processes throughout our value chain – because digital solutions help us to make our internal processes more efficient, meet customer needs, and strengthen our competitive edge. Digitalisation of business processes offers the opportunity to make data available at the right time, in the right place and in the right form, so decisions can be made rapidly and transparently. Automation concepts allow us to acquire and evaluate data from the production processes in real time at all our locations.

Responsibility for driving digitalisation and automation projects ahead is assigned to the Head of the Engineering and Production department in collaboration with the Head of Information Technology (IT&OT).

We create the right technical conditions and deploy suitable tools to ensure that digitalisation processes are user-friendly. We use SAP S/4HANA as our Group-wide ERP solution, together

with a Customer Relationship Management (CRM) system. More details are available in the [Customer satisfaction](#) section.

High-speed cameras are a valuable application in digitalisation, because they help us to monitor the glass forming process in real time so we can ensure product quality. On fast-running machines, the generated images allow precise detection of malfunctions and process anomalies for the purposes of preventive maintenance. An algorithm is used to classify the information about malfunctions and anomalies, which is made available immediately. This reduces periods of disruption and enables us to define preventive measures more accurately. A pilot run at our Pöchlarn plant has yielded some highly promising initial results.

Making use of Artificial Intelligence (AI)

To highlight the growing importance of data analytics and AI for our company, and to design and adapt our processes accordingly, we apply a Group-wide policy on using AI technologies safely and securely. Based on this policy, we offer training content that should prepare our employees to make productive and profitable use of these technologies.

We are stepping up the use of AI in our Digital Factory Innovation unit. This is an organisational unit that drives the digitalisation of production processes ahead with the help of technologies such as computer vision or machine learning. In this context, we are making more use of deep learning algorithms for quality control of our products. Other applications for AI include article counting to optimise inventory management and production processes.

We see huge potential for further expansion in the field of computer vision and cognitive services. Possible applications include support for wear and cleanliness checks in mould workshops, continuous monitoring of the production environment for irregularities or outages to minimise downtime, and ongoing development of inventory management thanks to more accurate monitoring and automation.

Dry Glass Forming project

We are continuing to drive implementation of IPGR's Dry Glass Forming project ahead by setting up the industrial coating plant at our Pöchlarn facility. The aim of this project is to prevent the glass from adhering to the mould surface in future by selecting suitable coatings, thus avoiding manual or automated lubrication of the moulds. The focus here is on advancing the development of the coating materials so as to improve the durability of the coatings as well as the quality of the manufactured products.

Holistic Pallet and Pad Management (HPPM)

Around one million pallets and six million pallet pads are in circulation to ensure that our products are transported safely to our customers. HPPM was developed so that information about returns and the quality of pallets and pads is available across all our sites at all times. The HPPM system uses sensors to collate all information about reusable packaging in one location. This ensures that the pallets are clearly traceable, thus also making it easier to reuse them. Thanks to a cloud solution for the platform, customers and logistics providers can view and enter their data themselves.

Progress and events in the reporting year

Award, patent and industrial production machine for our innovative lightweight glass

At the start of 2024, the World Packaging Organisation honoured our innovative reusable lightweight glass bottles with a [WorldStar Award](#) in the 'Packaging Materials and Components' category. More information about the successful launch of our standard reusable lightweight glass bottles in Austria is available in the [Resources](#) section.

To safeguard our intellectual property rights, Vetropack has submitted a series of patent applications for our innovative glass packaging to various international patent offices. The initial reviews have been positive, and we expect the patents to be granted in 2025.

So that manufacturing of this innovative product can be scaled going forward, we focused on the development of an industrial production machine during the year under review. It will enable production of around 50 million bottles per year in the future. Construction of the production plant at Pöchlarn is scheduled to begin in 2025, so industrial production of the thermally tempered bottles can be started up in 2026.

The market launch of thermally tempered lightweight glass is also advancing in parallel with these developments. A substantial number of pool bottles have already been placed in the [Austrian market](#).

Data matrix ensures traceability

When it comes to Smart Factory innovation, we are currently introducing a robust traceability system that uses data matrix codes. Each bottle is given a unique identifier that captures and stores specific data throughout the entire production process. In this way, we are improving our quality control. For this purpose, a hot laser marks the products with a data matrix code that stores a vast amount of information. This makes it possible to identify products quickly in the event of a complaint. More information is available in the [Product quality and product safety](#) section. As another benefit, RFID (radio frequency identification) technology enables pallets to be identified in real time, so logistics are optimised.

Data Analytics Community of Practice

Given that innovations relate not only to technological advances but also to the application of existing best practices, we set up the Data Analytics Community of Practice in the reporting year. Headed by our Enterprise Architect, this community links data analysts from various areas of the company together in a network for the purposes of exchanging knowledge and advancing the standardisation of data reports and analytics.



Sustainability

Product quality and product safety

Glass packaging affords optimal protection for food and beverages. From the health perspective, glass packaging is popular because there are virtually no interactions between the contents and the packaging. Thanks to its inert properties, glass also provides a secure barrier against external influences. To ensure that our glass containers always meet the highest quality and safety requirements, extensive testing processes are essential elements of our certified quality and food safety management systems.



Thanks to its molecular structure, glass is a form of packaging for foods and beverages that is impermeable to air and moisture, thus extending the shelf life of the contents and reducing food waste. Consumers appreciate the fact that glass packaging does not impair the taste of foods and beverages. This is because – as opposed to other materials – glass is virtually inert: this means that it does not react with the food it contains, or reacts only to a negligible extent. Nevertheless, glass packaging also has disadvantages such as its weight and fragility. Product quality and safety are top priorities for Vetropack in order to reduce the risk of possible impact on consumers' health. For this reason, product quality is also enshrined in the Leader in quality pillar of our [Strategy 2030+](#). Inadequate product quality and safety would adversely impact customers' trust in the Vetropack brand, leading to financial losses.

Concepts, policies and measures

Standardised processes and certified management systems

Within the scope of our certified quality management systems, we continuously standardise and improve our processes. This enables us to manufacture our glass containers in the defined quality and in compliance with our customers' specifications at all times. Responsibility for guaranteeing product quality is assigned to interdisciplinary teams comprising experts in technical performance, technology, purchasing, and quality.

A quality management system certified in accordance with the ISO 9001 quality management standard is in place at all our plants. Furthermore, all our plants have a food safety management system certified either to FSSC 22000 or to ISO 22000. The following sites are certified to FSSC 22000: Pöchlarn (Austria), Kremsmünster (Austria), Kyjov (Czech Republic), Hum na Sutli (Croatia), Boffalora (Italy), Nemšová (Slovakia), and Gostomel (Ukraine). The certificates for our sites can be accessed [here](#).

FSSC 22000 includes the requirements of ISO 22000, the global standard for food safety management systems. FSSC 22000 is recognised by the Global Food Safety Initiative, so it enjoys a particularly high level of acceptance. Our Food contact material safety concept defines the procedure to be followed in order to identify and prevent risks relating to food safety (food safety, food defence, food fraud).

By defining requirements and workflows in our processes, we ensure high product quality so consumers can confidently enjoy foods from safe glass packaging. For the purposes of quality assurance and continuous improvement of our processes, we implement risk-based planning and we conduct internal audits. The production and quality assurance areas, for instance, are audited more frequently than areas more remote production. The local quality managers are responsible in this regard. Our customers also carry out audits during which we jointly identify potential for improvement.

Quality and food safety policy

Our Quality and food safety policy establishes the framework that is applicable for quality and product safety throughout the company. This policy sets out overarching intentions, and it defines our orientation in respect of quality so we can attain our strategic 'Leader in quality' goal. In addition, the policy includes our obligations to comply with regulatory requirements and customers' specifications.

Within the scope of our Quality and food safety policy, the Compliance monitoring policy (QM/FSM compliance monitoring) defines the specific performance indicators used to monitor compliance with the Quality and food safety policy.

Comprehensive quality inspections

Our objective is to guarantee the specified quality of our products. To monitor our quality standards and verify our processes, we determine the number of complaints per ten million units sold, as well as numbers of critical defects identified in-house. For competitiveness reasons, we do not publish these key indicators.

Based on customer requirements, the type of food or beverage for which the glass container will later be used is one of the aspects determined during product development. This information, together with other parameters, will then govern the test procedures to be applied. To guarantee consistently high quality (and therefore safety), all our glass products undergo fully automated inspections for product faults during the production process. The effectiveness of the inspection equipment is monitored on a regular basis. Additional laboratory tests are performed to measure

further quality parameters. In this context, we differentiate between destructive tests (such as internal pressure or thermal shock tests) and dimensional checks that are non-destructive.

Progress and events in the reporting year

Certifications for our new plant in Boffalora (Italy)

The quality management system at our plant in Boffalora was certified to ISO 9001 during the year under review. Likewise, the food safety management system in this plant was certified to FSSC 22000, which is a standard recognised by the Global Food Safety Initiative. These certifications confirm that the management system at our new plant guarantees the required quality and food safety standards, and consequently that the products manufactured there fulfil the strict industry requirements.

Traceability of products

We use RFID (radio frequency identification) chips to ensure the traceability of each pallet of glass at all our locations (except for the plants in Ukraine and the Republic of Moldova). In the reporting year, we extended the topic of traceability to the individual glass containers as part of a pilot project, in which the containers are given a unique identification in the form of data matrix codes. This product-specific labelling makes it easier to identify the products concerned in the event of complaints. To date, this technology has been introduced for a small number of product lines. More information about this subject can be found [here](#).

Performance indicators

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

In 2024, Vetropack received 7 (2023: 8) critical complaints. In this context, critical means that these products posed a potential risk to the health and safety of consumers. However, the affected products were identified and separated so that no products had to be recalled.



Sustainability

Environmental impact

We intend to evolve into a glass manufacturer that is known for innovative products and sustainable manufacturing processes. In keeping with this objective, we endeavour to ensure that our glass production conserves resources. Our material environmental topics comprise climate protection, resources, and water.



Environmental impact

Glass is a sustainable packaging material because it is manufactured from natural raw materials and can be fully recycled without limitations. Nevertheless, glass production involves greenhouse gas emissions. We reduce such emissions by optimising the processes for the repair of existing furnaces and the construction of new ones, and by using the highest possible shares of recycled glass and renewable energies.

We address environmental risks such as increased energy prices and regulatory changes by operating foresighted processes and setting ambitious targets. We raise public awareness about collecting glass so that our production is able to conserve resources in the long term.

We mainly use water in closed loops. Thanks to systematic monitoring we are able to take strategic action in response to changes in the availability of water.

In this chapter

[Climate protection](#)

[Water](#)

[Resources](#)



Sustainability

Climate protection

Climate protection presents challenges in our industry because large quantities of energy are required to manufacture glass packaging, and the process of melting the raw materials generates CO₂ emissions. We are addressing these challenges with our climate targets, which were validated by the Science Based Targets initiative (SBTi) in the reporting year. Vetropack's most important climate protection measures include technical optimisation and electrification of our furnaces, renewable electricity sourcing and own production, reducing the percentage of soda, and increasing the share of recycled glass in the mix of raw materials.



The glass packaging industry is very intensive in terms of energy and greenhouse gases. Temperatures of around 1,600°C are required to melt the raw materials, and large quantities of natural gas are currently used for this purpose. Greenhouse gases are also generated in the supply chain from the production and extraction of the raw materials (including soda as the largest source of emissions), and also by transport processes. On the other hand, Vetropack is increasingly confronted with climate-related transition risks and physical risks. Climate-related transition risks include regulatory changes such as the EU Packaging and Packaging Waste Regulation (PPWR), or market risks such as rising and fluctuating energy prices. The main physical risks we identify are the growing shortage of water and the increase in temperatures. Our [TCFD report](#) describes how climate-related risks and opportunities impact our business model, and how we are reducing climate risks and making strategic use of climate-related opportunities.

Concepts, policies and measures

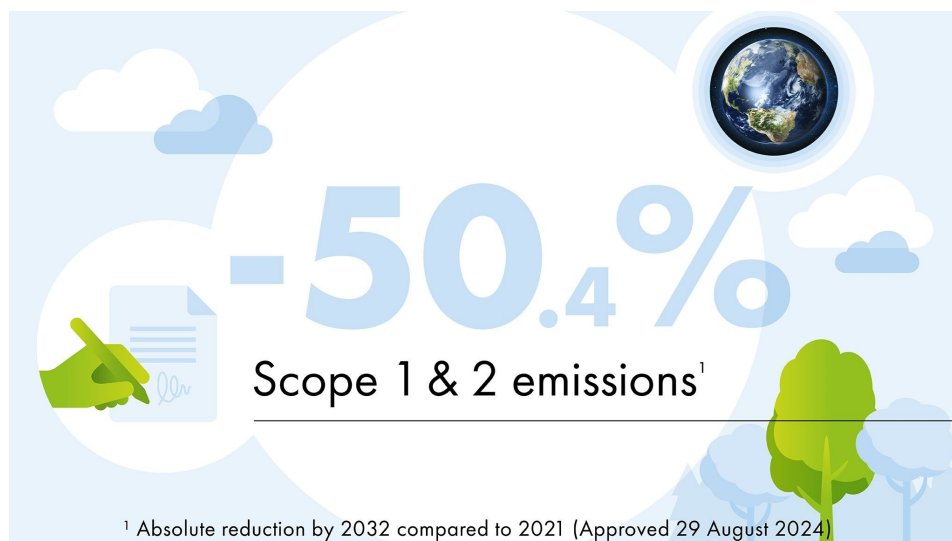
Environmental policy and responsibilities

Vetropack's Health, safety and environmental policy governs the Group-wide approach to climate and environmental protection. This policy includes employee training aimed at promoting awareness of climate and environmental protection. Our Group Sustainability Manager develops Vetropack's climate targets and the Sustainability Steering Committee approves them. The [TCFD report](#) gives a detailed description of our climate-related responsibilities at the various hierarchical levels. It also explains how we integrate climate-related opportunities and risks into our risk management.

Science Based Targets initiative (SBTi) and decarbonisation roadmap

Climate protection is an integral element of our Clearly sustainable strategic thrust. We are committed to effective climate targets in keeping with the Paris Agreement on Climate Change, and we undertake to implement a science-based emission reduction pathway. The Science Based Targets initiative (SBTi) validated our climate targets in the year under review:

- 50.4 percent reduction of absolute Scope 1 and Scope 2 GHG emissions by 2032 as compared to a 2021 base year
- 30 percent reduction of absolute Scope 3 GHG emissions (categories purchased goods and services, capital goods, fuel- and energy-related activities, and upstream transportation and distribution) by 2032 as compared to a 2021 base year.
- Source 100 percent renewable electricity (throughout our entire operations) by 2032

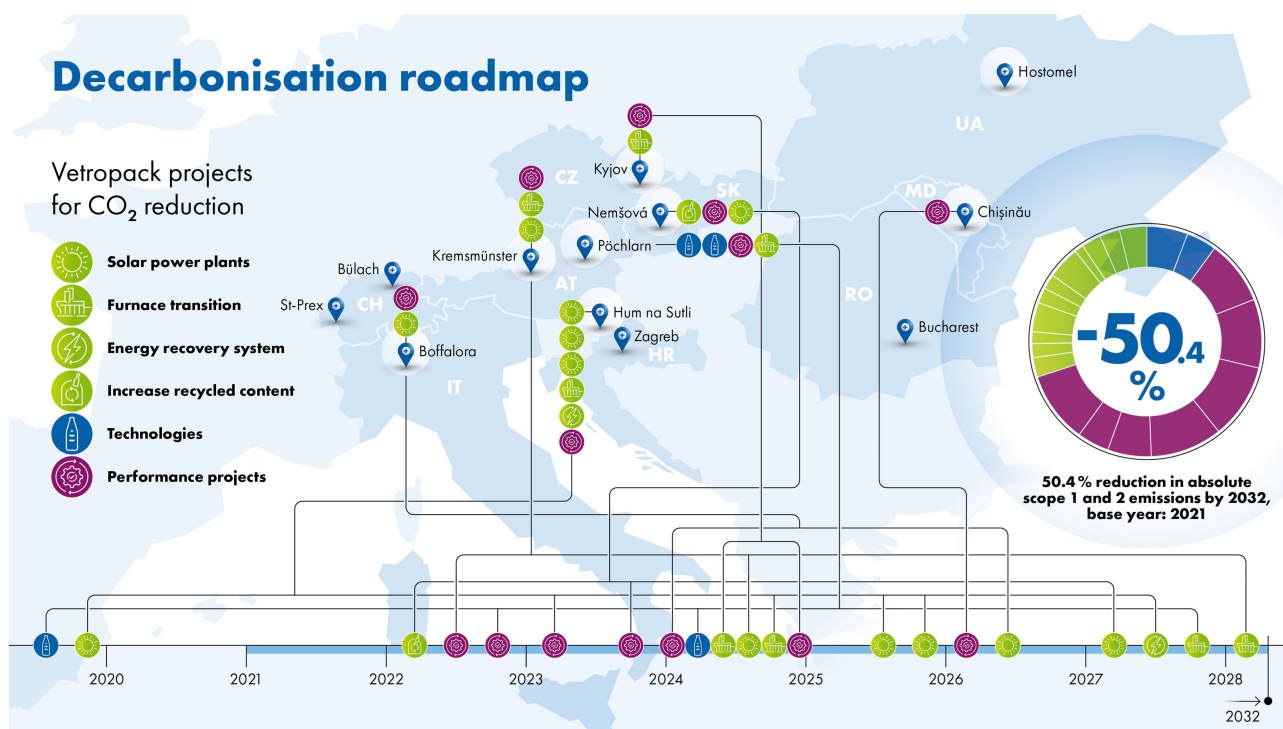


To implement the targeted emission reduction pathway, we are putting these climate protection measures into practice:

- Furnace repairs and construction of new furnaces give us major leverage to make more efficient use of the natural gas required for the melting processes. This is because the refurbishment of furnaces can improve energy efficiency by 10 to 15 percent. Our scope for action here depends on the technology available on the market.
- Progressively electrifying our furnaces: increasing the share of electrical energy used to operate the furnaces. This is mostly possible with latest-generation furnaces.

- Using the highest possible share of renewable electricity (through sourcing, or from our own production)
- Participation in research projects under the auspices of International Partners in Glass Research (IPGR). Focal points here are optimising the composition of raw materials for glass production, and testing new furnace technologies.
- Using the highest possible share of recycled glass as a raw material for manufacturing new glass packaging. According to information from the European Container Glass Federation (FEVE), utilising 10 percent of used glass results in savings of about 2.5 percent on energy and 5 percent on CO₂ emissions as compared to glass production without the addition of cullet. More information on this aspect is available in the [Resources](#) section.
- New vehicles in our own vehicle fleet must be electric or hybrid.
- Switching to electrically-powered forklifts
- Performance Improvement Programme (PIP): planning optimal utilisation of melting furnace capacity for efficient energy usage, and reducing the quantity of soda required. More information is available in the [Economic performance](#) section.
- Rightweighting: our glass containers consist of only as much material – and weigh only as much – as is necessary to meet the customer’s specifications and requirements without causing unnecessary environmental pollution due to excessive use of raw materials. More information is available in the [Resources](#) section.

We achieve our climate targets with the help of the decarbonisation roadmap shown here.



Decarbonisation roadmap

We are currently focusing on these projects:

- Modernisation of the furnace at [Hum na Sutli](#) (Croatia) in 2024
- Consolidation of two furnaces at Kremsmünster from 2028 onwards: by combining the two furnaces to create one large furnace, we will increase capacity and improve energy efficiency. The modernised furnace should largely be operated with electricity, so it could enable us to halve the CO₂ emissions from the furnace.

- Use of energy we produce ourselves thanks to the installation of photovoltaic systems on our roofs – for example at [Kremsmünster](#) (Austria) and at our Croatian plant, [Vetropack Straža d.d.](#)

Our suppliers' Scope 3 emissions and commitment to climate protection

Scope 3 accounts for more than 50 percent of Vetropack's total emissions. The main categories involved are purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, downstream transportation and distribution and capital goods. We are taking several measures to reduce our Scope 3 emissions: we are minimising the soda content, collaborating with the manufacturers to recycle our moulds and fire-resistant materials, and we are also testing new packaging film made of recycled material. We can only reduce upstream Scope 3 emissions in collaboration with our suppliers. In view of this, our first step was to determine the status quo regarding our suppliers' commitment to climate protection. For this purpose, we conducted a survey and organised webinars. Our goals here were twofold: to communicate our commitment to climate protection, and to create awareness of this issue. The evaluation of this analysis is a key element of our future emission reduction strategy. More information on this aspect is available in the [Supply chain management](#) section.

Progress and events in the reporting year

Efficiency gains thanks to new furnace in Kyjov

We commissioned the new furnace at our Czech site in [Kyjov](#) at the start of 2024. The rebuilt furnace offers greater production capacity, so there is an impressive increase in the efficiency of its energy usage. In addition, two servo-driven NIS glass-blowing machines and an AIS glass blowing machine were commissioned. Servo technology not only results in exceptionally precise glass forming processes, but also delivers a convincing reduction in energy consumption and remarkable improvements in efficiency and performance. The NIS machine requires less human interaction, so it increases safety in production. Also see: [Occupational health and safety](#).

Vetropack Straža d.d. implements modernisation measures to benefit climate protection

The flint furnace at our Croatian plant in [Hum na Sutli](#) was drained and then demolished in September 2024. After reconstruction, production was ramped up again in December. As part of this project, Vetropack Straža d.d. also introduced new glass-blowing machines. One of these is a servo-electrically driven NIS glass-blowing machine that features exceptionally efficient energy usage. Thanks to this modernisation, the plant achieves higher performance and optimises its production costs.

Photovoltaic systems in Kremsmünster

We are installing photovoltaic systems on the roofs of our [Kremsmünster](#) plant in a multi-stage project that will continue until 2026. To ensure that almost 100 percent of the generated electricity is channelled directly into production, the entire system is tailored to the plant's electricity consumer profile. The first stage of expansion began in 2023, and we completed the second stage in the reporting year. By the time the project is completed in 2026, the system will produce around eight megawatt hours of solar power, approximately equivalent to the annual consumption of 2,000 households. After the final expansion stage, this means we will save around 345 metric tons of CO₂ per year.

Photovoltaic systems in Hum na Sutli

Vetropack Straža d.d. has made a start on installing the third photovoltaic system. After completion of the project, we expect it will be possible to reduce CO₂ emissions from the plant by around 300 metric tons per year. The project is scheduled to take 11 months and is set to comprise around 4,483 photovoltaic modules.

Performance indicators

Energy consumption

	Change	2024	in %	2023	in %
Total energy consumption in GWh	0%	2 752		2 747	
Electricity	12%	486	18%	433	16%
Natural gas	- 2%	2 253	82%	2 299	84%
Other (Heating oil, diesel, petrol...)	- 6%	13	0%	14	0%
Specific energy consumption in MWh/t¹⁾	- 4%	1.90		1.97	

¹⁾ Per metric ton of glass produced that satisfies all quality and safety requirements thus qualifying for sale.

Due to a higher 'boosting share' (the percentage of electricity used compared to natural gas) at our site in Boffalora, Vetropack's electricity consumption increased between 2023 and 2024. However, the Group's specific energy consumption decreased by 4 percent between 2023 and 2024: this reflects improved production efficiency at Boffalora (with efficiency gains of 23 percent between 2023 and 2024). On our sites in Kremsmünster, Pöchlarn, Kyjov and Gostomel have also achieved efficiency gains.

Greenhouse gas emissions Scope 1 and Scope 2

	Change	2024	in %	2023 ⁴⁾	in %
Scope 1 + 2 greenhouse gas emissions in tCO₂e¹⁾	3%	680 271		662 508	
Scope 1 natural gas	- 2%	411 858	61%	421 510	64%
Scope 1 process emissions ⁴⁾	- 1%	113 385	17%	114 863	17%
Scope 1 other fuels and refrigerant leakages	33%	3 478	1%	2 625	1%
Scope 2 electricity ²⁾	23%	151 550	22%	123 511	19%
Specific greenhouse gas emissions in tCO₂e/t³⁾	- 0%	0.474		0.476	

¹⁾ Greenhouse gas inventory calculated in accordance with the Greenhouse Gas Protocol. Emission factors used for the calculations of Scope 1 are from DEFRA 2024 for 2024 and DEFRA 2023 for 2023. Emission factors used for Scope 2 location-based are from IEA 2024 for 2024 and IEA 2023 for 2023.

²⁾ Emissions for 2024 and 2023 are calculated according to the market-based approach (using energy certificates where available: these represent approximately 86% (2024) and 92% (2023) of overall electricity consumption). Applying the location-based approach results in 133,320 tCO₂e for 2024 and 106,540 tCO₂e for 2023.

³⁾ Specific greenhouse gas emissions were calculated on the basis of Scope 1 and 2 emissions per metric ton of glass produced that satisfies all quality and safety requirements, thus qualifying for sale.

⁴⁾ The process emissions reported in 2023 were erroneous due to a misreported value for soda consumption at one of our sites. The value reported previously was 104,921 tCO₂e

Vetropack's Scope 2 emissions increased between 2023 and 2024 due not only to higher electricity consumption, but also to an increase in market-based emission factors for purchased electricity in Austria and Italy.

Greenhouse gas emissions Scope 3

	2023	in %	2022 ²⁾	in %
Scope 3 greenhouse gas emissions in tCO ₂ e ¹⁾	712 260		500 578	
1. Purchased goods and services	266 712	37%	142 468	28%
2. Capital goods	102 869	14%	62 965	13%
3. Fuel- and energy-related activities	94 565	13%	116 986	23%
4. Upstream transportation and distribution	135 809	19%	94 995	19%
5. Waste generated in operations	11 594	2%	6 546	1%
6. Business travel	1 068	0%	1 521	0%
7. Employee commuting	3 910	1%	4 362	1%
8. Upstream leased assets	3 475	0%	1 069	0%
9. Downstream transportation and distribution	60 834	9%	30 512	6%
10. Processing of sold products	6 142	1%	7 911	2%
11. Use of sold products	-	0%	-	0%
12. End-of-life treatment of sold products	25 191	4%	31 043	6%
13. Downstream leased assets	89	0%	192	0%
14. Franchises	-	0%	-	0%
15. Investments	2	0%	8	0%

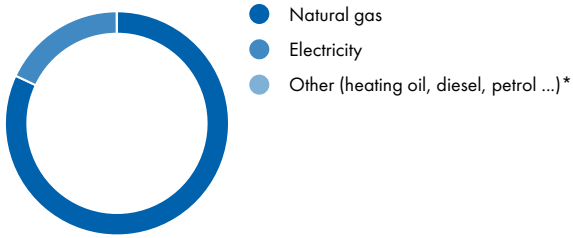
¹⁾ Vetropack's reporting of Scope 3 greenhouse gas emissions is delayed by a year.

²⁾ Vetropack re-evaluated its Scope 3 emissions in 2024. This re-evaluation included changes in methodology: emission factors were updated and specified, input data for the calculation was refined. This means that the figures for 2022 and 2023 are not comparable.

For the 2023 year, we used more accurate emission factors to calculate our Scope 3 emissions. This led to a significant increase compared to previous years and, as a result, direct comparability with past data is not possible. For this reason, the present report does not include a comparative graph.

Total energy consumption by source 2024

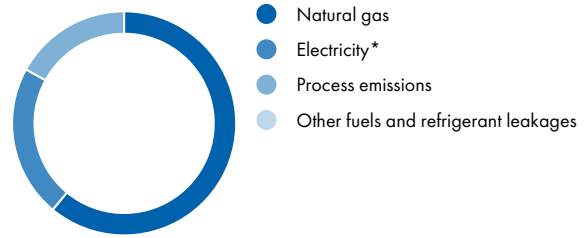
in %



*less than 1% of the total energy consumption

Greenhouse gas emissions (Scope 1 + 2) by source 2024

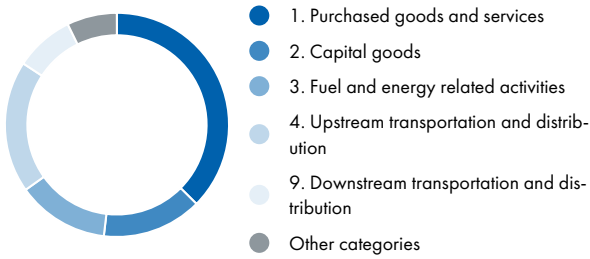
in %



* market-based

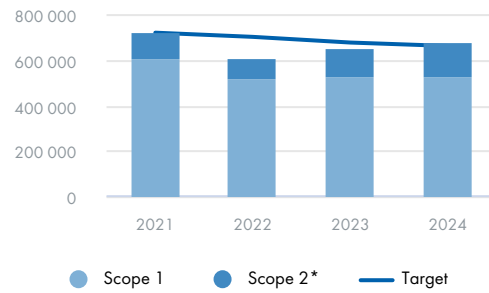
Scope 3 emissions by category 2023

in tCO₂e



Greenhouse gas emissions Scope 1 + 2

in tCO₂e



* market-based



Sustainability

Resources

The most important resources for manufacturing our glass packaging are recycled glass and the raw materials: quartz sand, soda, lime, dolomite, feldspar, and colouring agents. The higher the proportion of recycled glass that is added, the lower the environmental impact of glass production will be. Glass is also a packaging material that is suitable for the circular economy, because it is reusable and can be recycled an infinite number of times. Due to packaging regulations and the requirements of our customers and consumers, growing importance is accorded to our reusable packaging, our lightweight glass packaging solutions, and a high recycled content.



The extraction and manufacture of the raw materials in the upstream supply chain for glass production entail environmental impacts. Regulatory provisions such as the EU Packaging and Packaging Waste Regulation (PPWR), together with customers' requirements and consumers' environmental awareness, are making it increasingly urgent to use resources efficiently and offer a wide range of packaging suitable for the circular economy. Demand for customised packaging could decline in the future on account of the PPWR. On the other hand, we anticipate competitive advantages in the packaging industry because glass can be recycled an infinite number of times with no loss of quality, so it is inherently suited to the circular economy. Another opportunity in the packaging market arises for Vetropack thanks to our innovative lightweight reusable bottles made of thermally tempered glass.

Concepts, policies and measures

Raw materials for glass production

We use the following materials to manufacture glass packaging for the food and beverage industry: recycled glass, quartz sand (silicon dioxide), soda (sodium carbonate), lime, dolomite and colouring components. Alongside recycled glass, quartz sand is the main component of glass. Soda reduces the melting point of the quartz sand. Lime and dolomite give the glass stability, hardness and lustre. For colouring, we use metal oxides such as iron or copper oxides. To reduce the environmental impact of glass production, we aim to use the highest possible recycled content. By 2030, this share should reach an average of 70 percent.

As well as the composition of the raw materials, the packaging design has a significant influence on the environmental impact. In keeping with the [rightweighting](#) approach, we gauge the weight of our glass products so they meet our customers' requirements for quality, design and functionality without the use of any additional material.

Diversified responsibilities

Given that Resources is a material topic with many diverse aspects, it also involves contributions from several different functions. The principal responsibility for sourcing recycled glass is assigned to the Supply Chain Management team. The Engineering and Production department calculates the optimum use of resources for new products. The Group Sustainability Manager measures goal attainment as part of his responsibility for the Clearly sustainable strategic pillar.

The Integrated Management Systems department is responsible for implementing legally compliant handling of waste. Furthermore, our Health, safety and environmental policy guarantees responsible waste management throughout the Group. The site managers are responsible for implementation.

Recycled glass as a starting material for new products

Vetropack is a member of the [Close the Glass Loop](#) initiative, which aims to attain a glass collection rate of 90 percent in Europe by 2030. Regional glass collection rates influence the amount of recycled glass that packaging manufacturers such as Vetropack can use to produce new glass containers. Glass collection rates differ widely across Europe. Among other reasons, this is related to the national glass collection infrastructure in each country. In our production countries of Ukraine, Slovakia and Croatia, for example, there are no glass containers that allow colour-separated collection. In the Republic of Moldova and Ukraine, it is also exceptionally difficult to source cullet of adequately high quality.

The goal of the glass packaging industry is complete recycling of glass products at the end of their life cycle for the manufacture of new products. Our cullet sourcing strategy paves the way towards this objective, and modern cullet processing plants ensure that high-quality cullet is available for the production of new glass containers. We operate cullet processing plants in Switzerland, Austria, the Czech Republic, Slovakia, Croatia and Ukraine. Further information on this topic is available in the [Supply chain management](#) section.

As described under [Climate protection](#), the environmental impact of glass production is reduced if the highest possible share of used glass is utilised in production. This minimises the requirements for other raw materials such as sand, soda, feldspar and dolomite, and it also reduces the quantity of energy needed for the melting process. Studies by FEVE, the European Container Glass Federation (source: [FEVE](#)) state that a 10 percent increase in used glass results in energy savings of 2.5 percent and CO₂ savings of around 5 percent.

Active commitment to collecting glass packaging

As described above, the availability of cullet depends on many factors. Together with as the collection infrastructure and the transport systems, consumer behaviour plays a key part. As a member of FEVE, the industry association, we believe that we are responsible for actively drawing consumers' attention to the relevance of collecting glass, and for raising their awareness in this regard. To achieve this, we launch awareness-raising initiatives and campaigns in Austria, Croatia, Slovakia, the Czech Republic and Switzerland, and we also carry out [online promotion](#). [Friends of Glass](#) is the name by which these activities are known. Moreover, they draw consumers' attention to the health-related and ecological advantages of glass packaging.

Innovative lightweight glass

As described in the [Innovation](#) section, Vetropack is proud of our [innovative lightweight glass product](#). It is about 30 percent lighter in weight than conventional reusable bottles, but it also offers the outstanding advantages of higher stability, less abrasion and therefore more reusability than traditional glass products. The bottles are thermally tempered; thanks to their reduced weight, they minimise logistics effort and outlay, and – an impressive benefit – their CO₂ emissions are significantly lower than those from conventional reusable bottles.

Responsible production processes and waste handling

In Vetropack's view, the material topic of Resources means not only offering glass packaging in keeping with the circular economy, but also producing responsibly and conforming to the relevant environmental legislation. The central guideline in this context is our Group-wide Health, safety and environmental policy. This states that our approach to resources is based on awareness, and that we reduce environmental pollution. The Health, safety and environmental policy provides a guidance framework, requiring all employees to comply with the relevant statutory provisions and to behave responsibly in order to avoid and reduce waste. Vetropack also has a standardised waste management procedure which defines how the company manages waste, from generation through to reuse, recycling or disposal.

The majority of waste is generated during the processing of used glass. This consists of foreign substances that adhere to the glass or are wrongly thrown into the glass containers. They include food residues, ceramic, food packaging made of other materials, or glass that is not suitable for manufacturing new packaging for the food industry. Large quantities of refractory and metal waste are also generated when furnaces are refurbished or rebuilt. These materials are managed and recycled by external specialist companies.

Waste in the form of plastics or wood originates from the packaging of the raw materials. In this case, whenever possible, Vetropack opts for reusable solutions – for example, as part of our [Holistic Pallet and Pad Management \(HPPM\)](#) system.

Progress and events in the reporting year

Reusable bottles made of lightweight glass

In the reporting year, the 0.33-litre bottle produced with our thermally tempered lightweight glass technology reached the market as a new reusable solution for Brau Union Österreich. The bottle is about one third lighter in weight than conventional reusable bottles – but, thanks to its stability, it enables a circulation rate that is about 20 percent higher than for comparable products. The bottle's lower weight reduces logistics effort and outlay, thus lowering greenhouse gas emissions. The light but robust glass bottles are ideal for use as returnable containers, so they also contribute to attaining the refill quota which has been mandatory in Austria since 2024 and, going forward, they will play a key part in connection with the refill quota defined in the EU by the Packaging and Packaging Waste Regulation (PPWR). More information about this success story is available to read [here](#).

Digital Recycling pilot project in Croatia

Vetropack Straža d.d. is collaborating with a food manufacturer and a municipal service provider on the Digital Recycling pilot project, under the supervision of the Group Sustainability Manager. Vetropack is providing financial support for the project and is taking on some of the organisational tasks. The Digital Recycling pilot project involves a campaign to educate and sensitise consumers with the aim of increasing the quality of the glass collection and recycling rate throughout the country. On the basis of an online survey, this project investigated the low collection rate for glass packaging that is not covered by the Deposit Return Scheme (DRS). The campaign analysed the types of messages or images that have the greatest impact on consumers' glass collection behaviour. Based on the survey results, appropriate messages were distributed in the form of campaign images – for example, to make it easier for consumers to find glass collection containers. The project will run until spring 2025.

Performance indicators

Material consumption: share of recycled content

	2024 ¹⁾	2023	2022	2021	2020	2019
Material consumption: recycled content						
in green glass	74%	69%	66%	63%	65%	65%
in amber glass	70%	65%	71%	61%	55%	53%
in white glass	40%	43%	41%	41%	42%	43%
overall average	57%	56%	57%	55%	55%	53%

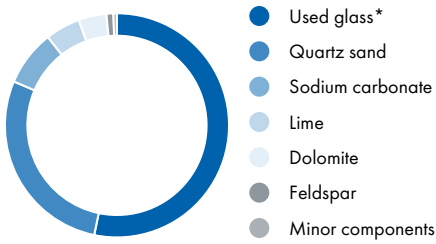
¹⁾ Vetropack reached an average recycled content of 57 percent in the reporting year, considering all colours. The highest cullet share was 74 percent for green glass, and the lowest share was 40 percent for white glass. This reflects the market availability of the respective colours.

Waste

	Change	2024	in %	2023	in %
Waste disposal in metric tons	0%	82 163		82 036	
Waste diverted from disposal (i.e. recycled)	5%	60 825	74%	57 718	70%
Non-hazardous waste	6%	60 662	100%	57 365	99%
Hazardous waste	- 54%	163	0%	353	1%
Waste directed to disposal	- 12%	21 338	26%	24 317	30%
Non-hazardous waste	- 16%	19 305	90%	23 114	95%
Hazardous waste	69%	2 033	10%	1 204	5%

Raw materials for glass production 2024

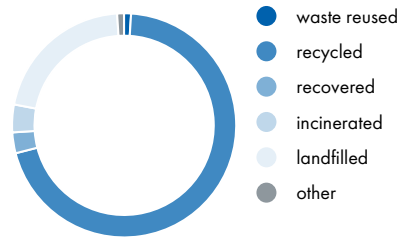
in %



* There is a natural difference between the recycled content used and the percentage of raw materials used due to the weight losses of some materials (sodium carbonate, lime and dolomite) in the melting process.

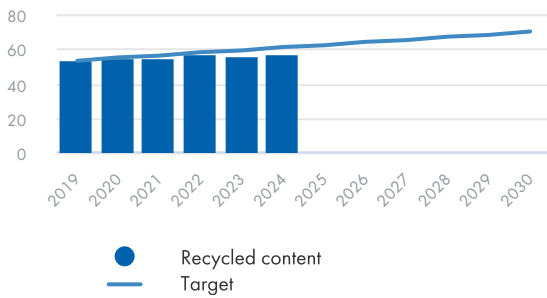
Waste and its disposal 2024

in %



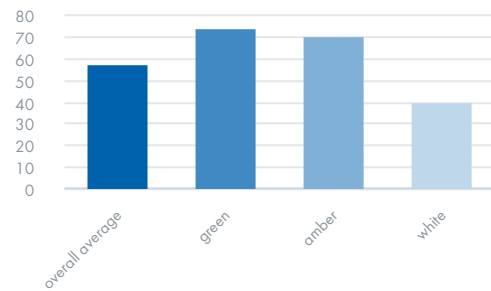
Share of recycled glass content and target

in %



Recycled glass by colours 2024

in %



In 2023, Vetropack achieved an average cullet share of 56 percent taken across all colours, while the figure in the reporting year was 57 percent. The highest cullet share was 74 percent for green glass, and the lowest share was 40 percent for white glass.

Production of white glass with a high percentage of recycled content is particularly challenging. On the one hand, this colour is very popular in the food industry. And on the other hand, flint glass does not tolerate any 'impurities' due to coloured cullet. Therefore, its availability is often limited. To add to the difficulties, the glass containers for colour-separated glass collection have been abolished in some countries. Our Slovakian plant in Nemšová has responded by operating a plant with a special sorting unit, which separates and cleans the flint glass so it can be used as a raw material for new products.



Sustainability

Water

In order to manufacture glass packaging, we mainly use water for cooling purposes and, whenever possible, we implement closed water loops. Efficient and responsible water management is constantly becoming more important for us, especially in view of the increase in droughts due to climate change.



The material topic of water comprises water withdrawal, water consumption and water discharge. At Vetropack, we mainly use water in the form of cooling water for our production processes. To a large extent, water for glass production circulates in closed loops: this means that water withdrawal, consumption and discharge are limited and the risk of water contamination is low. On the other hand, the effects of climate change are changing the availability of water – and this can also impact our production. In the long term, statutory requirements or orders to restrict water usage could present a risk. This makes it all the more important that we should already adopt a responsible approach to water as a resource today.

Concepts, policies and measures

Systematic water management

We view measurement and monitoring of water withdrawal, water consumption, water quality and water discharge as core elements of systematic water management. In the course of implementing the recommendations of the [Task Force on Climate-related Financial Disclosures](#) (TCFD), we have identified changes in the availability of water as a material climate-related physical risk.

This makes it all the more important not only to implement the legal requirements regarding water use, wastewater treatment and wastewater discharge, but also to reduce our water consumption.

Health, safety and environmental policy

A responsible approach to natural resources such as water is enshrined in our Group-wide Health, safety and environmental policy. In addition to compliance with requirements stipulated by environmental legislation, the policy requires us to avoid negative impacts on water such as pollution or excessive consumption.

The Group Sustainability Manager is responsible for strategic orientation in respect of water as a material topic. The main responsibility for implementing the legal requirements lies with the Engineering and Production departments and the Integrated Management Systems department. The teams at our plants implement the local requirements.

Water in glass production

In glass production, water is mainly used as a coolant for the machines. For the most part, the water circulates in closed loops.

Outside of the production processes, we need water to clean the plastic pads that are used multiple times as part of our Holistic Pallet and Pad Management (HPPM) system. As described in the [Supply chain management](#) section, our Procurement policy states that we take account of environmental criteria when purchasing new plant and machinery. This includes water consumption.

To cut the gobs with the shears, as they are known, we use oils or emulsions. As the cutting takes place, these additives can end up in the water network. This is why our water treatment systems ensure that the water does not exceed the legally stipulated limit values for wastewater discharge. We perform regular analyses to check the water quality. These also include checks on the water temperature: to meet legal requirements, we measure the temperature of the water before we introduce it into municipal systems. In case of deviations in water quality, we implement measures in collaboration with the responsible local authorities.

Performance indicators

Water consumption

Water in m ³	Change	2024	in %	2023	in %
Total water withdrawal	4%	1 258 999		1 210 010	
Surface water (incl. collected rain water)	- 17%	47 259	4%	56 899	5%
Groundwater	2%	819 564	65%	800 852	66%
Third-party water (i.e. municipal water supply)	11%	392 176	31%	352 258	29%
Total water discharge	5%	1 074 085		1 020 014	
Surface water	130%	394 780	37%	171 992	17%
Third-party water (i.e. wastewater treatment plants)	- 20%	679 305	63%	848 022	83%
Total water consumption	- 3%	184 914		189 995	
Water intensity in m³ per metric ton of glass produced¹⁾	1%	0.88		0.87	

¹⁾ The specific water intensity was calculated on the basis of m³ withdrawal per metric ton of glass produced that satisfies all quality and safety requirements thus qualifying for sale.



Sustainability

Social impact

Vetropack's business success is critically dependent on our employees. They help us to maintain our competitive edge. This is why Vetropack is setting itself the goal of being viewed as an Employer of Choice. To achieve this goal, we offer our employees fair, safe and secure working conditions.



Social impact

Our corporate vision focuses on continuous learning. We deploy strategic talent management to promote our employees' development. We offer our employees prospects and create value for our company at the same time. We build up close relationships with our employees thanks to transparent communication, dialogue, and regular engagement surveys. We endeavour to guarantee equal opportunities for all our employees – and to ensure this, we are committed to a non-discriminatory and inclusive corporate culture where diversity is valued and respected. We also regard our employees' safety as a factor of central importance.

In this chapter

[Employee satisfaction](#)

[Diversity, equity and inclusion](#)

[Occupational health and safety](#)



Sustainability

Employee satisfaction

By investing in the development of our employees and creating fair working conditions, we intend to position ourselves as an Employer of Choice in keeping with our corporate strategy. Standardised processes, pay evaluation systems based on objective criteria, and development of our employees with various training programmes are key elements of our Employer of Choice strategy.



Glass production is demanding in terms of manual skills as well as physical effort. This gives us all the more reason, as an employer, to offer our employees fair working conditions and create a working environment where respect prevails, with prospects for personal and professional development. Motivated and dedicated employees are essential if we are to achieve our strategic goals and produce high-quality glass packaging in line with our customers' specifications. If employees do not feel they are appreciated, they will turn away from Vetropack: that would reduce the productivity and innovative strength of our business, and could negatively impact the quality of our products.

Concepts, policies and measures

Transparent and fair working conditions

Our [Code of conduct](#) sets out the framework and defines the requirements for our employees to work together with mutual respect, and to comply with the applicable labour laws. In line with our personnel and management policy, the Code of conduct also states that all employees shall meet

their responsibilities for respecting human rights in accordance with the Universal Declaration of Human Rights and the Fundamental Conventions of the International Labour Organization (ILO). It goes without saying that we reject any form of forced or child labour. The Code of conduct also stipulates that employees are entitled to working hours, holidays and remuneration in accordance with the applicable labour laws and industry standards. Further information on the Code of conduct and our overarching Business ethics policy (BEP) can be found in the [Compliance](#) section.

Employer of Choice as part of our Strategy 2030+

In keeping with our strategy, we endeavour to position ourselves as an Employer of Choice so we stand out from our competitors. The Human Resources department is responsible for implementing the Employer of Choice initiative. This department provides the appropriate policies, guidelines and instruments. Our managers set an example by putting the strategy into practice in their day-to-day work.

In keeping with our Employer of Choice promise, we opt to implement a Total Compensation Strategy (TCS). This states that pay for all employees is determined according to objective criteria, so the approach is non-discriminatory. The TCS views compensation as an overall package of financial remuneration, holiday entitlement and flexible working hours, and is tailored to functions and overall country-specific conditions in each case. More information is available on this subject in the [Diversity, equity and inclusion](#) section.

So we can continuously improve our corporate culture and working conditions, we conduct company-wide employee surveys at intervals of about three years. These surveys aim to identify Vetropack's strengths and weaknesses as an employer, and to determine our employees' satisfaction and engagement levels: the findings give us valuable input regarding potential for improvements to our corporate culture.

One relevant performance indicator for our employee strategy is the Great Place to Work® Trust Index, which allows us to benchmark with other companies and motivates us to keep on implementing improvements. For internal purposes, we use the following KPIs to measure the success of our Employer of Choice strategy:

- Voluntary turnover: maximum 5 percent (2024: 4.0)
- Job offer acceptance: 90 percent (2024: 96.9)
- Retention rate of new hires within the first two years: 90 percent (2024: 77.9)

Employee recruitment and development

The environment for attracting and retaining suitable employees is becoming increasingly competitive. This makes it all the more crucial to recognise and promote employees with potential at all levels, and to reduce staff turnover.

In view of the shortage of skilled labour, we are strategically aligning our talent management to focus on the following Group functions:

- Talent Attraction and Acquisition
- Talent Management
- Learning and Development

We are digitalising our recruitment processes in respect of Talent Attraction and Acquisition. For instance: we now have a fully implemented module in SuccessFactors for recruitment, where all recruitment processes are managed digitally; we have remodelled our website; and we aim to target attention at our company as a potential employer through our presence in digital media.

In Talent Management, we have a Talent and Organisation Review (TOR) process that ensures we are effectively managing our workforce and organisational structure so we can sustainably meet our strategic goals. This annual process encompasses on all levels in the company, and consists of two parts:

- Talent review: identifying employees with leadership potential or special expertise to support the corporate strategy. A framework programme is in place to promote career development and offer targeted support for future leaders.
- Organisation review: evaluating the long-term future viability of our organisation and succession planning. This process identifies future requirements, minimises disruptions when there are personnel changes in key roles and serves the purpose of strategic orientation.

Learning and Development is responsible for initiatives and programmes that benefit our employees' ongoing professional and personal development. These range from establishing key learning platforms such as Vetroademy and designing tailored eLearning content to sponsorship of specific and advanced education on strategic topics for our employees.

Transparent processes, guidelines and policies

We continue to use the SuccessFactors software from SAP to digitalise our human resources processes and record Group-wide key figures on employees. This promotes standardisation and helps to make processes transparent. Since 2023, we have been using the new Performance Management module in SAP's SuccessFactors. The Performance Management module supports us with functions such as conducting standardised employee interviews, and with measuring and reviewing our employees' development goals. These guidelines and policies help to make our HR processes transparent:

- Continuing training guidelines
- Recruitment guidelines
- Promotion guidelines

Learning organisation

We are endeavouring to create a learning organisation, and to provide our employees with the right tools to support them with acquiring new knowledge. Our corporate vision emphasises continuous learning, and we offer training in both hard and soft skills. In keeping with the blended learning concept, we offer various learning channels such as classroom training, virtual training, and eLearning. We are proud of Litmos, our eLearning platform that offers over 1,500 courses on a variety of specialised subjects. Litmos enables our employees to take part in courses or deepen their company-specific knowledge at any time, and from any location.

To ensure that we are also positioned as a learning organisation in the medium term, we have set ourselves this goal:

- By 2030, we intend to increase our investments in continuing training for our employees by around 50 percent.

The Vetroademy development platform is another element of our pledge to be a learning organisation. This platform offers interactive learning experiences that help employees to advance their personal development by acquiring new expertise – an approach that benefits the entire company. Vetroademy includes programmes focusing on leadership, sales, glass, and other strategic topics. The Leadership programme equips participants with the skills and tools they need to excel as leaders, fostering a culture where employees thrive, enjoy their work, and consistently perform at their best. We are also stepping up our investments in language and diversity training programmes to facilitate interaction between our locations and, at the same time, to promote knowledge transfer. More information is available on this subject in the [Diversity, equity and inclusion](#) section.

Training centres offer instruction on glass production

At our company's own Training Centre in Pöchlarn (Austria), we train specialists in glass production and offer education for our employees. Aided by virtual reality technologies, employees can acquire industry-specific expertise and craftsmanship in a safe environment at our Training Cen-

tre. Through the Centre, we aim to pass on the art of glassmaking to new talents, transfer knowledge, and combat the shortage of skilled workers.

As well as our largest Training Centre in Pöchlarn, we offer similar training facilities on a smaller scale in all our plants so our employees can also learn and perfect their glassmaking skills at local level.

Agility Scouts are key to elevating our corporate culture

We are committed to growing our network of Agility Scouts, as we call them. They comprise around twenty employees from various sites who perform different functions, and they help to find opportunities for shaping and continuing to develop our corporate culture. The philosophy adopted for their mission is: 'For a working culture that is just as transparent, sustainable and natural as our glass.' The Agility Scouts trigger challenges aimed at improving processes and fostering our corporate culture. They also provide support for implementing projects linked to working culture. Based on the employee survey conducted in 2023, the Agility Scouts will focus on issues such as improving our feedback culture, with the help of appropriate initiatives.

Progress and events in the reporting year

Training workshop for apprentices at Kremsmünster

In 2024, we opened a new Training Workshop at our [Kremsmünster](#) location in Austria. Going forward, therefore, our apprentices in Austria will each complete one part of their training in the Pöchlarn plant, and another part in the Kremsmünster plant. Training content at Kremsmünster focuses on pneumatics, electropneumatics and robotics. To arouse enthusiasm about glass container production among youngsters at a very early age, we also plan in future to invite schools to the new training workshop where we will inspire them by demonstrating the diversity of our activities.

Results from the employee survey

In 2023, we invited our employees to participate in an employee survey carried out by Great Place to Work®, an independent survey institute. Based on the results, we identified two key issues at Group level: feedback culture, and psychological safety. We are now taking a targeted approach to improving our feedback culture, based on the survey results. For example: the Agility Scouts are launching initiatives to promote feedback among employees at the same hierarchical levels. This is because we are convinced that constructive feedback helps our employees to advance their professional development. Psychological safety was identified as the second key issue. We want to give our employees more training on dealing with challenging situations, make communication channels available to them, and enable them to achieve a good work-life balance. The [Occupational health and safety](#) section describes other initiatives that benefit our employees' mental health. Alongside the key issues for the entire Vetropack Group, our individual sites are undertaking projects based on the local findings from the survey.

Performance indicators

GRI 2-30 Collective bargaining agreements

About 30 percent of our employees are covered by collective bargaining agreements, which are formulated in various ways according to local legislation.

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

We adhere to the provisions of labour law and take account of customary remuneration practices in each country. In general, no significant benefits are provided to full-time employees that are not offered to part-time employees as well.

Key indicators regarding employees

Composition of the workforce (at year's end)¹⁾	Change	2024	in%	2023	in%
Total number of employees in Headcount (excl. apprentices, interns, trainees, contract workers, temporary workers)	- 5%	3 585		3 772	
Permanent employees by employment type	- 4%	3 533	99%	3 685	98%
Full time (excl. apprentices, interns, trainees, contract workers, temporary workers)	- 3%	3 501	99%	3 602	98%
Female	5%	859	25%	817	23%
Male	- 5%	2 642	75%	2 785	77%
Part time (excl. apprentices, interns, trainees, contract workers, temporary workers)	- 61%	32	1%	83	2%
Female	- 70%	20	63%	66	80%
Male	- 29%	12	38%	17	20%
Temporary employees by employment type	- 40%	52	1%	87	2%
Full time (excl. apprentices, interns, trainees, contract workers, temporary workers)	- 40%	50	96%	84	97%
Female	- 18%	18	36%	22	26%
Male	- 48%	32	64%	62	74%
Part time (excl. apprentices, interns, trainees, contract workers, temporary workers)	- 33%	2	4%	3	3%
Female	- 33%	2	100%	3	100%
Male	-	-	0%	-	0%
Workers who are not employees²⁾	- 5%	39		41	
Apprentices	- 8%	33	85%	36	88%
Female	- 17%	5	15%	6	17%
Male	- 7%	28	85%	30	83%
Trainees	0%	1	3%	1	2%
Female	-	1	100%	-	0%
Male	-	-	0%	1	100%
	100%				
Contract workers	25%	5	13%	4	10%
Female	-	2	40%	-	0%
Male	- 25%	3	60%	4	100%

¹⁾ The decrease in overall employee numbers in is associated with the closure of our site in St-Prex in 2024.

²⁾ Newly, figures for contract workers are disclosed for the year 2023. Hence, there is a deviation from the formerly reported values.

New hires and employee turnover

	Change	2024		2023 ¹⁾	
		Joiners	Joiners	Joiners	Joiners
		Head-count	Rate in %	Head-count	Rate in %
New hires by gender					
Total	- 24%	404	11%	535	14%
Male	- 26%	286	10%	387	14%
Female	- 20%	118	13%	148	17%
New hires by age group					
<30	- 11%	134	29%	151	29%
30-50	- 11%	250	14%	280	69%
>50	- 81%	20	1%	104	39%
New hire rate in %	- 3.2%p	11.0%		14.2%	

¹⁾ The new hire rate was newly calculated using the average employee number instead of the end of year value for the breakdown by gender. This results in a slight deviation to the value reported for 2023. Due to lack of data, this methodology is only used for 2024 data in the breakdown by age group.

	Change	2024		2023 ¹⁾	
		Leavers	Leavers	Leavers	Leavers
		Head-count	Rate in %	Head-count	Rate in %
Turnover by gender					
Total	37%	591	16%	432	12%
Male	57%	464	17%	295	10%
Female	- 7%	127	14%	137	16%
Turnover by age group					
<30	70%	146	32%	86	17%
30-50	27%	233	13%	184	46%
>50	31%	212	15%	162	60%
Turnover rate in %	4.5%p	16.1%		11.6%	

¹⁾ The turnover rate was newly calculated using the average employee number instead of the end of year value for the breakdown by gender. This results in a slight deviation to the value reported for 2023. Due to lack of data, this methodology is not used for 2023 data in the breakdown by age group.

Performance reviews

	Change	2024	2023
Regular performance reviews ¹⁾		in%	in%
Permanent employees	28%	17%	13%
Female	23%	29%	24%
Male	30%	13%	10%
Temporary employees	7%	10%	9%
Female	- 38%	15%	24%
Male	94%	6%	3%

¹⁾ The Group performance review process applies only to a specific part of employees such as management functions.



Sustainability

Occupational health and safety

Production of our glass packaging entails hazards for the employees who work in our plants. This makes it all the more important for the entire company to accord the highest priority to compliance with occupational safety legislation, and to create overall conditions that enable work to be carried out safely – fully in keeping with our principle: ‘I’m more important than production’.

High temperatures, noise, emissions, operation of machines and handling of chemical substances present risks to the safety and health of our employees in glass production. This remains true even though we invest in the latest technology and equipment, and all our plants meet the highest possible occupational safety standards. Inadequate safety and work-related illnesses or absences would impair our employees’ wellbeing and restrict their productivity – also leading to financial disadvantages for Vetropack. Occupational safety and health protection are essential to our business success. For this reason, we accord top priority to occupational safety measures that go beyond the minimum legal requirements. The perception of the Vetropack brand, combined with the highest safety standards, also helps us to attract new talents who are enthusiastic about glass production.

Concepts, policies and measures

Occupational safety is strategically relevant

We are convinced that a safe and accident-free work environment is crucially important for our employees' wellbeing and for Vetropack's business success. For this reason, we have defined the following goal:

- We shall endeavour to reduce the Group-wide TRIR value to 2.0 by 2030.

This is why it is particularly important to embed our safety culture by means of awareness-raising measures, regular training, and systematic collection of data on accidents and near misses. Also, the TRIR value (Total Recordable Incident Rate), or accident frequency rate, is linked to remuneration for our Management Board and senior management.

Safety culture, rules and principles

It is only possible to manufacture high-quality glass packaging if an established safety culture is in place. This is why we invest in a corporate culture that focuses on raising awareness about work-related hazards.

Our central occupational safety guidelines comprise four safety principles and nine safety rules.

The four safety principles are:

- I keep to the rules
- I protect myself
- I don't enter into any risks
- I look out for others

The graphic below shows the content of our nine golden safety rules.



Rule 1: I respect procedures, signals and warnings

In addition, we familiarise our employees with a key principle: 'I'm more important than production'. If employees perceive a situation as a hazard to their safety or health, they are required to discontinue their work.

According to our Procurement policy (see [Supply chain management](#)), we always take account of safety and health aspects when purchasing new machines and production plant and, whenever possible, we give preference to low-pollutant and low-noise equipment.

Systematic occupational safety management

Our occupational safety management systems comprise standardised processes and are geared to continuous improvement. Our plants at Pöchlarn (Austria), Kremsmünster (Austria), Kyjov (Czech Republic), Nemšová (Slovakia) and Hum na Sutli (Croatia) have occupational safety management systems certified to ISO 45001 in place. The other plants (except Chişinău) have equivalent systems based on the ISO standard. We are planning certification to ISO 45001 for our Boffalora plant in 2025.

We control our occupational safety management as follows:

- At Group level, the Director Corporate Development and Integrated Management Systems (IMS) is directly responsible for quality, occupational safety, sustainability, and environmental protection.
- The Group Health and Safety Manager reports to this corporate function and, together with the Director Corporate Development and Integrated Management Systems, coordinates the activities of the Safety Managers at the individual plants.
- Plant managers and team leaders are responsible for applying and correctly implementing the defined safety standards.
- An occupational safety working group provides the setting for the Safety Officers of the plants and the Group Health and Safety Manager to exchange ideas across all sites. This working group is responsible for internal audits and for evaluating the occupational safety concepts.
- Employees are responsible for complying with the safety rules in their daily work, and for promoting mutual awareness.

Principles that apply throughout the company are enshrined in Vetropack's Health, safety and environmental policy, which obliges the plants to develop and implement appropriate concepts. This policy obliges the plants to develop and implement appropriate concepts. Within the scope of the policy, we provide our employees with adequate protective equipment and offer awareness-raising programmes to draw their attention to hazards and how to deal with them.

We carry out regular internal and external safety audits to assess the effectiveness of our safety concepts and measures. When internal audits take place, the safety experts at one plant examine the processes and concepts at another plant and identify potential for improvement. External audits serve the purpose of certification (or re-certification).

Within the scope of our occupational safety system, we undertake standardised risk analyses in accordance with the principles of ISO 45001. We urge our employees to report near misses to their line manager or the local Safety Manager – because analysing near misses helps to prevent accidents. We apply a standardised process to evaluate the events involved in accidents so as to prevent similar occurrences in the future. For this purpose, regular dialogue is maintained between the Occupational Safety Managers at the individual plants. The topic of occupational safety is also discussed at management meetings.

As a preventive measure, employees with particular exposure are required by law to undergo regular occupational health screenings. If employees show the first signs of an occupational illness or disease, we support them with adapting their activities.

Measures to enhance occupational safety

In addition to our occupational safety policy and our multi-level occupational safety management system, we provide regular training for our production employees. To ensure that our employees are familiar with the nine safety rules, we provide supplementary training as an element of the [Safety Days](#) held at every site.

Carelessness and time pressure are reasons for violating safety rules and disregarding principles that are essentially familiar. We deliberately aim to remedy such lapses by implementing what is known as the Safety Minutes philosophy. Safety Minutes are brief training sessions lasting around ten minutes that concisely convey relevant safety information and instructions on behaviour. The Safety Minutes philosophy encourages employees to make each other aware of work-related hazards and compliant behaviour. The aim is to ensure that zero tolerance for rule violations is implemented consistently by all functions in everyday working life, so Group-wide awareness is fostered.

Some of our plants have their own [firefighters](#) who take action to prevent fires and dangerous situations. They carry out regular inspection tours of the plants to identify potential risks. They liaise closely with the local fire brigade and can react quickly in an emergency. But as well as taking action in emergencies, the fire brigade also trains employees on dealing with hazards and sensitises them so they can actively avoid situations involving risks. Sites without their own fire brigade collaborate closely with the local fire brigade.

To ensure the highest level of occupational safety, it is important that our employees concentrate when carrying out the work steps and that they support one another. One hazard to employees that should not be underestimated originates from logistics activities in the warehouses. In our Bofalora plant, we have opted to implement a fully automated state-of-the-art warehouse. This makes it possible to reduce hazardous situations on the human-machine interface. Also see [Supply chain management](#) on this topic.

Promoting mental health

Our occupational safety systems are mainly geared to production and production-related areas. But protecting mental health is just as crucial in this context, – and this applies to all employees. Mental health was also identified as a relevant issue in the employee survey conducted in the reporting year. In future, we intend to manage this issue more strategically and to develop Group-wide concepts. At present, the services we offer in this area are largely limited to local programmes at individual locations. Some examples of activities that positively impact mental health are described below.

Our Bülach site launched a collaboration arrangement with the Wisli Foundation in 2023. For more than 35 years, this foundation has been advocating social and vocational integration for people with mental impairments. As part of this collaboration, we organise events focusing on physical health, and we make our employees aware of early warning signs.

To support employees in Ukraine who have been impacted by the war, we set up the [Vetropack Foundation Gostomel](#) in 2022 with the help of donations. The Foundation has the goal of providing support for Ukrainian employees whose house or apartment was destroyed in the war, or who suffered severe injuries. The Foundation also includes a psychological support programme.

Progress and events in the reporting year

Further standardisation of safety concepts

During the year under review, we decided to standardise and continue improving our occupational safety processes, policies and guidelines across all our plants from 2025 onwards, in collaboration with an external specialist. To record the current status, we shall begin the project by undertaking analyses at all our locations. This is because the safety concepts at individual plants differ from one another at present, due to local occupational safety legislation and varying levels of safety awareness in specific countries. Implementation of best-practice standards is intended to standardise occupational safety management in its entirety, ranging from standardised work instructions and personal protective equipment to employees' conduct. Our goal is to define our safety standards more systematically throughout the Group in future, and to balance out special country-specific features that exist at present.

NIS glass forming machines to improve safety

As described in the [Climate protection](#) section, one new melting furnace and two servo-driven glass forming machines were commissioned at the start of 2024 in Kyjov (Czech Republic). Vetropack Straža (Croatia) also introduced a NIS glass forming machine. As well as delivering impressive efficiency, the servo-driven NIS glass forming machines ensure greater safety for our employees because they require less human intervention. Moreover, employees are exposed to fewer noise emissions – with positive impacts on health.

Performance indicators

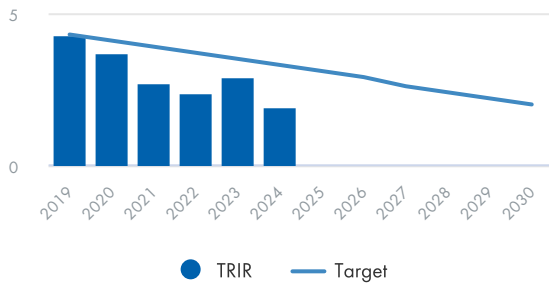
Key indicators for occupational health and safety

	Change	2024 ²⁾	2023
Number of fatalities resulting from work-related injuries	-	-	-
Number of high-consequence work-related injuries (excluding fatalities)	-	-	-
Number of recordable work-related injuries	- 37%	59	93
Total work days lost due to injuries and occupational diseases	- 33%	1 949	2 908
Total Recordable Incident Rate (TRIR) ¹⁾	- 33%	1.90	2.85
Total Recordable Incident Severity Rate (TRISR) ¹⁾	- 39%	56.00	91.21
Percentage of operational facilities that are certified to ISO 45001 certified	12%	63%	56%

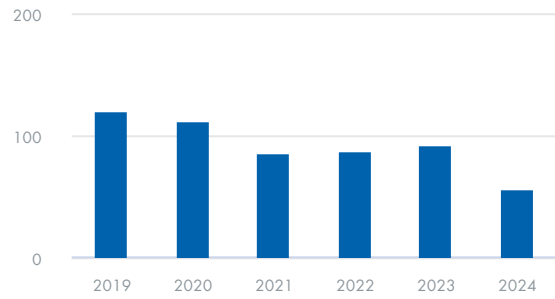
¹⁾ per 100 full time equivalents (FTE)

²⁾ St-Prex, which was closed in the year under review, is not included in this metric.

TRIR per 100 FTE and target



TRISR per 100 FTE



Indicators relating to occupational safety are heavily dependent on employee behaviour, so they are often subject to fluctuations. Long-term trends offer better insights into the efforts put in over many years and the effectiveness of safety concepts and measures.



Sustainability

Diversity, equity and inclusion

Vetropack is committed to an inclusive and non-discriminatory corporate culture where diversity is valued and equal opportunities are fostered. A diverse workplace environment contributes to our employees' satisfaction – which, in turn, promotes creativity, innovative strength and productivity throughout our entire company.



Vetropack places heavy emphasis on promoting diversity, equity and inclusion at all levels of the organisation. Equity means ensuring that all employees are treated fairly and have access to equal opportunities for growth and development, taking account of their individual needs and circumstances. A diverse workforce promotes flexibility and innovation – thus positively impacting Vetropack's competitiveness and business success. If we are not committed to diversity, equity and inclusion, there is an increasing risk that we shall lose employees to our competitors.

Concepts, policies and measures

Diversity, equity and inclusion are entrenched in our strategy, policies and guidelines

Promoting diversity, equity and inclusion is a cornerstone of our Employer of Choice strategy, which aims to ensure that all our employees feel comfortable, are given opportunities for professional and personal development, and are able to engage. More information about this strategy is provided in the [Employee satisfaction](#) section.

Our Business ethics policy and our Code of conduct prohibit any form of discrimination or unfair treatment. Our policies state that we recruit, assess and promote our employees on the basis of objective criteria, in accordance with the qualifications and skills required for a position.

To standardise our HR processes, we use the Performance Management module in the SAP SuccessFactors tool. This module measures relevant KPIs and helps to standardise performance goals. This, in turn, supports unbiased and consistent assessment of our employees' performance.

Our recruitment and promotion policies foster recruitment processes that are transparent and therefore fair, and they contribute to fair decisions on promotions. Our recruitment guidelines ensure that we fill new positions without prejudice, and in accordance with our values. To offer our employees prospects for development, we always advertise our vacant positions within the company as well as externally. We endeavour to select the best-qualified applicants and, at the same time, to create a diverse workplace environment.

Although some of our sites are over 100 years old, we consistently implement measures to ensure accessibility for individuals with physical limitations by undertaking maintenance work or implementing structural optimisations.

If our employees have any concerns about discrimination, harassment or inappropriate behaviour, they can raise such issues safely and anonymously – for example, via our SpeakUp Hotline. We also encourage our employees to contact the Legal & Compliance department, the Human Resources department or their direct line manager in the event of suspected or identified incidents. Compliance training familiarises employees with these processes. More information on this topic is available in the [Compliance](#) section.

Diverse nationalities and languages

People of around 40 nationalities work at Vetropack. Our company uses nine official languages and welcomes people from different cultural backgrounds and age groups. Since we have grown internationally in recent years and will continue to do so going forward, we are increasing our investment in language and diversity training. This is intended to simplify and step up interaction among our sites – which, in turn, will benefit the transfer of knowledge. Our internal communication channels such as Beekeeper (our employee app) encourage the integration of our diverse nationalities. For example: Beekeeper offers an integrated translation function that employees can use to engage in dialogue and access information in their preferred language.

Objective performance assessments and compensation

We make use of transparent pay and job assessment systems to evaluate our employees' professional performance according to objective criteria, so as to prevent discrimination. To guarantee equal pay, we implement standard salary ranges throughout the Group. These ranges ensure that our employees receive comparable – and therefore fair – pay for identical work that requires similar skills. This grading based on objective criteria ensures that only standardised, performance-related aspects influence pay. Our performance assessment systems, which apply throughout the Group, ensure transparency and comparability of the skills required for each function.

Awareness-raising measures and training

Our Human Resources staff and our managers participate regularly in training on diversity, equity and inclusion. Our Vetroacademy leadership programme also includes these topics among its focal points. This programme sensitises our managers and gives them the necessary levels of awareness. The training courses teach suitable instruments and methods to create a diverse working environment.

Progress and events in the reporting year

Employee survey confirms the perception of an inclusive working environment

The employee survey conducted by Great Place to Work®, the independent survey institute, supplied valuable insights about our employees' perception of Vetropack's commitment to diversity, equity and inclusion. The results of the survey confirmed that our employees basically perceive the workplace climate as non-discriminatory, and they feel that they are treated fairly regardless of their sexual orientation, gender or origin. We believe that diversity is a core value that requires ongoing effort, and we are already seeing the positive impact of our commitment.

Performance indicators

GRI 406-1 Incidents of discrimination and corrective actions taken

There were zero (2023: zero) cases of discrimination reported in 2024.

Diversity by age and position

	Change	2024	in%	2023	in%
Board of Directors (BoD)	0%	8		8	
under 30	-	-	0%	-	0%
30-50	-	-	0%	-	0%
over 50	0%	8	100%	8	100%
Management Board (MB)	0%	7		7	
under 30	-	-	0%	-	0%
30-50	-	-	0%	-	0%
over 50	0%	7	100%	7	100%
Extended Management Board	0%	14		14	
under 30	-	-	0%	-	0%
30-50	0%	2	14%	2	14%
over 50	0%	12	86%	12	86%
Management	5%	119		113	
under 30	-	-	0%	-	0%
30-50	5%	62	52%	59	52%
over 50	6%	57	48%	54	48%
Non-management	- 5%	3 452		3 645	
under 30	- 7%	445	13%	476	13%
30-50	- 9%	1 652	48%	1 817	50%
over 50	0%	1 355	39%	1 352	37%

All numbers in Headcount. Reduction in 2024 due to the closure of St-Prex

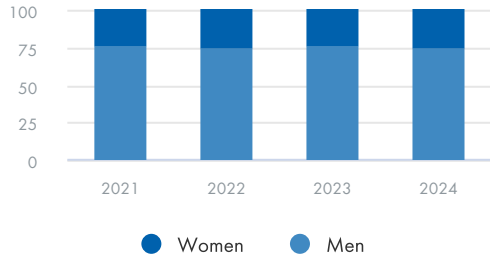
Diversity by gender and position

	Change	2024	in%	2023	in%
Board of Directors (BoD)	0%	8		8	
Female	0%	2	25%	2	25%
Male	0%	6	75%	6	75%
Management Board (MB)	0%	7		7	
Female	-	-	0%	-	0%
Male	0%	7	100%	7	100%
Extended Management Board	0%	14		14	
Female	0%	2	14%	2	14%
Male	0%	12	86%	12	86%
Management	5%	119		113	
Female	0%	34	29%	34	30%
Male	8%	85	71%	79	70%
Non-management	- 5%	3 452		3 645	
Female	- 1%	863	25%	869	24%
Male	- 7%	2 589	75%	2 776	76%

All numbers in Headcount. Reduction in 2024 due to the closure of St-Prex

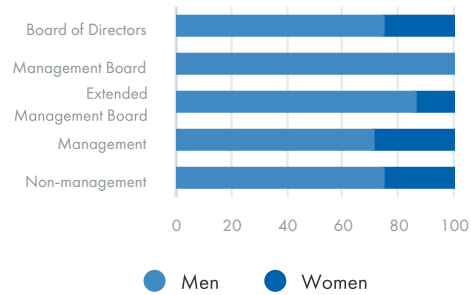
Diversity by gender

in %

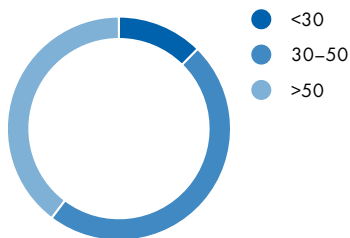


Diversity by employee category 2024

in %



Age structure of employees 2024



Employees by gender 2024

in %



Governance

Transparent processes and legally compliant business practices number among our basic principles. Ethical conduct is essential to maintain the trust of our stakeholders, and is therefore the basis for our long-term success. We require these high standards to be met throughout our entire value chain, and we carry out systematic inspections of our suppliers.



Governance

To embed awareness of ethical and legally compliant business practices in our corporate culture, we define binding requirements and issue instructions on conduct. Our Group-wide Code of conduct and Business ethics policy (BEP) provide central guidelines in this regard. We implement regular training and awareness-raising measures as appropriate to the various levels and topics.

Our most important principles are integrity, reliability, and transparency. Among the aspects included are safeguarding of human rights, ensuring fair competition, and combating corruption and bribery. Through our Supplier code of conduct together with systematic risk analyses, we ensure that our requirements are also met in the supply chain.

In this chapter

[Compliance](#)

[Supply chain management](#)



Sustainability

Compliance

As one of Europe's leading manufacturers of glass packaging for the food and beverage industry, we undertake to comply with the legal requirements and ethical standards in all our activities and business relationships. It is a given for us to take account of applicable laws, regulations and industrial standards, and to react immediately in case of any deviations. Vetropack sees training, awareness-raising measures and the implementation of relevant processes as key elements in ensuring compliance.

Ethical conduct and rejection of unlawful conduct form the basis for our daily work. We understand Compliance as meaning adherence to global and national laws and frameworks, together with integrity in business activities. Compliance benefits our corporate culture; it is essential for all our business relationships, and thus provides the basis for our commercial success. Breaches of the law would impair Vetropack's reputation and negatively impact the trust demonstrated by our suppliers, business partners and customers. Such breaches could also lead to legal consequences, including financial penalties.

Concepts, policies and measures

Embedding ethical conduct

Our fundamental ethical values are reflected in our corporate culture, which is based on the values of integrity, reliability and transparency. Our [Code of conduct](#) sets out these values, and also stipulates compliance with legal regulations and guidelines applicable throughout the Group. On recruitment, our employees sign the Code of conduct to signal their commitment to these principles. They include (among others) the prohibition of discrimination, ensuring fair competition, and the avoidance of bribery, corruption and fraud. Further principles include (but are not limited to) respect for human rights in accordance with the Universal Declaration of Human Rights and the conventions of the International Labour Organization (ILO). This includes the strict rejection of child and forced labour, the guarantee of freedom of association, and the right to collective bargaining.

Our Business ethics policy contains instructions on conduct that are applicable throughout the Group regarding legally compliant and ethical business activities. This policy includes the prohibition of bribery and corruption, the avoidance of conflicts of interest, the guarantee of fair competition, and compliance with antitrust law.

At Vetropack, the General Managers of the individual sites are responsible for compliance. They are supported by instructions on conduct from the Legal department.

Ethical principles in the supply chain

We also expect our suppliers to take account of our values and to behave in a legally compliant and ethical manner. Our [Supplier code of conduct](#) and Supply chain policy lay the foundations for compliance in our supply chain. The [Supply chain management](#) section describes in detail how we implement ethical and legal standards in the supply chain.

Competition and antitrust law

The high concentration of the European glass packaging market gives rise to challenges in terms of competition and antitrust law. Our Anti-trust policy obliges all employees to comply with the applicable competition and antitrust laws. It prohibits price fixing and market/customer allocation agreements with competitors.

Every three years, we carry out antitrust risk assessments to evaluate the entire Vetropack Group as well as our market environment. We review relevant regulations and internal processes. Training courses on antitrust law are conducted annually.

Combating corruption

In order to combat corruption, we adhere to local and international provisions based on the 1997 Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the 2021 OECD Anti-Bribery Recommendation.

We provide our employees and our suppliers with regular information on avoiding corruption. The relevant guidelines are established in our Code of conduct and Business ethics policy. They prohibit offering, demanding or accepting facilitation payments or bribes. In order to reduce corruption and bribery risks, we regularly implement internal inspections. Specific training is provided for employees holding key positions in areas such as procurement and sales. Our employees should report suspected cases to their line manager or the Legal department.

Corruption risks arise in connection with business activities in countries with high levels of corruption according to Transparency International. Our Legal department carries out corruption risk assessments every three years to determine the current situation. The Vetropack Group operates largely in countries with a moderate to very low Corruption Perceptions Index (CPI). There is a heightened risk in the Republic of Moldova and Ukraine.

Our Business ethics policy also defines the handling of gifts in order to prevent undue advantages and/or bribery. Bribery may lead to consequences under criminal law for individuals or for Vetropack as a company. The Group policy for gifts, hospitality and entertainment sets out specific instructions on conduct.

Handling conflicts of interest

In our Business ethics policy, we provide our employees with instructions on conduct in the event of any conflicts of interest. All employees are obliged to avoid conflicts of interest or to report them to the HR department, the local General Manager, or the Legal and Compliance department. In the event of conflicts of interest, the CEO and the responsible General Manager decide what approach should be taken. If conflicts of interest arise at Board of Directors level, the member concerned must recuse himself or herself from the relevant agenda item.

Whistleblowing system

We have set up a whistleblowing system for reporting identified or suspected breaches of the law. Our [SpeakUp Hotline](#), which forms part of our SpeakUp policy, can be accessed by employees and externals via our website, and it is available in various languages. All notifications are treated as confidential. On the basis of the SpeakUp policy, our employees undergo regular training to ensure they are familiar with the mechanisms for whistleblowing.

In case of suspected unlawful conduct, and for questions about the application of internal guidelines and policies or about the implementation of laws, the following individuals or departments may also be contacted: the local Compliance Coordinator, the management, the Legal and Compliance department (compliance@vetropack.com) or the CEO of the Vetropack Group. If necessary, critical notifications are also forwarded to the Board of Directors.

Data privacy and data security

In respect of data privacy and data security, we follow the principles of the European General Data Protection Regulation (EU GDPR) and the revised Swiss Federal Act on Data Protection (Data Protection Act, FADP). To ensure protection of our employees' and business partners' data, we are guided by the Group-wide Security guideline, and we align our information security processes with the ISO 27001 standard. The Director of Information Security and the Information Security Board bear the main responsibility for preventing cyber attacks and for data privacy. To prepare ourselves for the growing number of cyber attacks worldwide, we invest continuously in technical measures to increase information security. In order to implement the Data privacy policy, our Data Protection Coordinators organise annual training courses on data privacy.

Compliance training

We provide regular training and implement sensitisation measures to raise our employees' awareness about legally compliant business practices. For this purpose, the Legal and Compliance department conducts annual training courses on compliance at all our sites. As part of the onboarding process, new employees also participate in training programmes that cover the topics mentioned above. In addition, employees in key positions receive specific training that focuses on preventing corruption, excluding bribery, and antitrust law. We conduct internal audits to verify the implementation of these measures.

Our internal learning platform offers an online course about compliance which presents Vetropack's values and principles in various areas of business. By taking this course, employees learn about the content and application of the following guidelines and policies: the Code of conduct, the Business ethics policy, the Antitrust policy, and the Group policy for gifts, hospitality and entertainment. Employees are required to read these instructions on conduct and to confirm that they have understood the content. For employees who have no computer workstation, we provide on-site training; participation is confirmed by signature.

Progress and events in the reporting year

Implementation of the Group sanction check directive

In the reporting year, we implemented the Sanction check directive which is applicable throughout the Vetropack Group and which replaces local solutions already in place. This directive includes instructions on conduct for audits of new contractual partners in order to avoid any potential risks in connection with money laundering, corruption and similar areas of the law. The directive covers due diligence assessments of business partners, and it also helps us to identify suspicious transactions and other risks originating from our contractual partners. We are using a new research tool to implement the directive, and we are training our employees.

New process to combat corruption

Also during the year under review, we introduced a new process to verify compliance with measures to combat corruption. This process ensures that all Vetropack companies maintain appropriate compliance monitoring programmes, and that they provide recurring training courses. Our Internal Audit department regularly verifies implementation of these guidelines and compliance with them.

Performance indicators

GRI 2-16 Communication of critical concerns

In the year under review, two notifications (2023: one) were submitted through our internal whistleblowing system. In both cases, the issues were not relevant to compliance. Additionally, several notifications were received from external stakeholders. These notifications also concerned topics unrelated to compliance and therefore did not require further investigations.

GRI 2-27 Compliance with laws and regulations

There were no breaches (2023: zero) of applicable laws that led to the imposition of significant fines or non-monetary sanctions on Vetropack as a company during the reporting year.

GRI 205-1 Operations assessed for risks related to corruption

In the year under review, all our plants (2023: all plants with the exception of our plant in Ukraine) were assessed for corruption risks and audits were carried out in case of an increased risk. We determine the country-specific corruption risks for our plants on the basis of the Transparency International Corruption Perceptions Index (CPI).

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

Our entire management undergoes yearly training on Vetropack's procedures for preventing and combating corruption, so they are informed about legally compliant conduct in these respects. In 2024, 100 percent of our employees (except for those on long-term sick leave) were made aware of our compliance policies (Code of conduct, Business ethics policy, Anti-trust policy, Anti-corruption policy and gift policy) and/or took part in training activities (2023: 100 percent). Furthermore, in 2024, all locations conducted trainings on antitrust-related topics

GRI 205-3 Confirmed incidents of corruption and actions taken

There were no known incidents of corruption or cases of bribery during the year under review (2023: zero) No proceedings were initiated against Vetropack in these respects.

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

Vetropack is aware that risks of anti-competitive behaviour may arise. For this reason, all employees are required to adhere to the company's Business ethics policy (BEP) and the Anti-trust policy. In 2023, an investigation in connection with antitrust law was launched into various glass packaging manufacturers in Italy, and Vetropack Italy is included in this investigation. The authority has extended the investigation period until the end of 2025.

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

In the year under review, no complaints were submitted to Vetropack regarding breaches of customers' data privacy or losses of customer data (2023: zero).



Sustainability

Supply chain management

At Vetropack, supply chain management includes production planning, control and optimisation of the procurement of raw materials, energy, packaging material, transport services and machinery in order to produce high-quality glass packaging that meets our customers' specifications. It goes without saying that we fulfil our due diligence obligations in respect of fair working conditions and the verification of environmental standards in the supply chain.

Our direct upstream supply chain comprises (but is not limited to) purchasing of the raw materials and services required for glass production. For the approximate total of 5 billion glass containers that we manufacture each year, we procure around 895 000 metric tons of used glass, 440 000 metric tons of sand, 133 000 metric tons of soda, and 166 metric tons of colouring agents such as iron oxides. Synthetic production of soda is an intensive process in terms of greenhouse gas emissions, and the extraction of sand can negatively impact biodiversity if it is not sourced responsibly. In order to reduce the environmental impact of glass production, we utilise the highest possible share of good-quality cullet as a raw material for new products. Procurement of high-quality cullet is therefore critically important for us.

Overall, Vetropack works with around 324 strategic suppliers; all of them are based in Europe, and they supply our entire Group with the most important goods and services. Other relevant procurement items include machinery, plant and equipment, tools, and transport services.

By heeding internationally recognised standards as well as our own policies and guidelines, we ensure fair working conditions in our suppliers' operations and minimise damage to the environment. Cases of human rights violations, precarious working conditions, or breaches of environ-

mental laws in the supply chain would jeopardise our brand image and reputation. By guaranteeing the integrity and efficiency of our supply chain management, on the other hand, we reduce the risk of interruptions to the supply chain or to processes, and thus ultimately contribute to our customers' satisfaction.

Concepts, policies and measures

Strategic supply chain management approach

Vetropack views the purchasing of raw materials and services as a crucially important factor in business success. Supply chain management is located at the highest level, with the Chief Supply Chain Officer as a member of the Management Board. One individual responsible for sustainability also works (part-time) in the Supply Chain Team. In collaboration with the Group Sustainability Manager, this person is responsible for multiple aspects including procurement of electricity from renewable energy sources, verification of compliance with due diligence obligations relating to conflict minerals and child labour, carrying out risk analyses, and for reviewing and updating our Procurement policy.

Cullet and energy procurement strategies

In order to produce glass, it is essential to procure energy and used glass. We set out the key strategic thrusts in our cullet procurement and energy procurement strategies.

Temperatures of around 1,600°C are required to produce glass packaging, so the energy demand is correspondingly high. Ensuring the supply of energy for all our production operations therefore has the highest priority. Our energy procurement strategy includes purchasing both renewable and non-renewable energy. We respond to the volatility of the energy market by planning strategically and calculating future energy costs. As an industrial enterprise with a very high level of power consumption, on-site production of solar power and investing in Power Purchase Agreements (PPAs) enable us to contribute to the availability of renewable energy. This growth in renewable electricity will help us cushion the volatility of the energy market. Guarantees of Origin (or GOs, as they are known) constitute another element of our energy procurement strategy.

As described in the [Resources](#) and [Climate protection](#) sections, used glass reduces the energy demand and therefore lowers CO₂ emissions arising from the manufacture of new glass products: for instance, a 10 percent addition of recycled glass achieves energy savings of around 2.5 percent and reduces carbon emissions by about 5 percent (source: FEVE). Accordingly, Vetropack has set itself the goal of manufacturing new glass products with an average used glass share of 70 percent by 2030. So that cullet can be used as a raw material for new glass packaging, however, it has to meet quality specifications.

Our cullet procurement strategy aims to ensure that we can always use sufficient cullet – compliant with the defined quality criteria – for new products. The strategy takes account of regulatory changes as well as trade and transport barriers for recycled glass, and it covers strategic partnerships. It includes the purchase of high-quality cullet at the best conditions, and also the company's own processing of cullet in our cullet treatment plants. Most of our sites have their own cullet treatment plants which must constantly improve their performance to increase our cullet share. For this reason, we inspect our plants regularly and invest in technical optimisations when needed. The greatest challenge is the procurement of high-quality white glass, because this colour does not tolerate any contamination by glass of other colours.

Requirements to be met by our suppliers

The core element of supply chain management is our [Supplier code of conduct](#). This code describes Vetropack's expectations of its suppliers regarding human rights and working conditions, ethics, safety, health, and environmental protection. The Supplier code of conduct is based on our corporate values of integrity, reliability and transparency, and it is an integral part of all collaboration with suppliers.

Signing the Supplier code of conduct is a non-negotiable prerequisite for working with Vetropack. New suppliers must accept and sign the Supplier code of conduct unless they can prove they have their own code of conduct which is at least equivalent to our own code. We revised our Supplier code of conduct in 2023, and then required all our active suppliers to sign it again. In the course of supplier audits, we verify compliance with our requirements arising from the code.

Determining sustainability risks from our suppliers

We undertake an annual risk analysis on child labour and conflict minerals in accordance with the requirements of Swiss law. Every three years, we also evaluate our 100 largest suppliers (according to purchasing volume) on the basis of a wide range of sustainability risks. Indicators for this purpose are the sector and the geographical region. We check whether the suppliers have certifications in place and, at the end of the process, we assign the suppliers to various risk categories. The risk analysis undertaken in 2023 showed that none of our suppliers falls into the category known as 'high risk'. Classification in the 'high risk' category could lead to termination of collaboration with suppliers, following an in-depth investigation. At present, some 46 percent of assessed suppliers have an environment-relevant certification such as ISO 14001; 40 percent have a certification relating to the workplace environment, such as ISO 45001.

Human rights and due diligence obligations in the supply chain

We are aware that risks of human rights violations can arise in complex supply chains that span different industries and regions. Human rights are included in the risk assessments described above. Our direct upstream supply chain gives rise to a risk (assessed as moderate) of human rights violations by suppliers who provide us with soda, chemicals, sand, machines, packaging or moulds. Also, the supply chain risk assessment we performed in 2023 showed that some of our suppliers are located in countries with a moderate risk for human rights violations.

Several guidelines and policies ensure that human rights are respected in the supply chain. The Supplier code of conduct requires all suppliers to comply with the Universal Declaration of Human Rights and the fundamental principles of the International Labour Organization. Our suppliers are required to ensure a safe, fair and non-discriminatory working environment, to prevent any form of child or forced labour, and to act with integrity. Freedom of association and the right to collective bargaining must also be guaranteed. In addition to the Supplier code of conduct, our Procurement policy also states that fair working conditions must be ensured and human rights must be respected in accordance with international requirements.

The Supply chain policy implemented jointly in 2023 by the Legal and Compliance Department and the Group Sustainability Manager defines the responsibilities and processes in connection with the requirements of the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO). Maintaining and managing a system that guarantees the traceability of the supply chain are central elements of this policy. Based on the policy, we carry out annual risk analyses in respect of child labour and conflict minerals. For the 2024 reporting year, it was determined that Vetropack is exempt from the reporting obligation regarding conflict minerals and child labour. You can find detailed information on the due diligence obligations regarding child labour and conflict minerals in the [Notes to the report](#).

Sustainable procurement

In keeping with our Clearly sustainable strategic pillar, we also take account of sustainability aspects in our purchasing. Relevant standards and requirements are set out in our Procurement policy. The focus is on the following areas: human rights, working conditions, environmental protection, and fair business practices. The Procurement policy also regulates the integration of environmental clauses (such as certifications), and the reduction of greenhouse gas emissions. When we invest in new goods such as machines, we aim to minimise any negative impacts on the environ-

ment or employees by considering other aspects in addition to price: these include energy consumption, particle and pollutant emissions, or noise.

Progress and events in the reporting year

Efficiency analysis in supply chain management

We undertook an efficiency analysis of our supply chain management in 2023. For this purpose, we identified our responses to volatilities – both in procurement prices and demand – as relevant key issues. Then in 2024, we carried out a pilot project based on the knowledge gained from data analyses and interviews with managers in the specialist areas. One focal point was the optimisation of Sales & Operations Planning (S&OP). This is a key planning process for synchronising customer demand, procurement, production, and inventory levels. Optimisation of S&OP processes ensures that our work is cost-efficient and agile despite changes in the market. A crucial part is played here by a new forecasting accuracy report to support optimised planning and purchasing.

Determining our suppliers' commitment to climate protection

In connection with our climate targets as validated by SBTi, we set ourselves the goal of achieving a 30 percent reduction of our Scope 3 emissions by 2032 compared to the 2021 level. We can only achieve this goal in collaboration with our suppliers. For the 80 most relevant (based on purchase values) suppliers of packaging, raw materials, moulds and coatings, transport services and investment goods, we started out by determining the actual status of commitment to climate protection in the reporting year. For this purpose, we invited them to participate in a survey to ascertain the actual status of their commitment to climate protection. The [Climate protection](#) section describes our other efforts to protect the climate.

Sustainability goals for the Supply Chain Team

In 2023, our Supply Chain Managers and Lead Buyers took part in educational sessions on sustainable procurement; then in 2024, all Lead Buyers were assigned sustainability goals as part of their performance assessments. These sustainability goals include the implementation of projects that make a positive contribution to the environment or to society. Examples of such projects include: using recycled foil to package and protect the pallets, recycling of old moulds together with the production factory, exploring the potential for using electric trucks for customer deliveries and expanding the electric forklift fleet.

Automated warehouse and Yard Management System

Our 2023 Annual report included an announcement about the fully automated warehouse in our new plant at [Boffalora](#) (Italy). This modern warehouse optimises logistics processes and leads to more efficient order processing. Ultimately, however, the system was only implemented in full during the second half of 2024. Due to this delay, moreover, it took longer to implement the Yard Management System (also announced in the 2023 Annual report), which ensures prompt ordering and collection of products.

Performance indicators

In the year under review, 65 percent (2023: 80 percent) of our suppliers signed the Supplier code of conduct or use an own equivalent code.

GRI 308-1 New suppliers that were screened using environmental criteria

GRI 414-1 New suppliers that were screened using social criteria

Vetropack carried out 19 supplier audits in 2024 (2023: 40), based on a standardised questionnaire that checks social and environmental criteria. There was a particular focus on new suppliers.

The risk assessment of our 100 most relevant suppliers showed that 37 suppliers have an environmental management system certified to ISO 14001, and 28 suppliers have an occupational safety management system certified to ISO 45001. This assessment was carried out in 2023.