

# Welcome to Verallia

## Azuqueca plant visit – Spain

6/7 NOVEMBER 2023



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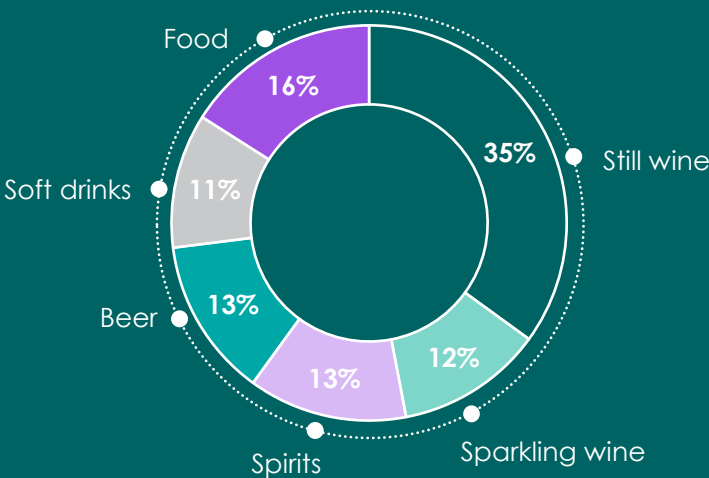
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AZUQUECA PLANT

# A global leader in glass packaging

## DIVERSIFIED AND BALANCED END-MARKETS

2022 Glass packaging<sup>(1)</sup> sales split by end-market



**N°1**

in Europe<sup>(2)</sup>  
87% of 2022 sales

**N°2**

in Latin America<sup>(3)</sup>  
13% of 2022 sales

**N°3**

Globally



Sources: Companies public information, management estimates and Advancy (IPO related study).  
Notes: (1) For bottles and jars only (97% of total Verallia sales). (2) Based on 2021 sales; "Europe" using each company's definition/management estimates. (3) Based on 2022 volumes in Argentina, Brazil and Chile.

# We are Verallia



# VERALLIA IBERIA

**Paulo PINTO**

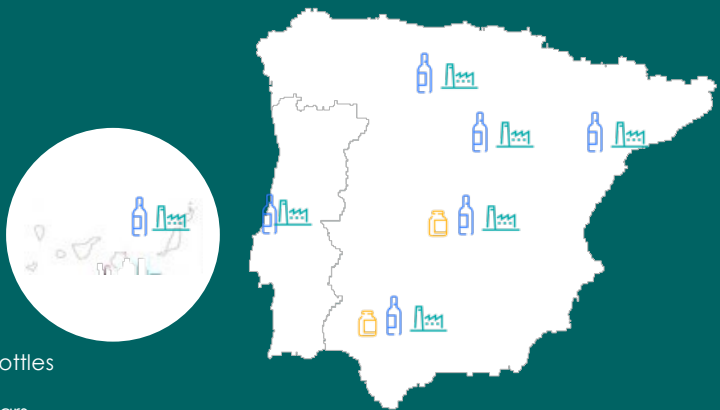
*General Manager Iberia*

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# Verallia Iberia one of the main players of the market

## > VERALLIA IBERIA FOOTPRINT



Bottles

Jars

Glass plants  
(incl. # of furnaces)

9  
glass recycling  
centres  
1 8

7  
Glass plants

11  
furnaces

1,2mlt  
capacity

## > KEY END MARKETS

### Final Market Strategy

Resilience by **market diversification**: Beer, Wine, Spirits and Jars as main segments but also in NAB, Olive Oil, Ciders, and New Markets (Kombucha, etc)

### Customer Strategy

Build long term relationship

### Product Strategy

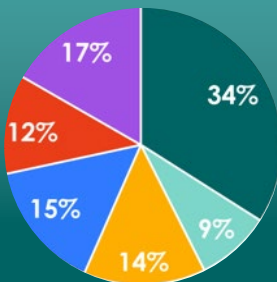
Industrial CAPEX and sales strategy aligned focus in 2 axes:

- Be competitive in **long runs with big specialisation** and competitiveness with big machines
- Developing the short runs. Premium market for added value** (New IS8 Montblanc Q4 22, flexline Seville and Mondego Q2-24)

**Maximize lightweighting in standard SKUs** and promote refillable markets offer

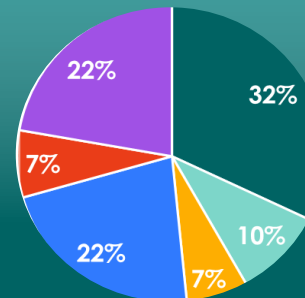
**Promote colour with higher cullet**

### VERALLIA IBERIA (kT)



■ Still wine  
■ Sparkling wine  
■ Spirits  
■ Beer  
■ NAB  
■ Food

### IBERIA MARKET (kT)



■ Still wine  
■ Sparkling wine  
■ Spirits  
■ Beer  
■ NAB  
■ Food

# CSR PRESENTATION

**Wendy KOOL FOULON**

*CSR Director & General Counsel*

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**Romain BARRAL**

*Director of Operations*

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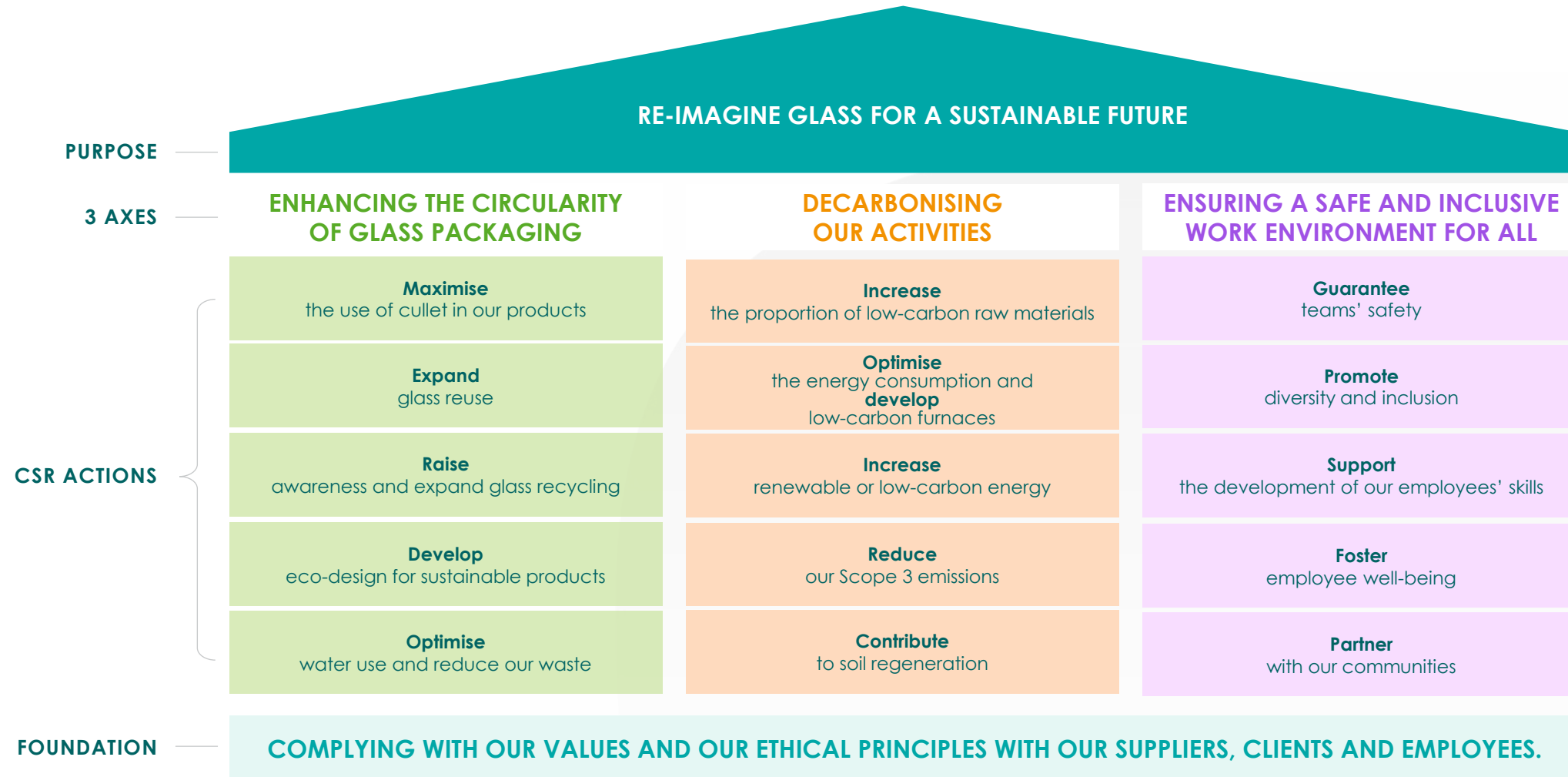
**Paulo PINTO**

*General Manager Verallia Iberia*

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# Our CSR Strategy



# 1 ENHANCING THE CIRCULARITY OF GLASS PACKAGING

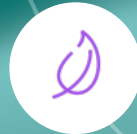


## THE 3 AXES OF OUR CSR STRATEGY



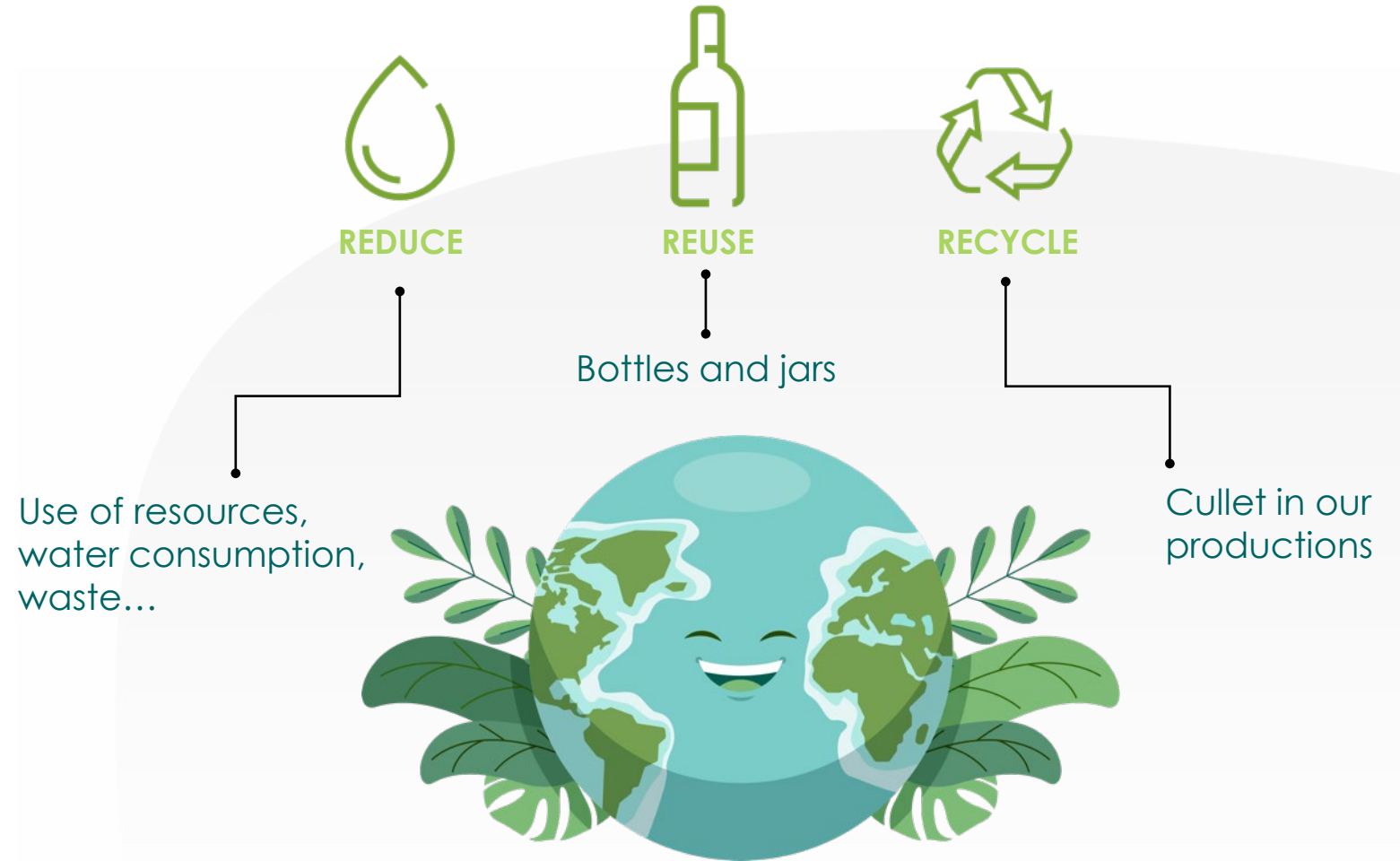
## 2 DECARBONISING OUR ACTIVITIES

## 3 ENSURING A SAFE AND INCLUSIVE WORK ENVIRONMENT FOR ALL



# The 3 R, levers to circularity

**RE** DUCE  
USE  
CYCLE



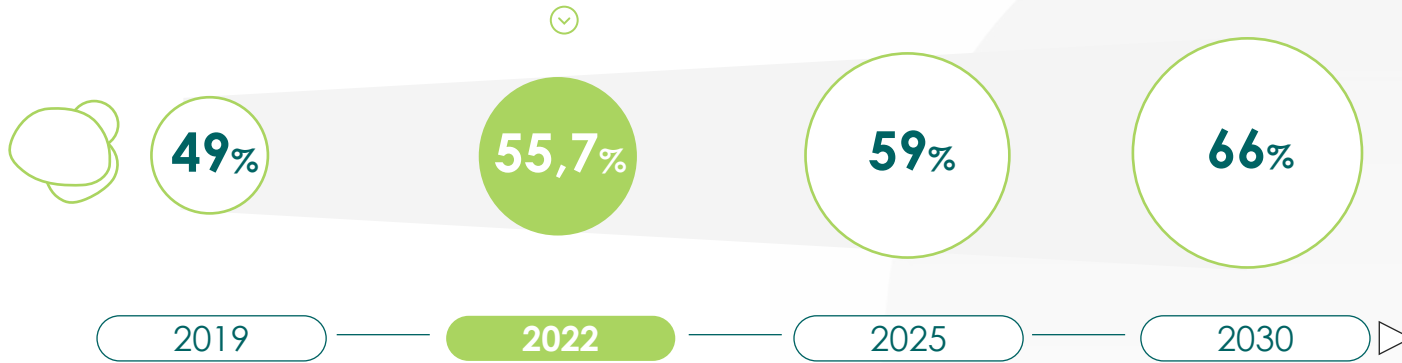


**RECYCLE**

# Maximise the use of cullet in our products

## OUR TARGET

Reach a rate of 59% in the use of external cullet in our production by 2025 and 66% by 2030



**CULLET IS OUR FIRST RAW MATERIAL!**

## WHY? BECAUSE IT REDUCES

- Virgin Raw Materials consumption
- Melting Energy
- Resulting CO<sub>2</sub> emissions

**+10**pts  
of cullet

=

 **-5%** of CO<sub>2</sub> emissions

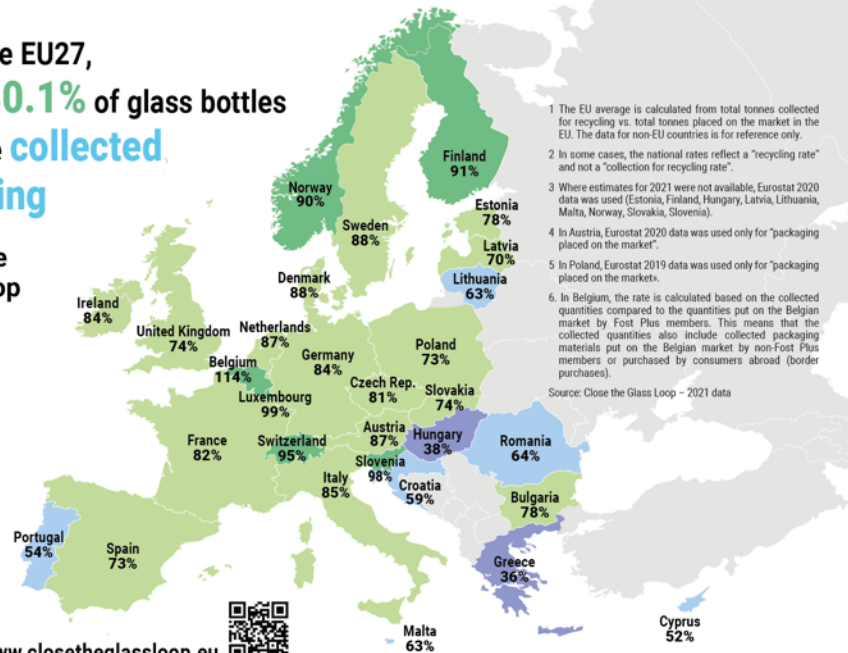
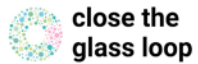
 **-2.5%** of energy consumption\*

# To recycle, we first have to collect

## EUROPE, VERALLIA IS PART OF CLOSE THE GLASS LOOP PROGRAM

### Container glass collection for recycling in Europe

In 2021, in the EU27,  
on average **80.1%** of glass bottles  
and jars were **collected**  
for recycling



- 1 The EU average is calculated from total tonnes collected for recycling vs. total tonnes placed on the market in the EU. The data for non-EU countries is for reference only.
- 2 In some cases, the national rates reflect a "recycling rate" and not a "collection for recycling rate".
- 3 Where estimates for 2021 were not available, Eurostat 2020 data was used (Estonia, Finland, Hungary, Latvia, Lithuania, Malta, Norway, Slovakia, Slovenia).
- 4 In Austria, Eurostat 2020 data was used only for "packaging placed on the market".
- 5 In Poland, Eurostat 2019 data was used only for "packaging placed on the market".
- 6 In Belgium, the rate is calculated based on the collected quantities compared to the quantities put on the Belgian market by Fost Plus members. This means that the collected quantities also include collected packaging materials put on the Belgian market by non-Fost Plus members or purchased by consumers abroad (border purchases).

Source: Close the Glass Loop - 2021 data

More details on [www.closestheglassloop.eu](http://www.closestheglassloop.eu)



## IN LATAM, VERALLIA DEPLOYS ITS OWN CONTAINERS



### VIDRO VIRA VIDRO em BRAZIL

> 600 boxes installed  
across 4 states  
including Sao Paulo

### Collection em CHILE

> 200 boxes  
installed, across 4  
states including  
Santiago



\*map 2023 with figures from 2021

# Cullet Treatment, a key resource: Verallia accelerates long-term investments across Europe



In **France**, Verallia has completed the upgrade of its 2 treatment centers to **maximize color separation** (2022-23)

This represents a **total investment of 10 M€**



In **Portugal**, Verallia and its partner **TM ALCUDIA** are finalizing the **construction of a new cullet treatment center**

This new entity named **Revimon** started operating in **October** and will support Verallia plant in Figueira da Foz with **70 kTons of treatment capacity**



In **Spain**, Verallia has completed the **acquisition of a treatment center close to Seville**

This new entity, named **Infiniver** and with a capacity of **60 kTons per year**, will supply also **Verallia Portugal plant**



In **Germany**, Verallia and its partner **Remondis** finalized the **renovation of their treatment center** in Bad Wurzach

This **investment of 3.5M€** allows the center to achieve a state-of-the-art treatment efficiency of **94%**

# Acquisition of ECOSAN: a major step for Verallia in the cullet sector

Acquisition of five cullet treatment centers, both for industrial flat glass and hollow glass, in Spain and Portugal

Reinforce Verallia's position in cullet treatment in Iberia with 9 centers





# REDUCE - ECO-DESIGN

Develop eco-design for sustainable products

# Weight reduction

## 2022 REDUCTION SUCCESS STORIES

- **3% weight reduction** for standard non-returnable bottles and jars in 2025 compared to 2019
- The goal is to reach **a 15.5 alpha index\* in 2025 v.s. 16 in 2019 and 15.9 in 2022**
- **8%** of bottles and jars were lightened (a saving of 12,800 tonnes of glass)



### Maison de Champagne Telmont & Verallia

The world's lightest bottle of champagne : first experiment between **(-35G)**



800G



### Burdeos Natasha - 20G lighter



660G



### Cava Tradición for Codorniu (Anna de Codorniu)

The **lightest cava bottle** in the market  
- **125G lighter**

775G



### Château Anthonic, 9% lighter

450G



### Bordelaise Air In average **18 to 20% lighter**

300G



\*The alpha index evaluates the weight/capacity ratio of glass packaging. It is a specific indicator to the glass industry that is used to monitor Verallia's eco-design performance.



# REDUCE – OPTIMISE WATER USE

# Reduce water consumption



0.58

2020

0.47

2022

0.40

2025

OUR TARGET: 0.4M<sup>3</sup>/TON IN 2025

## MONITOR & MAINTAIN

- Track consumption
- Eliminate leaks
- Reinforce preventive maintenance



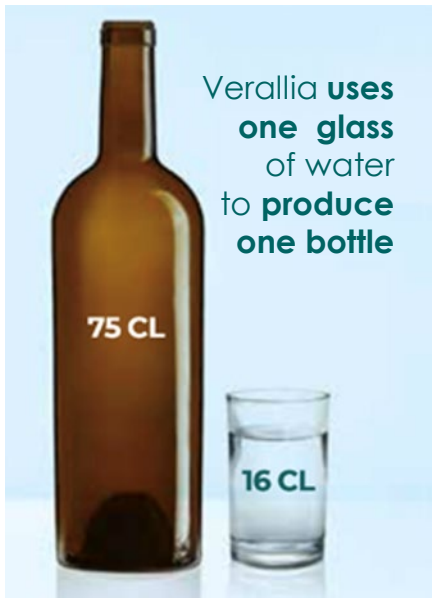
## REUSE

- Rainwater
- Closed loop cooling water systems



## IMPROVE

- Invest in most efficient technologies for water cooling and treatment



Verallia uses  
**one glass**  
of water  
to **produce**  
**one bottle**

**APPROXIMATELY 3 MILLION CUBIC METERS OF WATER  
ARE CONSUMED EACH YEAR BY VERALLIA**

= Equivalent of 1,200 Olympic swimming-pools – 2,500sqm

### WATER IS MOST OFTEN USED FOR:

- Cooling of production / maintenance machines
- Cooling of hot glass waste



# REUSE

Expand glass reuse

# Verallia initiatives in re-use

## BOUT À BOUT - FRANCE



Nantes-based **start-up** specializing in the reuse of glass bottles

**700k**

reusable bottles collected by Bout' à Bout' in 2022

**220**

points of sale / collection

**60 million**

bottles, the target capacity for financing an industrial washing site operational in 2023



**Financial participation**

total fundraising of €7 million



## NEW REUSABLE STANDARDS (FRANCE)



**Partnership** supported by the French Ministry of Ecology



Development Of 2 reusable standard references on a large scale by **2025**



**Ol also a partner for 2 other references**



## WINE REUSE (GERMANY)



**First customer agreement** with Riegel

Verallia Deutschland becoming a service provider for delivery, cleaning and reverse logistics of re-usable bottles



Newly designed **0.75l wine bottle**

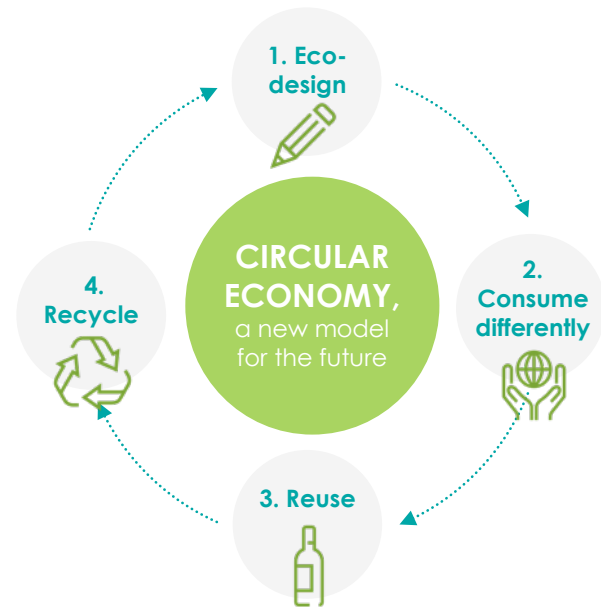


**Re-use In Germany**  
New reusable wine bottle pool Q2 2024

WEIN+MEHRWEG  
by verallia



# Deploying Verallia Strategy in Iberia



## COLORS: CHOOSE ELEGANT & SUSTAINABLE

### Aligned with sustainability objectives

We promote colors with greater amount of cullet and less emissions

#### Georgia Green

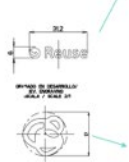


#### Amber



## REBO2VINO PROJECT

We have already designed and produced the bottle for the **Rebo2vino** project. It's already in HORECA channel from one of the 2 clients within the project: **Gonzalez Byass & Familia Torres**.



## VERALLIA SPAIN COMMITTED TO LIGHTENING

In 2022 Verallia Spain achieved the challenge to **lighten 60% of the standard wine models** allowing **5% more bottles** to be produced with the same cullet.







With these reductions, we managed to reduce CO2 emissions in the production process and thus protect the environment.

2023 **14 models** have been lightened  
2024-2025 **18 models** are going to be lightened

### MÁS LIGERAS MÁS SOSTENIBLES



En 2022 Verallia Spain logró el reto de disminuir el peso del 60% de botellas de vino estándar permitiendo que, con el mismo casco, se puedan fabricar un 5% más de botellas.

CSR AXES	COMMITMENT	OBJECTIVE	PERFORMANCE INDICATOR	BASE YEAR RESULTS	2022 RESULTS	2025 TARGET	2030 TARGET	TREND
 ENHANCING THE CIRCULARITY OF GLASS PACKAGING	Maximise the use of cullet in our products	Achieve 59% external cullet in production by 2025 and 66% by 2030	Percentage of external cullet in glass production	49% in 2019	55.7%	59%	66%	
	Expand glass reuse	Run at least 1 pilot project for reuse in France by 2025	Number of pilot projects	0 in 2020	0	1		
	Develop eco-design for sustainable products	Reduce the weight of our standard, non-returnable bottles and jars by 3% by 2025 vs. 2019	Alpha coefficient	16 in 2020	15.9	15.5		
	Optimise water use	Achieve water usage of 0.4 m³/tpg at glass plants by 2025	Cubic metres of water used per tonne of packed glass (tpg)	0.58 in 2020	0.47	0.4		
	Reduce waste generation	Recycle 75% of waste by 2025	Waste recycling percentage	65.5% in 2020	75%	75%		

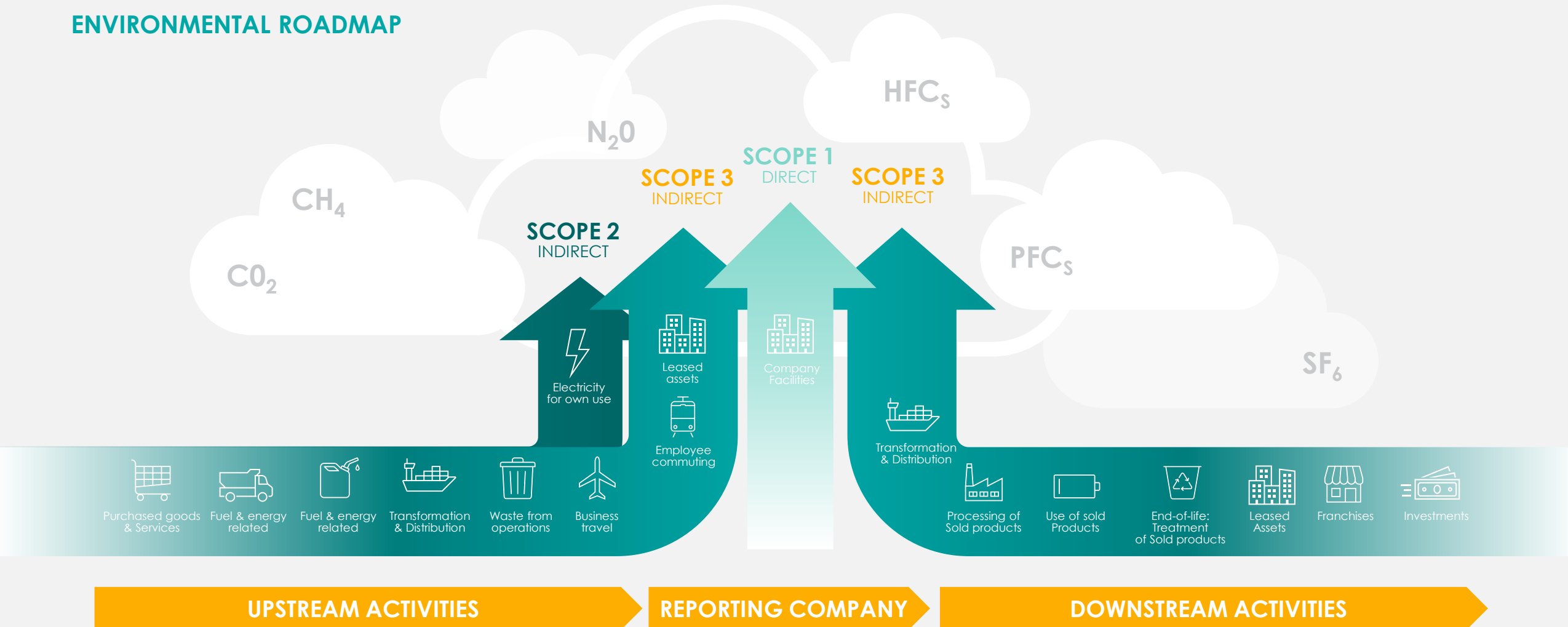




# REDUCE CO<sub>2</sub> EMISSIONS

# CO<sub>2</sub> emissions: the 3 scopes

## ENVIRONMENTAL ROADMAP



For Verallia emissions from GHG other than CO<sub>2</sub> are insignificant.

# Reduce our CO<sub>2</sub>

## OUR TARGETS

**46%**



SCIENCE  
BASED  
TARGETS  
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

### REDUCTION IN 2030

for scope 1 & 2 emissions<sup>(1)</sup> in absolute value from base year 2019

**Target 1,5°C validated by SBT initiative**

**<40%**

### SCOPE 3 EMISSIONS

maintained

**BELOW 40%**

of total emissions in 2030

**Net Zero**

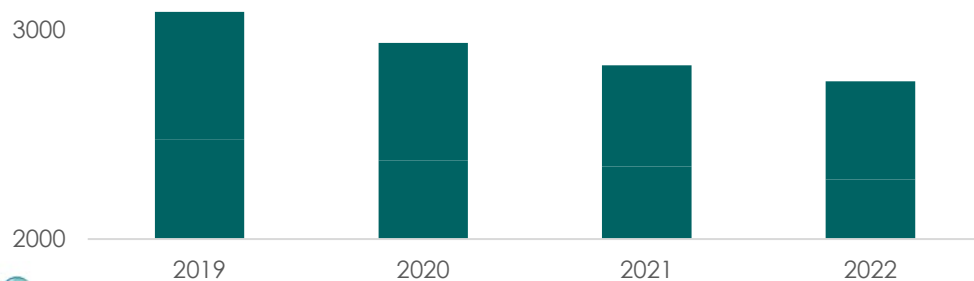
**IN 2050**

for scope  
1 & 2 emissions



## OUR RESULTS

Sc. 1 & 2 Emissions Evolution (ktons)



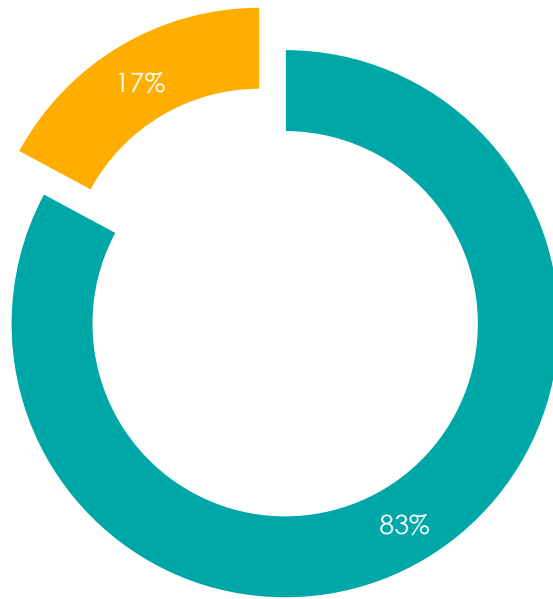
**10.8%**

reduction since 2019  
on Sc. 1 & 2

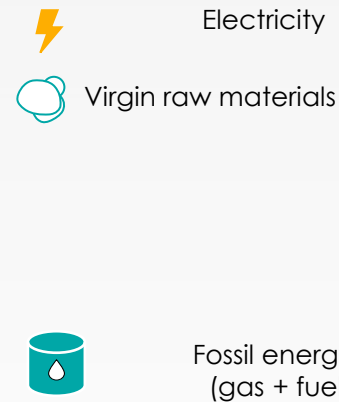


# CO<sub>2</sub> Emissions: scope 1 & 2 details

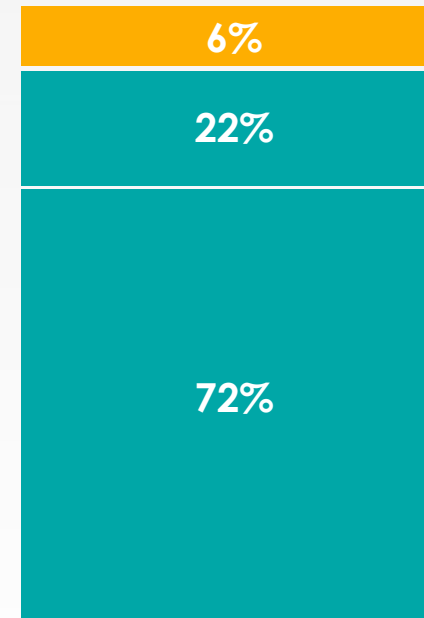
## 2022 CO<sub>2</sub> EMISSIONS SCOPES 1&2



- Scope 1 emissions
- Scope 2 emissions

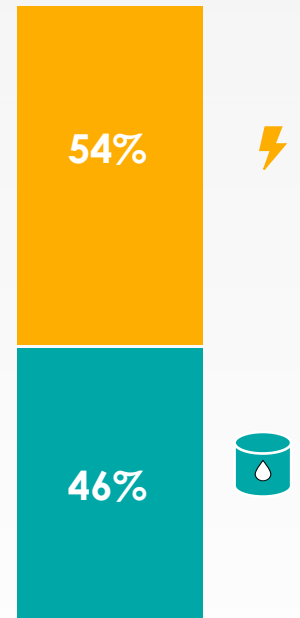


### % OF MELTING EMISSIONS



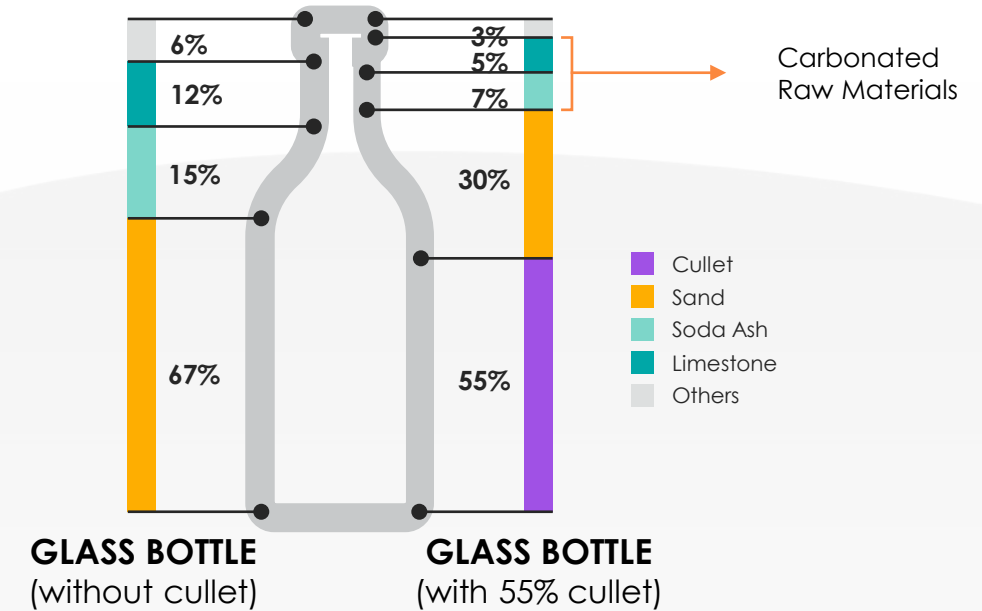
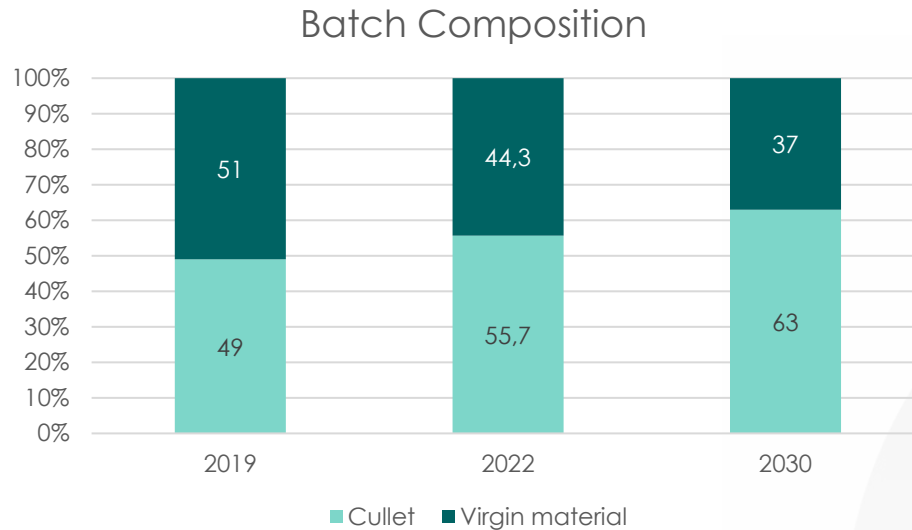
Melting  
77% of emissions

### % OF Non Melting EMISSIONS



Non-melting  
23% of emissions

# Reduce Raw materials emissions



## CULLET

- **Cullet** is today Verallia's **first raw material** in proportion
- Continue to **support and/or develop** collection
- **Maximize** cullet treatment yield, through **process improvement** & full utilization of **glass sand**
- **Improve** cullet **quality** through **process control** in every treatment facility supplying Verallia furnaces

## DECARBONATED RAW MATERIALS

### LIMESTONE:

- **2 alternatives identified**
- **Deployment started** for **colored** glass
- **Validation** on going for **flint glass**

### SODA ASH

Feasibility tests completed in Verallia R&D Lab in Chalon  
**First Industrial test** will start in **Q4 2023**

# Furnace technologies roadmap

## 4 TECHNOLOGIES

➤ End port with super boosting

→ 25% electricity

Operational

➤ Oxy Heated with super boosting

→ 25% electricity

→ O<sub>2</sub> combustion

Operational

➤ Hybrid furnace

→ 80% electricity

→ O<sub>2</sub> combustion

Pilot: 2024 – On track

Deployment start : End 2027

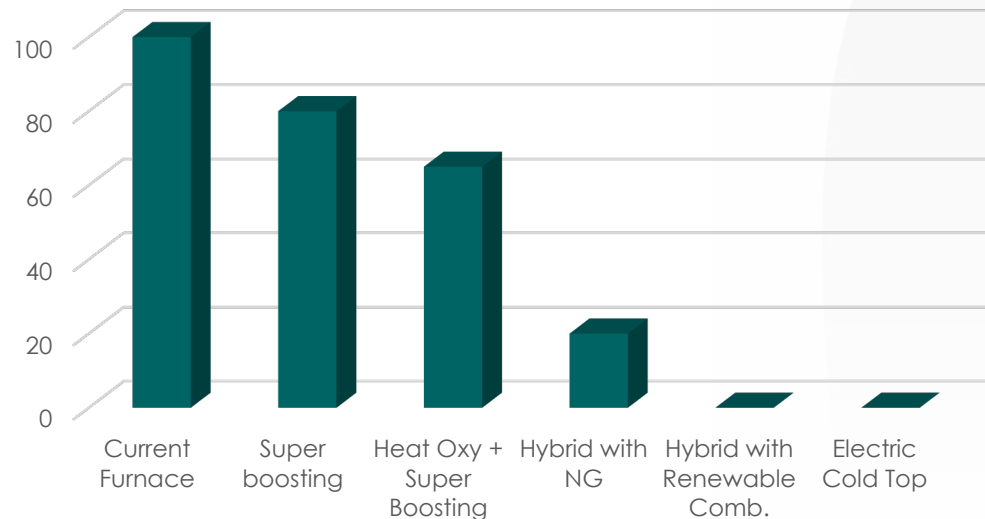
➤ Cold Top electric furnace

→ 100% electricity

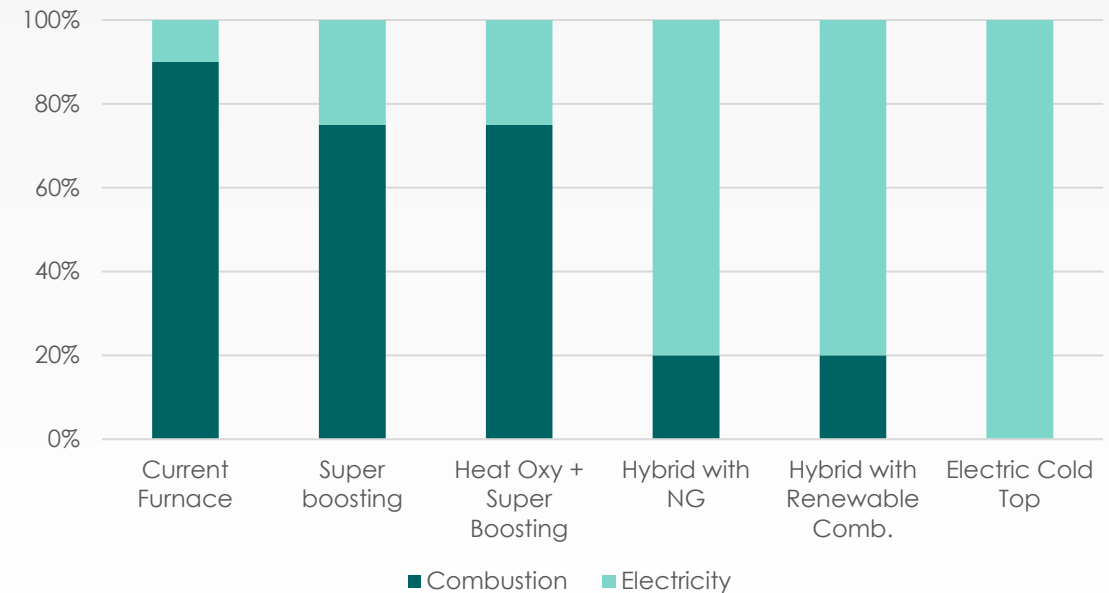
Pilot: 2024 – On Track

Deployment Start : End 2027

CO<sub>2</sub> Emissions melting energy vs. current furnace (assuming electricity emissions at 0)



Energy mix



# Furnace technologies roadmap

- Hybrid and Electrical cold top pilots will validate the technology by the end of 2025
- This will allow deployment of either technology for all furnaces starting production from end of 2027
- Until then, new furnaces will be built with heat oxy + super boosting
- Reconstructions will integrate super boosting only from 2023

	2023	2024	2025	2026	2027	2028	2029	2030
Super boosting								
Heat Oxy + Super Boosting (New furnaces)								
Hybrid Pilots								
Electrical Cold Top Pilots								
Hybrid								
Electric Cold Top (Flint only)								

Technologies release for full implementation



# Non Melting Energy

REMINDER: NON MELTING ENERGY REPRESENTS ~20% OF THE GROUP'S EMISSIONS

## > CONTINUOUS IMPROVEMENT ACTIVITIES FOCUSED ON COMPRESSED AIR, IS COOLING AND FOREHEARTH MANAGEMENT

- Roadmaps being developed in each division, triggering energy consumption reduction (and productivity gains)
- Investments projects being deployed in each division when needed
- Full benefits expected across the Group by 2025

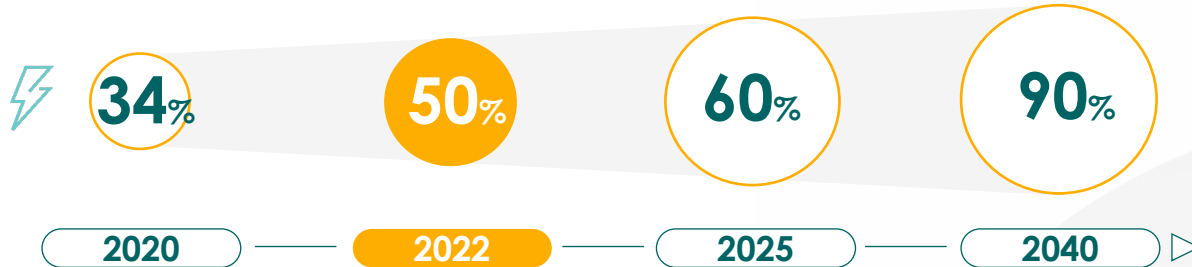
## > REUSE OF PROCESS HEAT: ELIMINATION OF BOILERS AND HEATING SYSTEMS

- Heat generated by glass manufacturing process is reused in the factories
- This allows to eliminate boilers or heating systems
- Manufacturing workshops and offices can be heated with those equipments, reducing our energy consumption



# Increase renewable or low-carbon energy

## TARGET

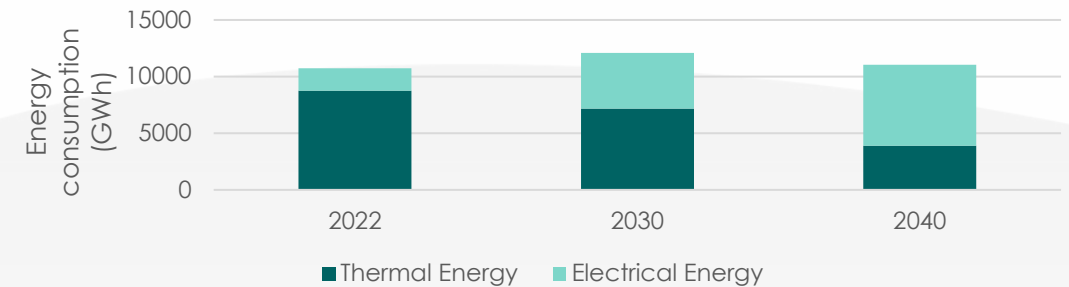


## LOW CARBON ELECTRICITY

- Verallia has already ensured **100% Low carbon electricity** supply for the following countries: **Spain, Portugal, Brazil and Chile**
- Solar panels** are being installed in **Spain and Italy** on our factories, providing from **5% to 30%** of plant consumption
- Verallia **signed its first Power Purchase Agreement (PPA) for Renewable Electricity** in Germany last year, with RWE
- The Group is negotiating with several suppliers **similar PPA contracts**, to accelerate its conversion **to low carbon electricity**



## COMPLETE SWITCH OF OUR ENERGY MIX TOWARDS ELECTRICITY



## RENEWABLE COMBUSTIBLE

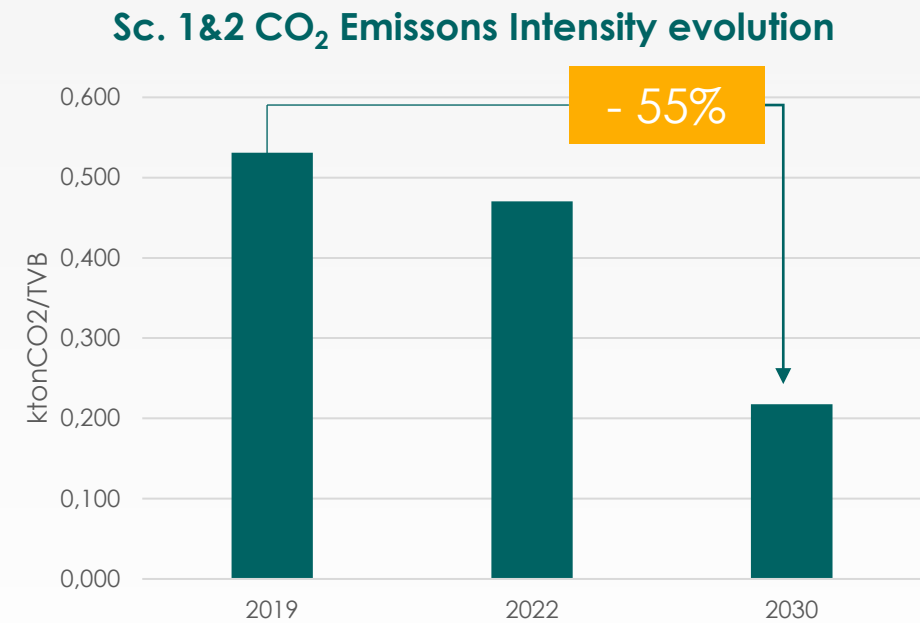
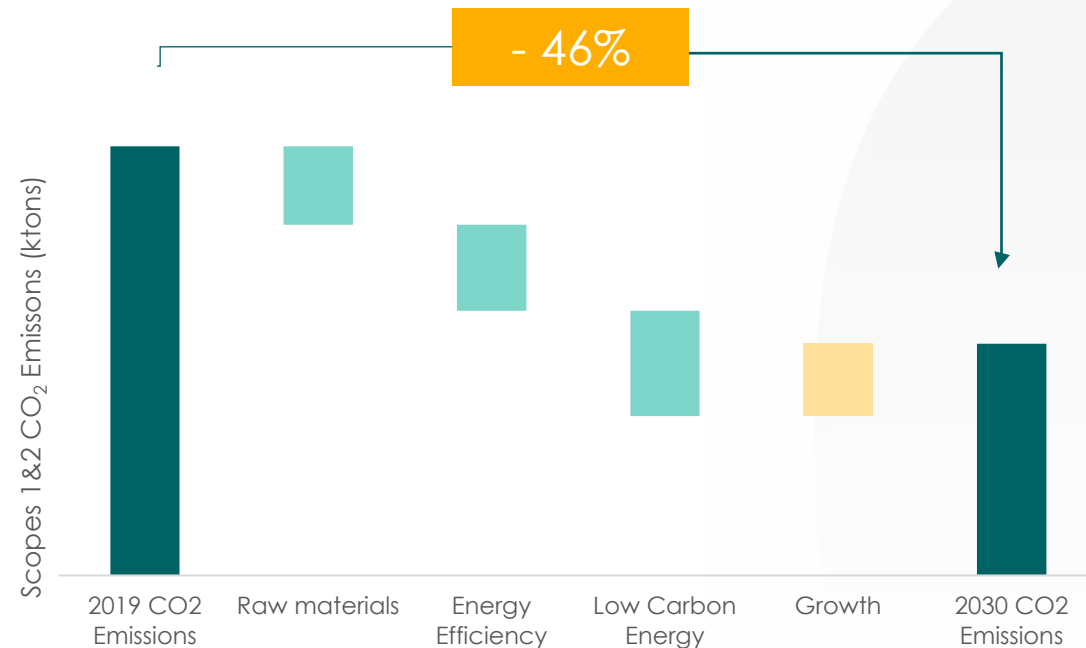
- > **Biogas**
  - Several projects under evaluation in Verallia
  - Main limitation today remains the volume of supply
  - Our target is to ensure at least 30% of furnace consumption
- > **Bio Heating Oil (up to 20% substitution) :**
  - Combustible **validated** after 2 successful tests
  - Long term supply contracts are being developed in each division to ensure its generalization
- > **Hydrogen**
  - Combustion tests completed** in Zaragoza in October 2023
  - Long term validation starting in **Q2 2024 in Essen (50% H<sub>2</sub>)**
  - Green H<sub>2</sub>** will be included in our energy mix when **available**

# Scopes 1 & 2 CO<sub>2</sub> Emissions – How do we reduce them?

> Our reduction plan covers all sources of emissions, to deliver **46% of reduction by 2030 vs. 2019**

> It integrates also **organic growth** to support Verallia's strategy

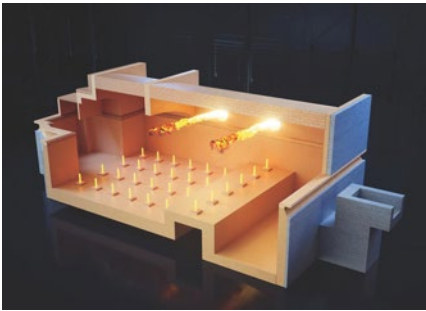
> This drives an efficiency improvement of ca. **55% in 2030 vs. 2019**



Azuqueca visit

# Verallia Iberia, leading the way to decarbonization

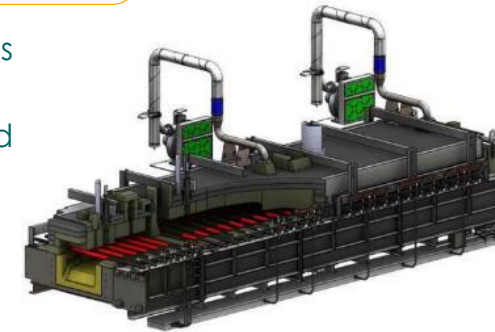
## 1<sup>ST</sup> HYBRID FURNACE, Q1 2025 IN SARAGOSSA



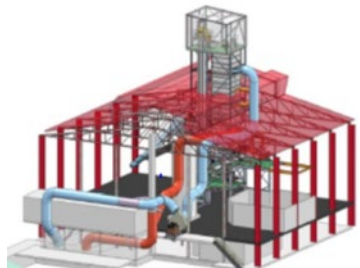
- Replace up to 80% of fossil energy by low carbon electric energy
- ~25.000 tons CO<sub>2</sub> /year saved

## 1<sup>ST</sup> ELECTRIC FEEDER, MONTBLANC

- New Technology for glass packaging
- **550 tons CO<sub>2</sub>** /year saved



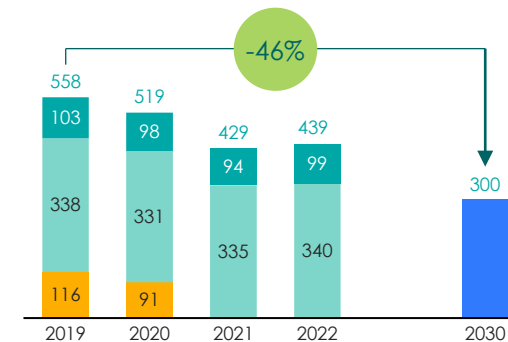
## PRE HEATER, MONDEGO



- A major industrial step that will allow us to **save 3.100 tons** of CO<sub>2</sub> per year.

## IBERIA CO2 REDUCTION – LEADING THE WAY

- Combining Group programme and local projects
- Acting on all CO<sub>2</sub> emissions sourcing
- Verallia Iberia reduced by 21,5% its CO<sub>2</sub> emissions reduction in 2022 vs 2019



# Verallia Iberia – Local decarbonization initiatives

## ON SITE PHOTOVOLTAIC PANELS



- All Iberia sites will be equipped by **2025**
- Pilot plant in Mondego (Portugal) started operation in **July 2022**
- PV Panels will provide up to **30% of our daily consumption**



## ENERGY SAVING PROJECT WITH OUR CUSTOMER MAHOU



- Heat from Verallia fumes chimney is **producing steam for our process** and our neighbour customer in Burgos plant
- With this project **both companies reduced energy consumption by 27.000 MWh in 2022**
- Reducing **CO2 emissions by 5500 tons**

# Reduce our scope 3 emissions

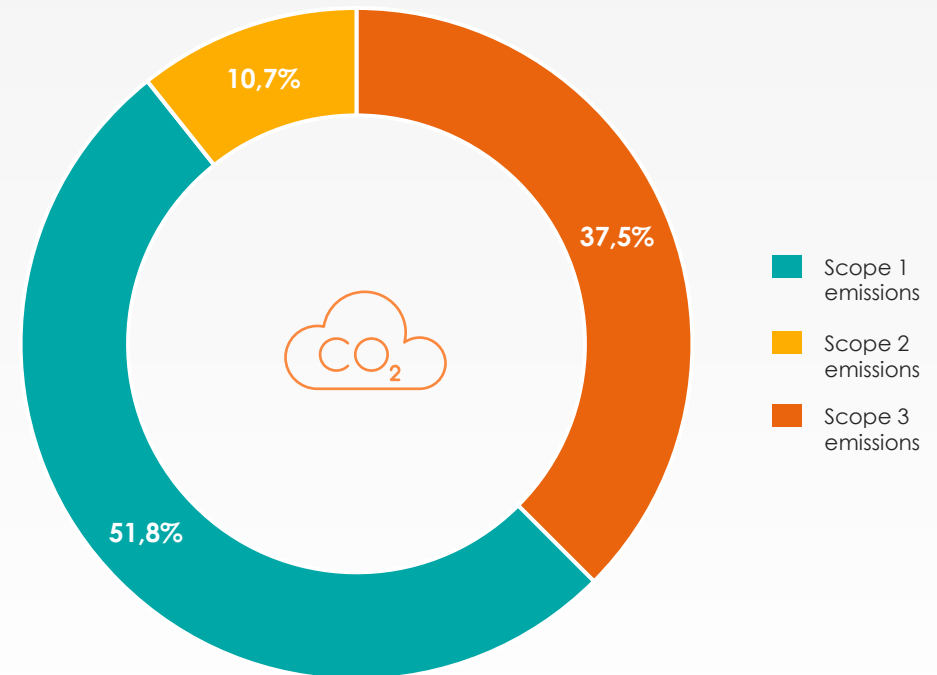
## OUR TARGET

- > Maintain Scope 3 CO<sub>2</sub> emissions **under 40%** of our total emissions. 



- > As we reduce our Scopes 1 & 2 each year, the scope 3 must follow the same reduction to stay under the 40% limits
- > Our scope 3 will be audited in 2024 (2023 data)

## OUR TOTAL EMISSIONS - 2022



# Reduce our scope 3 emissions

## KEY INFORMATION ABOUT OUR SCOPE 3 EMISSIONS

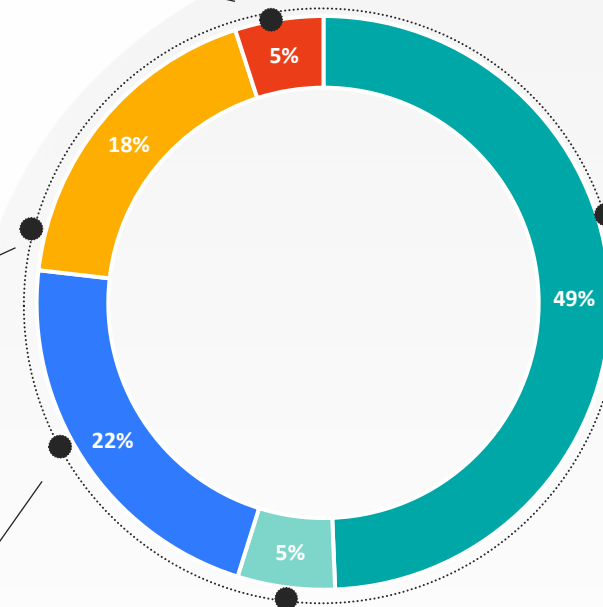
**OTHERS** 5% of our scope 3

### 3.4 & 3.9 Upstream and downstream transportation 18,2% of our scope 3

- Development of Intermodel train – road solutions for upstream & downstream flows
- Support road transition to low carbon with our core suppliers

### 3.3 Upstream energy 22% of our scope 3

- Upstream energy of emissions will reduce thanks to our low carbon energy transition plan



### 3.1 Purchase goods & services 49,3% of our scope 3

- **Raw materials (35% of scope 3)**
  - Develop Tier 1 suppliers CO<sub>2</sub> reduction roadmap
- **Packaging (6% of scope 3)**
  - Increase reuse packaging (pallets, dividers, plastic housings)
  - Increase recycling content in new packaging market share

### 3.2 Capital goods 5,5% of our scope 3



CONTRIBUTE TO  
**SOIL REGENERATION**

# Contribute to soil regeneration through agroforestry and reforestation projects

## OUR ACTIONS

### PUR PROJET

In collaboration with Pur Projet, Verallia has financed **7 reforestation and agroforestry projects**. These projects, **implemented in partnership with local communities**, are designed to have a significant social and environmental impact. Through them, over **300,000 trees** were planted between 2019 and 2021, supporting 260 farmers and impacting 255 hectares directly.

### REFOREST'ACTION

Since 2021, Verallia has been working with Reforest'Action to contribute to reforestation projects implemented **near the Group's plants** through 113 000 trees. For each tree planted, Reforest'Action estimates the positive impact on the climate, biodiversity, health and employment. For example, the **113,000 trees** planted contribute an average of 19,200 tonnes of stored CO<sub>2</sub> per year, provide 384,000 shelters for animals, generate 512,000 months of oxygen and create 128,000 hours of work.



**2** Historical partners

**+400 000** Trees planted since 2019

**11** Countries



# Sustainable alliances with clients



## The JoinBee project

stems from the previous project: "Bees for the vid-río" which aimed at encouraging customers to use a more sustainable model: BD 75 ECV CÓNICA, a lighter wine bottle.

Instead of relating it only to the world of wine, it has been opened to all our customers. To do this, we create **alliances and together we look for sustainable solutions for their models**: lightening, colour changes... etc.

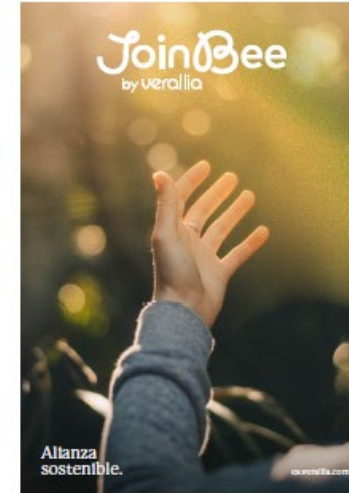
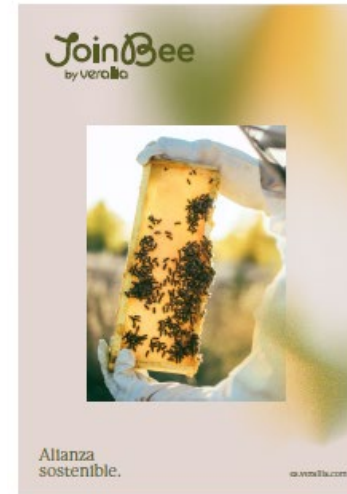
Thanks to these major changes, **we install beehives on our customers'** premises, making a local impact that has a positive influence on the well-being of everyone.








### Current Clients:

1. Juan Gil
2. González Byass
3. Casa Santos Lima (Portugal)

**New ones:** BEAM Suntory + Codorníu

JoinBee  
by verallia



CSR AXES	COMMITMENT	OBJECTIVE	PERFORMANCE INDICATOR	BASE YEAR RESULTS	2022 RESULTS	2025 TARGET	2030 TARGET	TREND
 <b>DECARBONISING OUR ACTIVITIES</b>	Reduce Scope 1 and 2 CO <sub>2</sub> emissions at our site	<b>Reduce Scope 1 and 2 CO<sub>2</sub> emissions by 46% in absolute terms by 2030 vs. 2019</b>	Scope 1 and 2 CO <sub>2</sub> emissions in kt of CO <sub>2</sub>	3,090 in 2019	2,756	2,625	1,669	
			Reduce Scope 1 and 2 CO <sub>2</sub> emissions vs. 2019 (in %)	2019	-10.8%	-15%	-46%	
	Reduce Scope 3 CO <sub>2</sub> emissions	<b>Maintain Scope 3 CO<sub>2</sub> emissions under 40% of total emissions</b>	Scope 3 CO <sub>2</sub> emissions in kt of CO <sub>2</sub>	1,810 in 2019	1,634 in 2021	< 1,751	< 1,112	
			Percentage of Scope 3 emissions out of total emissions (in %)	37% in 2019	37% in 2021	< 40%	< 40%	
	Develop renewable or low-carbon energies	<b>Use 60% certified renewable or low-carbon energy by 2025</b>	Percentage of certified renewable or low-carbon energy out of total electricity used	34% in 2020	50%	60%	90% in 2040	
	Contribute to soil regeneration	<b>Plant at least 100,000 trees per year from 2019–2025</b>	Trees planted since 2019	100,000 in 2019	413,000	700,000		



# Guarantee teams' safety

## SAFETY: FREQUENCY OF ACCIDENTS

- **22 EHS standards developed & covering** all aspects of safety in its plants. Strict application is controlled via on-site audits
- **Roadmap :**
  - developed to support 0 accident target
  - now being deployed in each site
- **2022:** TF2 reduced by 35% from 2019, in line with target to reach TF2 < 1.5 by 2025

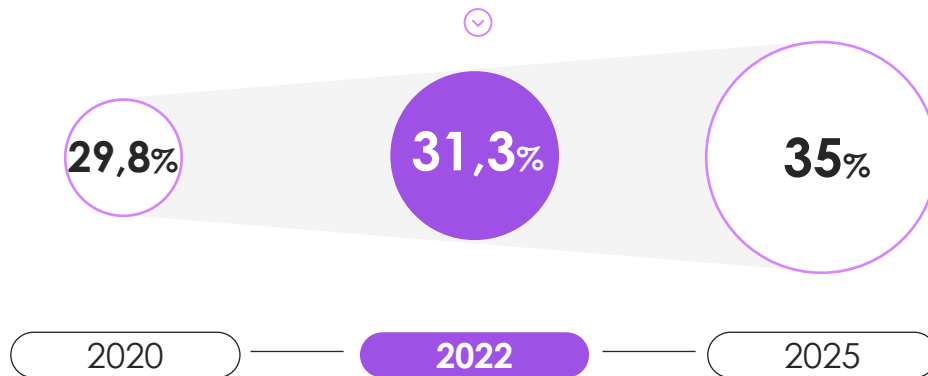
OUR GOALS	PERFORMANCE INDICATORS	2019	2022	2025 TARGETS
Aim for “zero accident” every year	TF2 (= all accidents / million hours worked)*	5.5	3.6	< 1.5



# Promote diversity and inclusion

## OUR TARGETS

Increase the number of women managers in the Group



## IN 2023 IN SPAIN

#12 months 12 women



Gender ratio in Iberia is

**13% women  
vs 87% men**

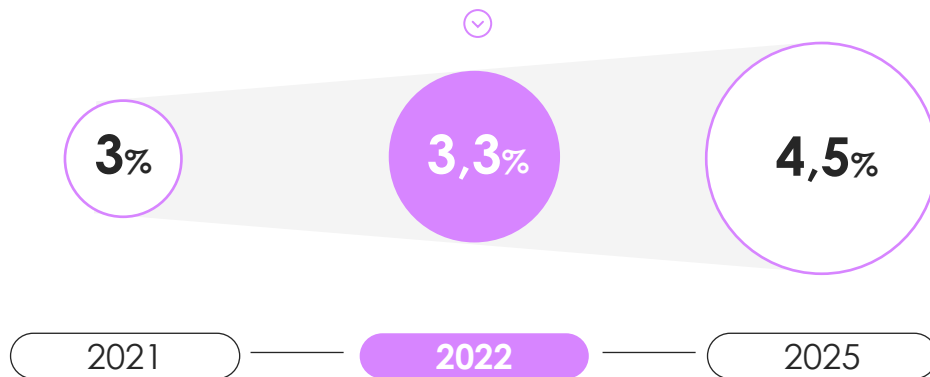
- Action plan including
  - Hiring process;
  - Promoting process
  - Communication program.
- Strong communication plan : record of a movie with one women each month to value their promotions

**This is a NEW Verallia where  
gender won't ever be a BARRIER.**

# Promote diversity and inclusion

## OUR TARGET

Achieve **4,5% of employees** with disabilities by the end of 2025



## OUR PROJECT

Led by EHS Group managers with region leaders in EHS, HR, CSR and VIM

Focus on 2 main levers:

### > Accessibility :

- Test of access possibilities carried out by 50% of plants
- Definition of the requirements
- Readaptation of workstations
- Retrieve the best practices and integrate them into a support system

### > Inclusion :

- Study of the baseline situation
- Strengthen training and communication to raise awareness and drive action
- HR focus: improve long-term support and recruitment.

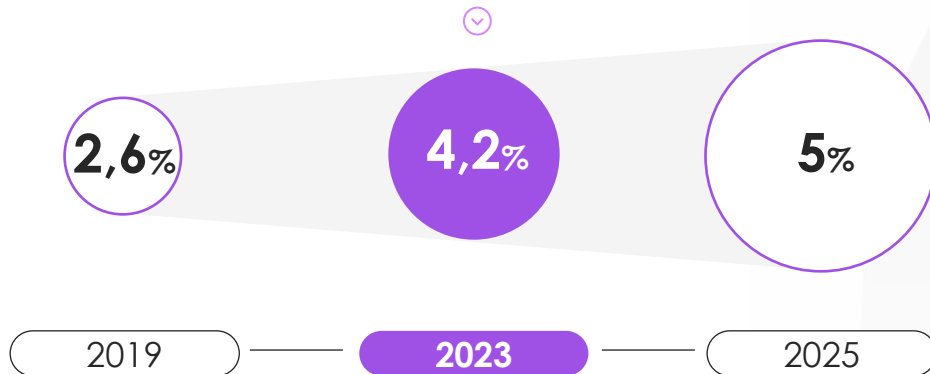


# Verallia, a Group committed to sharing value

EMPLOYEES ARE SHAREHOLDERS OF THE COMPANY AND, AS SUCH, ARE INVOLVED IN VERALLIA'S DEVELOPMENT

## OUR TARGET

Reach 5% of employee share ownership



## ENSURE THE SHARING OF VALUE



**9**  
countries



**41%\***  
shareholder  
employees



**4,2%**  
of share  
capital held by  
employees




**20%**  
subscription  
discount to  
share price

# ESG Verallia iberia

## MAIN ACTIONS/PROJECTS

- CSR supplier day
- Sponsorship of tennis table paralympic team for Paris 2024.
- 12 Months 12 Women: Positions occupied by women for first time (ex. plant manager; shift leader; maintenance manager, etc).
- Inclusion program signed with Randstad Foundation



CSR AXES	COMMITMENT	OBJECTIVE	PERFORMANCE INDICATOR	BASE YEAR RESULTS	2022 RESULTS	2025 TARGET	2030 TARGET	TREND
 <b>ENSURING A SAFE AND INCLUSIVE WORK ENVIRONMENT FOR ALL</b>	Ensure the health and safety of everyone	<b>Aim for zero accidents and achieve TF2 &lt; 1.5 by 2025</b>	TF2 (with and without lost time)	5.5 in 2019	3.6	< 1.5		➡
	Promote diversity and inclusion	<b>Reach 35% women in management at Group level in 2025</b>	Percentage of women managers	29% in 2019	31.3%	35%		➡
		<b>Reach 4.5% employment of people with disabilities by 2025</b>	Percentage of employees with disabilities	3% in 2019	3.3%	4.5%		➡
	Support employee skills development	<b>Double the number of employees owning company shares by 2025 vs. 2019</b>	Capital owned by employees	2.6% in 2019	3.8%	> 5%		➡

# CSR Strategy Foundation: complying with our values and ethical principles with our suppliers, clients and employees

## 4 VALUES



## & REGULATIONS



# Latest ratings and memberships

## RATINGS



CDP is a non-profit organization running the global disclosure system helping companies to manage their environment impacts.

December 2022



Ecovadis is a social and environment ratings provider of global supply chains.

Top 1%  
Score: 78/100

January 2023



MSCI's ESG rating aims to measure a company's resilience in face of ESG risks that are long-term and financially pertinent. This rating is mainly intended for investors. Over 17,500 companies evaluated.

January 2023



EURONEXT CAC SBT 1.5 index

January 2023



March 2023



## MEMBERSHIPS



Verallia participates to the United Nations Global Compact and commits itself to adapt its strategy and activities to the principles of human rights, work, environment and prevention of corruption and to take measures for the progress of the company's objectives.

Since 2016



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SBT Initiative supports ambitious corporate climate action by supporting companies to set science-based targets to reduce emissions.

"TARGET VALIDATED"  
1.5°C trajectory  
March 2022



As a member of Sedex, Verallia wishes to improve its responsible and sustainable business practices and to source responsibly.

Since 2016

# PRODUCTIVITY ACTION PLAN (PAP) A KEY ELEMENT OF VERALLIA STRATEGY

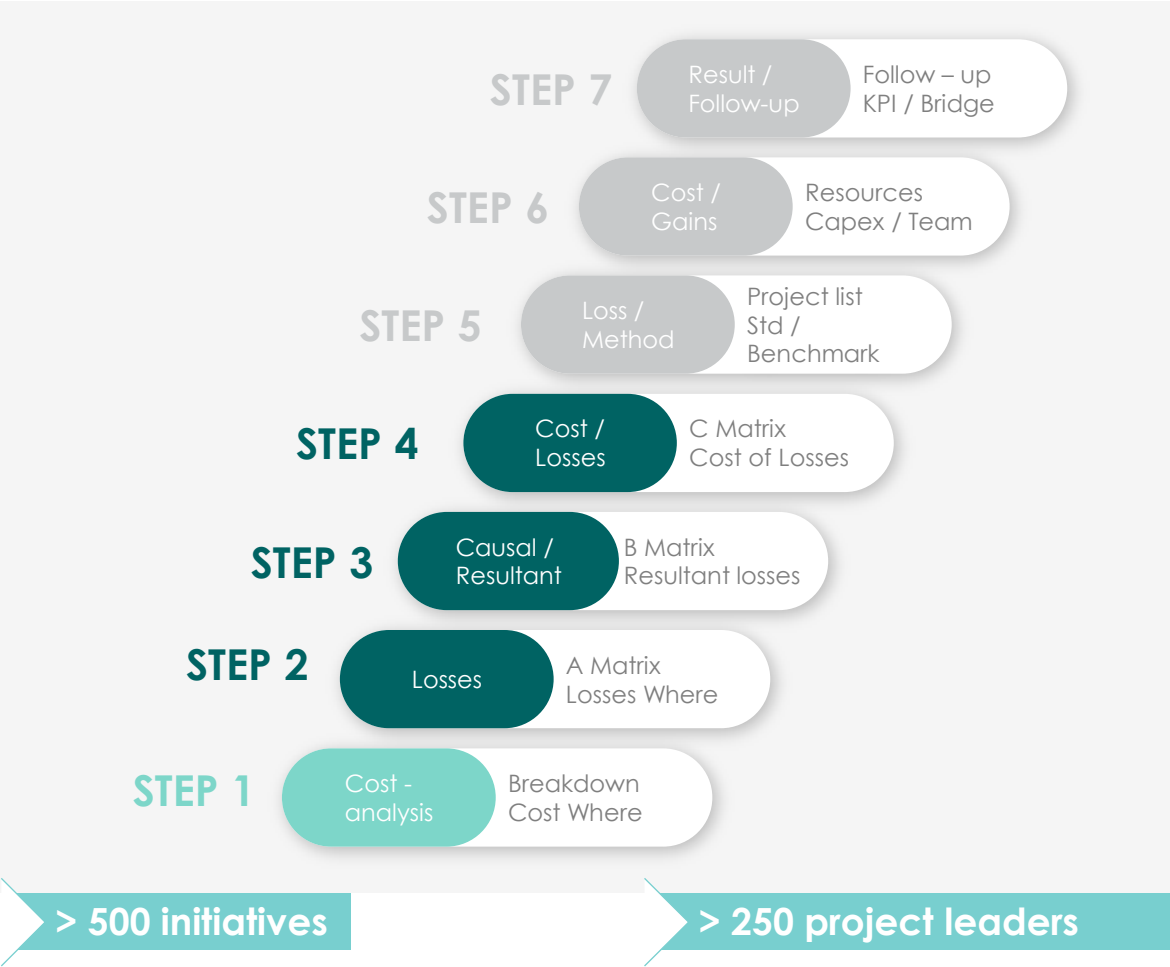
**Romain BARRAL**  
*Director of Operations*

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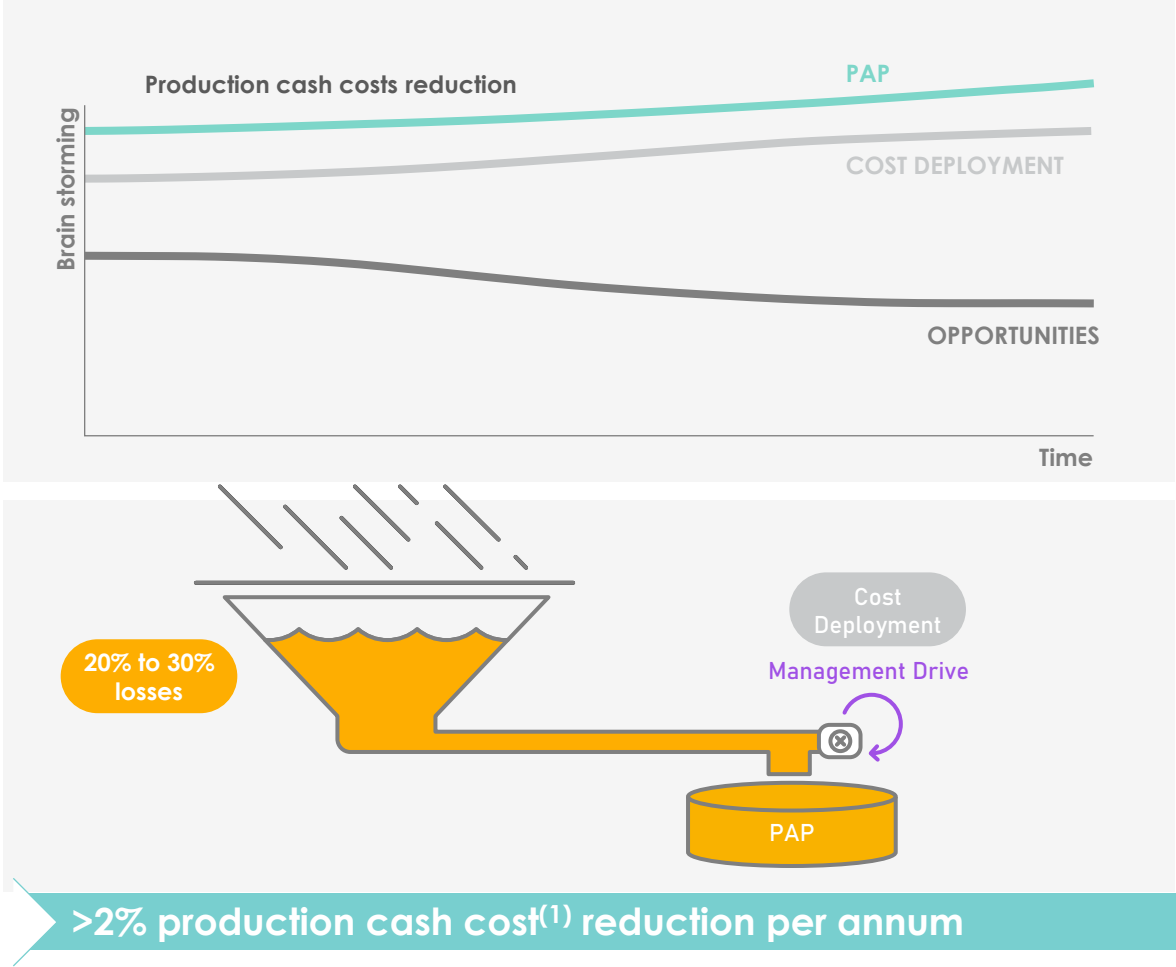


# Unique Performance Action Plan methodology...

## PROVEN METHODOLOGY FOR COST REDUCTION



## PERFORMANCE ACTION PLAN (“PAP”)



Source: Company.  
Note: (1) Cash plant / site costs (i.e. excluding SG&A, freight on sales, depreciation, change in working capital or provisions for claims).

# ... DRIVING operational excellence & CONTINUED cost reduction

## MONTHLY INTERNAL TRACKING TOOL

	Nb of Projects Pending	Nb of Projects Started	Nb of Projects Delivering	COST SAVINGS by MATURE - France			CAPACITY INCREASE - France		
				Budget End Of Year	Budget YTD	Actual YTD	Budget End Of Year	Budget YTD	Actual YTD
				kEUR Constant	kEUR Constant	kEUR Constant	kTons	kTons	kTons
Melting Energy	0	2	15	1 142	280	385	0,1	0,0	0,0
Other Energy	0	6	8	598	95	118	0,0	0,0	0,0
Resorting	0	5	18	2 802	658	681	1,7	0,4	0,8
Maintenance	0	1	4	430	108	81	0,0	0,0	0,0
Raw Materials	0	5	18	1 674	421	437	0,0	0,0	0,0
Labor	0	5	8	503	113	293	0,0	0,0	0,0
Other									
Yield									
Speed									
Weight									
Industrial PAP									

	Nb of Projects Pending	Nb of Projects Started	Nb of Projects Delivering	COST SAVINGS by PLANT			CAPACITY INCREASE			Comments
				Budget End Of Year	Budget YTD	Actual YTD	Budget End Of Year	Budget YTD	Actual YTD	
				kT/HR (Constant)	kT/HR (Constant)	kT/HR (Constant)	kTons	kTons	kTons	
Diel Wuzsch	0	12	17	1 850	275	358	7,8	1,3	3,8	2. Higher Cost Saving in outlet input projects (2007/2008) 3. Adjustment of target values for 2024/2025 (as PAP) 4. Less external service (POM) 5. 2 additional project since 2020 (2023, 2024) 6. Adjustment of target values for capacity increase (PAP) 7. Less increase in value and speed lifting ex. target (2021/2)
Luxen	0	10	10	1 850	253	246	3,3	0,7	1,0	
Neuhof	0	11	15	1 140	205	325	3,8	1,0	-0,3	Above expectation due to advanced timing of two projects (compensation due to shortage of external service & avoidance of manpower substitution) Back to budget
Wagner	0	14	13	1 100	197	187	2,5	0,8	0,8	PAP 20 change of quarry sand could not be started due to a capacity and availability PAP 2014 less summer maintenance in March PAP 2018 melting energy + basic only on furnace 2 PAP 2018 reduction of break time and vacation with high number of vacation days
Kempenich	0	5								
Kumbornbach	1	5								
Zorpa	0	5								
Total	1	42								

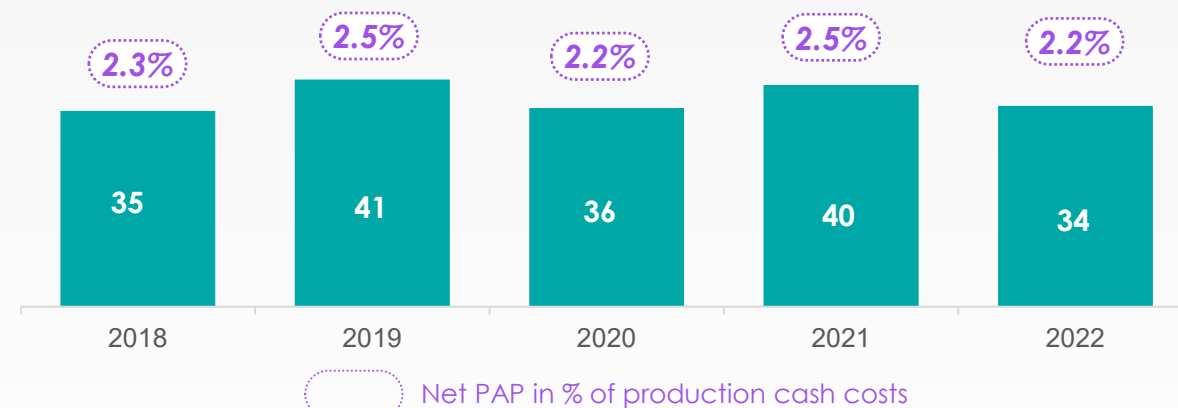
  

BU	Plant	Data	Period	ME x 1000000 (POM) x 2018-22											
				Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
				(m€)	(m€)	(m€)	(m€)	(m€)	(m€)	(m€)	(m€)	(m€)	(m€)	(m€)	(m€)
Iberia	Azuqueca	New + CO	Cumul Actual	0,1	0,3	0,6	0,3	0,3	0,4	0,5	0,6	0,6	0,7	0,8	0,9
			Cumul Forecast	0,1	0,1	0,2	0,3	0,3	0,3	0,4	0,5	0,6	0,7	0,8	0,9
			Cumul Budget	0,1	0,1	0,2	0,3	0,3	0,4	0,5	0,6	0,6	0,7	0,8	0,9
	Burgos	New + CO	Cumul Actual	0,0	0,0	0,0	0,1	0,2	0,3	0,4	0,6	0,7	0,9	1,0	1,2
			Cumul Forecast	0,0	0,0	0,1	0,1	0,2	0,3	0,4	0,6	0,7	0,9	1,0	1,2
			Cumul Budget	0,0	0,0	0,1	0,1	0,2	0,3	0,4	0,6	0,7	0,9	1,0	1,2
	Figueira Da Foz	New + CO	Cumul Actual	0,1	0,2	0,3	0,3	0,4	0,5	0,6	0,7	0,8	0,9	1,0	1,0
			Cumul Forecast	0,1	0,2	0,3	0,3	0,4	0,5	0,6	0,7	0,8	0,9	1,0	1,0
			Cumul Budget	0,1	0,2	0,3	0,3	0,4	0,5	0,6	0,7	0,8	0,9	1,0	1,0
	Gran Canaria	New + CO	Cumul Actual	0,1	0,2	0,4	0,3	0,3	0,4	0,5	0,5	0,6	0,6	0,6	0,6
			Cumul Forecast	0,1	0,1	0,2	0,3	0,3	0,4	0,5	0,5	0,6	0,6	0,6	0,6
			Cumul Budget	0,1	0,1	0,2	0,3	0,3	0,4	0,5	0,5	0,6	0,6	0,6	0,6
	Montblanc	New + CO	Cumul Actual	0,1	0,2	0,2	0,2	0,3	0,3	0,4	0,4	0,5	0,5	0,6	0,6
			Cumul Forecast	0,0	0,1	0,2	0,2	0,3	0,3	0,4	0,4	0,5	0,5	0,6	0,6
			Cumul Budget	0,1	0,1	0,2	0,2	0,3	0,3	0,4	0,4	0,5	0,5	0,6	0,6
	Sevilla	New + CO	Cumul Actual	0,1	0,1	0,2	0,2	0,3	0,3	0,4	0,4	0,5	0,5	0,6	0,6
			Cumul Forecast	0,0	0,1	0,1	0,2	0,3	0,3	0,4	0,5	0,5	0,6	0,6	0,7
			Cumul Budget	0,1	0,1	0,1	0,2	0,3	0,3	0,4	0,5	0,5	0,6	0,6	0,7
	Zaragoza	New + CO	Cumul Actual	0,1	0,2	0,3	0,3	0,4	0,5	0,5	0,6	0,7	0,8	0,8	0,8
			Cumul Forecast	0,1	0,1	0,2	0,3	0,3	0,4	0,5	0,5	0,6	0,7	0,8	0,8
			Cumul Budget	0,1	0,1	0,2	0,3	0,3	0,4	0,5	0,5	0,6	0,7	0,8	0,8
	CENTRAL VIS	New + CO	Cumul Actual	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
			Cumul Forecast	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
			Cumul Budget	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total Iberia	New + CO		Cumul Actual	0,6	1,1	1,9	1,9	2,1	2,7	3,2	3,8	4,3	4,8	5,3	5,8
			Cumul Forecast	0,4	0,8	1,2	1,7	2,1	2,7	3,2	3,8	4,3	4,8	5,3	5,8
			Cumul Budget	0,4	0,8	1,2	1,7	2,1	2,7	3,2	3,8	4,3	4,8	5,3	5,8

## ACTIONS

- Performance Action Plan ("PAP") programme implemented as part of the Verallia Industrial Management ("VIM") 2.0 initiative in 2018
- >2% production cash cost reduction (> €45m pa, net of industrial variance)
- Part of Verallia's industrial strategy and mid-term financial objectives

## P&L IMPACT CONFIRMED IN FINANCIAL BRIDGES (€M)



Costs eliminated by PAP (2% of production cash costs) generate today 120bps Adj. EBITDA margin

Source: Company.

# Management drive – A key success factor of PAP

PAP DASHBOARD IS UPDATED ON A MONTHLY BASIS, FOR EACH DIVISION

IT ALLOWS TO TRACK BOTH THE SAVINGS IN € AND THE ACTIVITY IN TERMS OF PRODUCTIVITY PROJECTS

Plant	2022		Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Act	Actual + Forecast
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	EoY
Azuqueca	New projects k€	MtD	1	18	63	83	21	85	93	110	40	67	170	97	846
		Of the month	1	13	6	3	2	3	20	3	10	31	34	-1	
	Carry-over k€	MtD	157	114	43	24	11	6	8	5	-11	-11	0	0	347
	TOTAL k€ (incl. CO)	MtD	158	132	107	107	31	91	101	115	29	56	170	97	1 193
	Nb of new projects started	Of the month	1	3	2	1	1	1	3	2	2	3	6	1	26
Burgos	New projects k€	MtD	33	71	53	89	120	151	124	170	162	190	143	167	1 473
		Of the month	33	48	2	12	11	3	2	9	3	7	5	1	
	Carry-over k€	MtD	50	56	22	42	42	13	11	-17	15	15	5	0	254
	TOTAL k€ (incl. CO)	MtD	83	127	75	131	163	164	135	154	177	205	148	167	1 728
	Nb of new projects started	Of the month	12	3	2	3	3	1	1	3	1	1	1	2	33
Gran Canaria	New projects k€	MtD	27	38	49	52	36	32	53	60	56	51	50	57	561
		Of the month	27	2	34	1	21	-1	0	1	3	1	0	0	
	Carry-over k€	MtD	34	26	19	19	10	13	19	23	29	15	2	0	209
	TOTAL k€ (incl. CO)	MtD	61	64	69	71	46	46	72	83	85	66	52	57	770
	Nb of new projects started	Of the month	3	2	2	1	1	1	1	1	1	1	1	1	16
Montblanc	New projects k€	MtD	13	47	34	59	30	52	39	0	0	60	50	41	425
		Of the month	13	37	12	17	1	1	1	0	0	26	4	0	
	Carry-over k€	MtD	34	35	12	-17	-5	10	16	0	0	-26	0	0	59
	TOTAL k€ (incl. CO)	MtD	47	82	47	41	26	62	55	0	0	34	50	41	484
	Nb of new projects started	Of the month	5	6	3	1	1	1	1	0	0	9	4	1	32
Sevilla	New projects k€	MtD	22	22	29	34	33	40	3	26	104	73	109	107	601
		Of the month	22	4	13	1	1	8	1	1	31	-5	1	8	
	Carry-over k€	MtD	79	69	92	102	39	41	24	39	12	6	13	0	516
	TOTAL k€ (incl. CO)	MtD	101	92	121	137	71	80	27	65	115	79	122	107	1 117
	Nb of new projects started	Of the month	9	3	3	3	2	3	3	2	4	5	2	2	41
Zaragoza	New projects k€	MtD	12	13	32	18	50	38	34	36	29	34	54	58	409
		Of the month	12	9	14	9	9	8	6	3	2	8	28	12	
	Carry-over k€	MtD	58	62	60	68	64	28	4	8	15	10	14	0	391
	TOTAL k€ (incl. CO)	MtD	70	74	92	86	113	66	39	45	45	43	68	58	800
	Nb of new projects started	Of the month	5	5	5	2	2	2	2	3	1	3	3	2	35
Figueira Da Foz	New projects k€	MtD	29	29	40	45	65	84	106	169	119	125	111	128	1 048
		Of the month	29	14	8	4	12	29	19	51	11	5	2	20	
	Carry-over k€	MtD	95	93	90	73	46	32	44	7	6	2	1	0	490
	TOTAL k€ (incl. CO)	MtD	124	121	130	118	111	116	150	176	125	126	112	128	1 538
	Nb of new projects started	Of the month	5	7	2	3	4	2	1	3	1	1	2	1	32
IBERIA	New projects k€	MtD	136	238	301	379	355	481	452	572	510	598	686	654	5 363
		Of the month	136	127	89	46	56	50	49	68	61	73	75	41	
	Carry-over k€	MtD	508	454	340	311	206	144	127	66	66	11	35	0	2 266
	TOTAL k€ (incl. CO)	MtD	643	692	640	690	562	625	579	638	576	609	721	654	7 629
	Nb of new projects started	Of the month	40	29	19	14	14	11	12	14	14	23	19	10	215

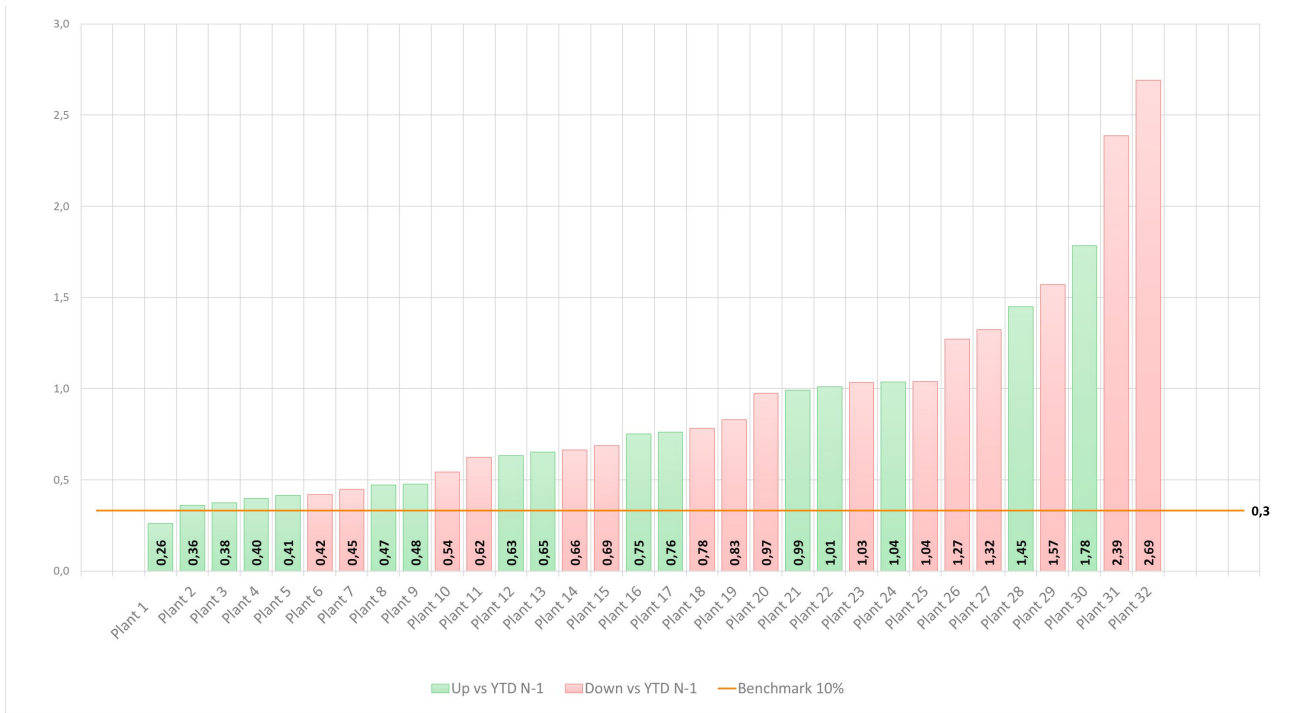


# Productivity Action Plan – The power of benchmark

**BENCHMARK** is a key tool for Verallia teams, allowing to identify quickly the best way to handle any KPI

The Group benchmark is based on more than 60 industrial KPIs – extended every year

**IT CONTRIBUTES** to the definition and execution of productivity projects



# Productivity Action Plan - Losses identification

## > OUR STRUCTURED APPROACH COVERS ALL TYPES OF LOSSES, REGROUPED IN 5 CORE CATEGORIES:

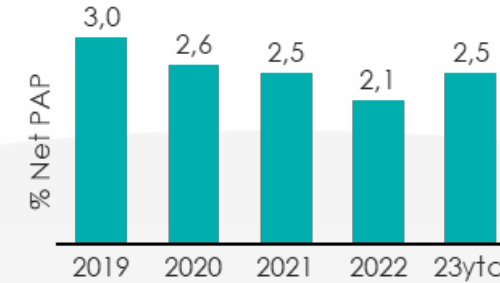
- Equipment & Capacity
- Purchases
- Energy
- Labor
- Logistics

## > THIS APPROACH ALLOWS TO RAISE THE BAR EVERY YEAR, BENEFITING FROM THE ENTIRE GROUP IMPROVEMENTS

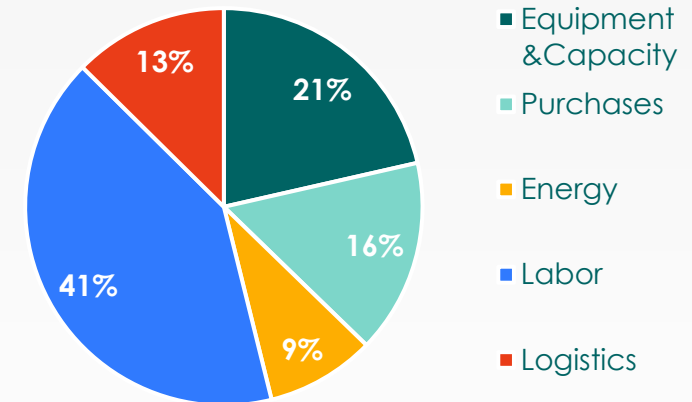
## > FROM THOSE LOSSES, PRODUCTIVITY PROJECTS ARE SELECTED AND IMPLEMENTED TO ENSURE 2% PRODUCTIVITY EVERY YEAR

- Each plant completes between 20 and 40 projects every year

## > THIS PROGRAM, WHICH ENTERS ITS 6TH YEAR, CONTINUES TO DELIVER 2% PRODUCTIVITY EVERY YEAR



IBERIA PAP EVOLUTION



2023

EXAMPLE OF A TYPICAL PLANT LOSSES BREAKDOWN SHOWING OPPORTUNITIES IN EACH CATEGORY

# KEY TAKE AWAYS

**Wendy KOOL FOULON**

*CSR Director & General Counsel*

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**Romain BARRAL**

*Director of Operations*

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# Key takeaways

## CSR

- 1 Longstanding CSR strategy rooted in Verallia's purpose and business model**  
Roadmap rolled out as early as 2021, CSR drives our long-term strategy and business decisions
- 2 CSR objectives spanning key aspects of our business, backed by clear KPIs and action plans**  
New objectives brought to the fore (eg water) on top of longstanding ones (eg CO2)
- 3 Ambitious CSR targets consistent with our purpose**  
Industry-leading effort with highly ambitious targets, eg decarbonization (-46% 2030, net zero 2050)
- 4 We walk the talk and deliver on our CSR targets**  
Action plan rolled out (cullet M&A, electrical / hybrid furnaces, diversity initiatives, etc.), on track with targets

## PAP

- 1 Mix of proven methodology and relentless execution**  
Unique approach based on loss identification and backed by extensive benchmarking
- 2 Evergreen approach delivering year after year**  
Annual savings of at least 2% of cost base since 2018, now at least €45m / 120bps of margin pa

# AZUQUECA PLANT

**Paulo PINTO**

*General Manager Iberia*

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# Azuqueca



**Domingo FRANCO**  
Plant Manager



**2 Furnaces** – 8 lines – 9 products – 92 sections  
**F1: 160m<sup>2</sup>** 6 lines : IS 10 (double prod)  
**F2: 81m<sup>2</sup>** 2 Lines 21: IS 12 (TG)

Glass making process



**230**  
professionals



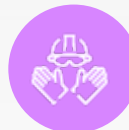
**8**  
Women are  
managers



**25h**  
average training  
hours per worker



**1 TREATMENT CENTRE**, our industry is  
at the heart of the circular economy



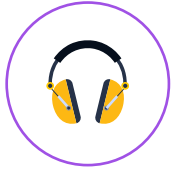
**1 R&D CENTRE**, our industry is at the  
service of our customers

## FOOD JARS



# Safety Rules

## > PLEASE, USE ALL THE PPE'S



Auditive  
protection



Ocular  
protection



Security  
Shoes

- >
  - o Circulate through the enabled security zones
  - o Do not get separated from your group
  - o Respect the sinage

## > IN CASE OF EMERGENCY:

- o Keep calm and do not run
- o Evacuate the factory following the instructions of your guide
- o Go directly to the meeting point



**SAFETY IS A  
FUNDAMENTAL  
AXIS AT VERALLIA,  
WE CONGRATULATE  
ALL THE PEOPLE WHO  
CONTRIBUTE TO IT.**



# Thank you



# Disclaimer

Certain information included in this presentation are not historical facts but are forward-looking statements. These forward-looking statements are based on current beliefs, expectations and assumptions, including, without limitation, assumptions regarding Verallia's present and future business strategies and the economic environment in which Verallia operates. They involve known and unknown risks, uncertainties and other factors, which may cause actual performance and results to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include those discussed and identified in Chapter 4 "Risk Factors" in the Universal Registration Document approved by the AMF and available on the Company's website ([www.verallia.com](http://www.verallia.com)) and the AMF's website ([www.amf-france.org](http://www.amf-france.org)). These forward-looking information and statements are no guarantee of future performance.

**This presentation includes only summary information and does not purport to be comprehensive.**

