

VERESCENCE

GLASS
MADE
TO LAST.

SUSTAINABILITY REPORT
2022-2023

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EDITORIAL

THOMAS RIOU
CEO



In 2022, the UN's International Year of Glass highlighted the considerable benefits that our material offers in a wide range of applications the world over.

We completely agree with the United Nations that more glass will be needed over the coming years if we are to achieve the global sustainable development goals. Glass is the ultimate sustainable material.

Beyond its well-known attributes, it is worth remembering that it is made from a limited number of basic components, manufactured locally and very widely recycled.

Glass is infinitely recyclable, is inert, does not pollute the oceans and does not generate waste.

We are also particularly aware that we must continue to reduce the impact of our manufacturing processes even further in order to increase the sustainability of this material.

We at Verescence believe that achieving the environmental goals of our market requires a profound change in demand. With this aim in mind, we offer our customers a comprehensive eco-design service and are stepping up our R&D efforts to offer new, environmentally friendly solutions. These have included, for example, increasing the proportion of post-consumer recycled glass (PCR) in our standard glass composition to 25% in France by early 2023, and offering the market a new range of ultra-light standard bottles that meet the codes of the luxury sector. We are also investing in new technologies to offer mono-material solutions and establishing partnerships to support our glass offering.

Implementing increasingly sustainable processes is a matter of priority at our glass production and finishing sites. In 2022, our decarbonization plan aimed at reducing our CO₂ emissions by 40% by 2034 (in relation to 2019) was approved by the Science Based Targets initiative (SBTi) based on a scenario of limiting global warming to well below 2°C in relation to pre-industrial temperatures, and we are currently working to bring our plan into line with a 1.5°C trajectory. Furthermore, we have structured resource saving plans in place to help reduce our energy and water consumption. Our

international presence allows us to offer our customers short supply chains, thus minimizing our environmental impact. We are investing in various ways the world over to increase the capacity of each of our sites, along with their ability to meet growing market demand.

The significant advances made by Verescence, as illustrated in this sixth sustainability report, have only been possible thanks to robust governance and a solid performance system. Our efforts were once again recognized in 2022 by EcoVadis, which awarded us its Platinum medal, as well as by CDP, which awarded us a double 'A' rating for our leadership in climate action and water management. This progress is also the result of continuous discussion with our customers, suppliers, employees, and communities. It will be vital, in the years to come, that we get our entire value chain moving if we are to go even further.

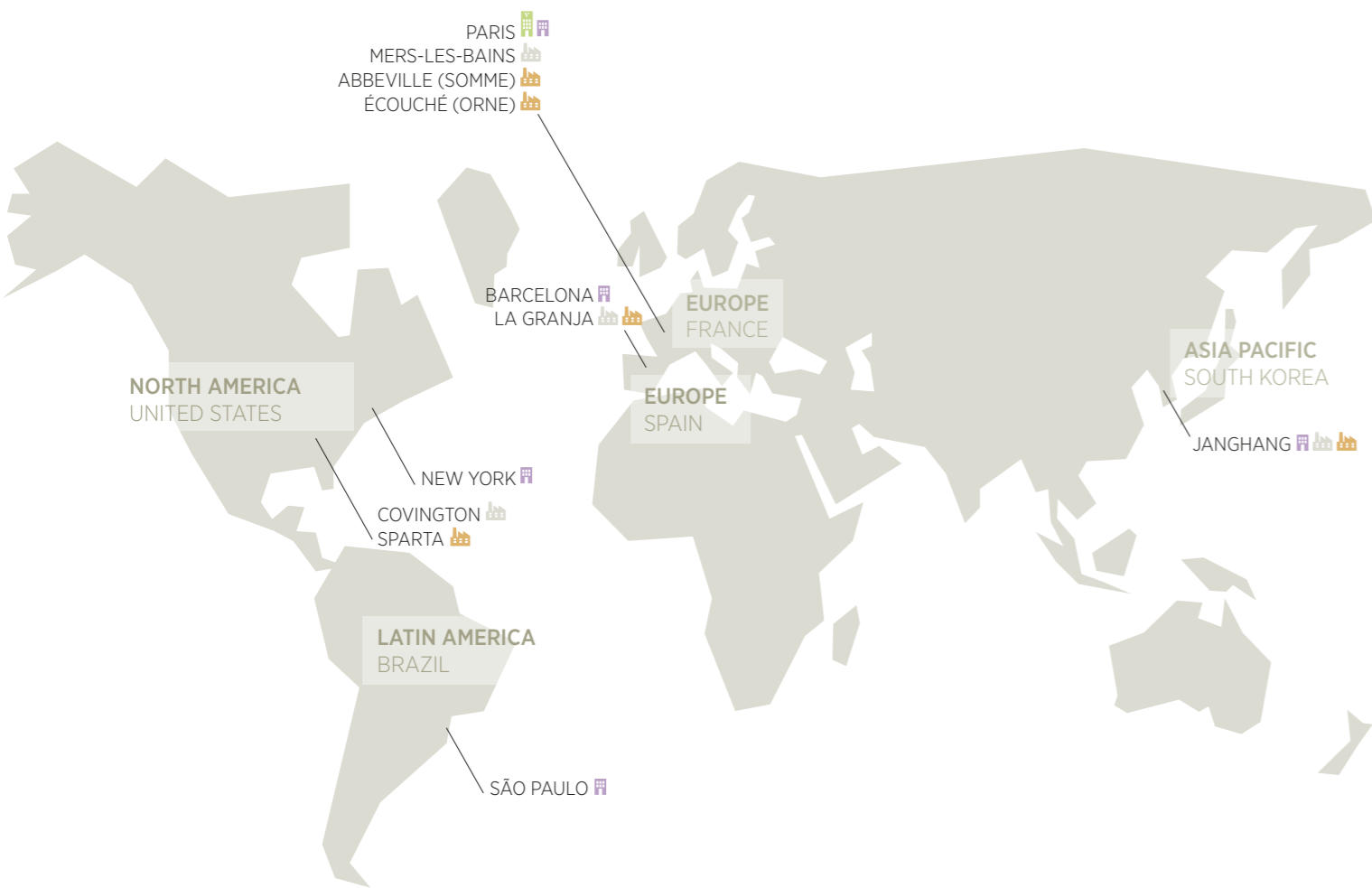
In this, our sixth sustainability report, we also wanted to share more widely Verescence's commitments and efforts to promote biodiversity.

Last but not least, I would like to salute the talent of the Verescence teams and their commitment to making our company the global reference in the sustainable beauty industry.

WHO WE ARE

THE WORLD LEADER IN LUXURY BOTTLES

For more than 120 years, we have been manufacturing and decorating high-end glass bottles and jars for the biggest brands in the perfume and cosmetics industry. At the cutting edge of innovation, our seven plants in France, Spain, the United States and South Korea allow us to produce as close as possible to our customers. Passionate about our business, we push beyond the limits of our historical know-how to provide high-quality, innovative, and environmentally friendly solutions.



- Headquarters
- Sales offices
- Finishing sites
- Glass manufacturing sites

WHAT WE DO

PERFUME AND BEAUTY

We develop bottles and jars that meet the requirements of the biggest names in the beauty world thanks to our expertise in the glass and finishing trades.

INSULATORS

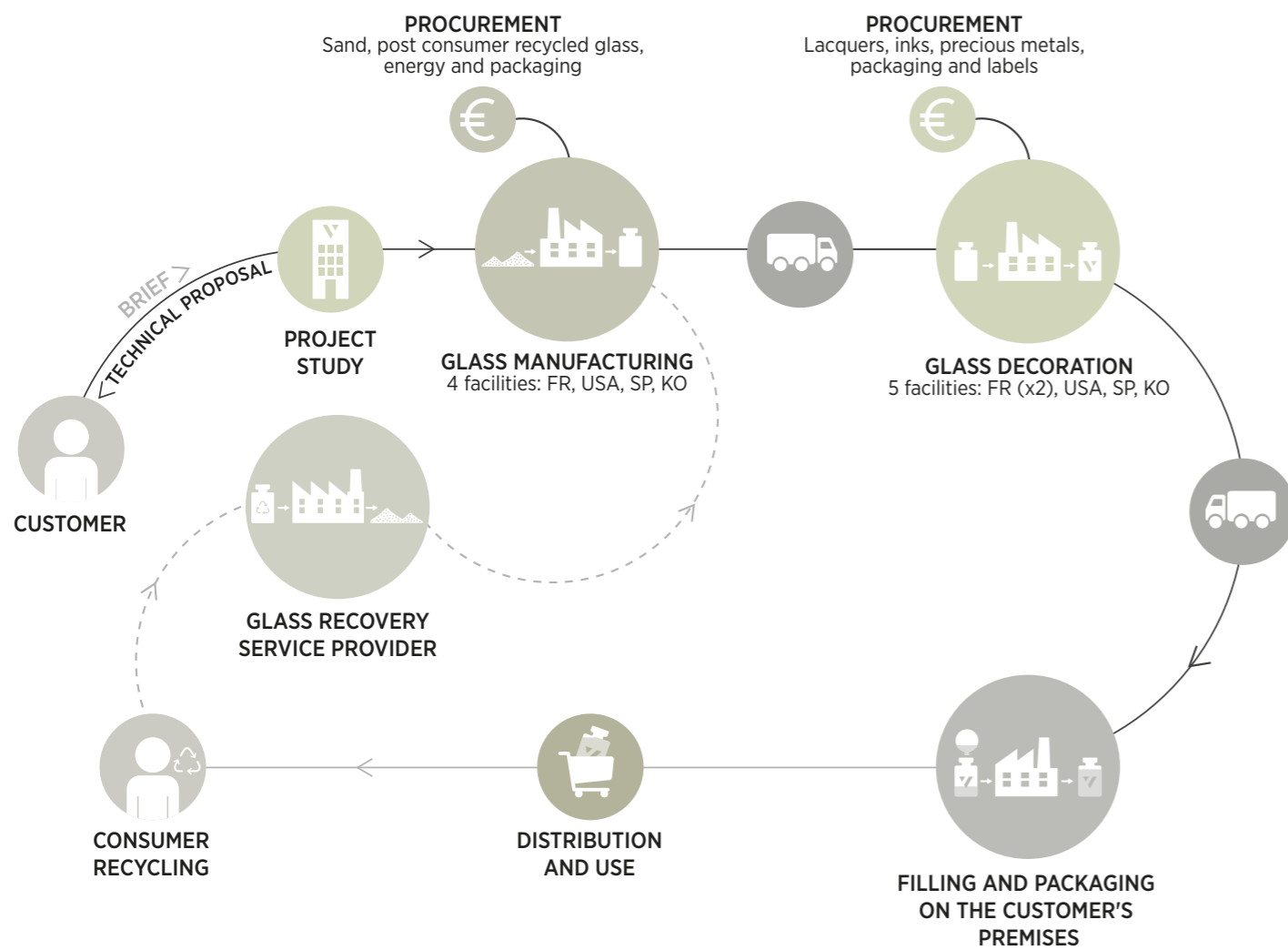
We design and manufacture glass electric insulators for high-voltage overhead electric power lines.

VERESCENCE IN FIGURES



VALUE CHAIN

We at Verescence believe that our employees and partners make all the difference: they are the essential resources for perfecting our customers' products.



RESOURCES

VALUE CREATION

FINANCIAL CAPITAL €410M of revenue	FINANCIAL IMPACT +17% growth in sales
HUMAN CAPITAL 2,372 employees	HUMAN IMPACT TF1 4.3 52% women recruits 100% of our employees benefit from health insurance and a life insurance policy
INTELLECTUAL CAPITAL 281 employee hires 56 active patents and/or patent applications	INTELLECTUAL IMPACT 60.3% of employees trained
INDUSTRIAL CAPITAL 7 industrial sites	INDUSTRIAL IMPACT 284 'lean-specialist' employees to improve performance
ENVIRONMENTAL CAPITAL Quantity of glass drawn 161,561 tons Total energy 825,376 MWh Water withdrawn 2.34 m³/tg	ENVIRONMENTAL IMPACT Waste 159 kg/tg CO2 emissions (Scope 1 and 2**) 1.03 tCO2e/tg NOx emissions 1.78 kg/tg SOx emissions 1.18 kg/tg Fine particle emissions 0.103 kg/tg
RELATIONAL CAPITAL 97% local purchases 2,700 suppliers 110 partners listed on the CSR1 panel* €200M of purchases	RELATIONAL IMPACT 0.84% customer complaints 88% OTIF (On Time, In Full)

*Suppliers with a significant positive effect on Verescence's CSR impact **market-based method
 tg = ton of glass drawn

OUR CSR CHALLENGES




METHODOLOGY NOTE


The risk management system implemented by the Verescence Group is based on the identification and consideration of the main factors likely to have a significant impact on its activities, its financial situation and its image. The Executive Committee has thus validated the identification and evaluation of 97 risk factors producing an impact either internally (business continuity, performance, profitability, etc.) or externally for one or more of its stakeholders (customers, suppliers, financial partners, employees, institutions and civil society). All of these internal and external factors are periodically evaluated according to three criteria rated from 1 to 10: severity, occurrence and level of control. This assessment has identified 28 significant CSR issues for the Group and all of its subsidiaries, 10 of which are considered major, either internally or externally. This categorization makes it possible to establish and verify the relevance of the Group's CSR strategy for all its pillars. All of our issues are thus represented and prioritized in the map opposite.

- ▲ PEOPLE FIRST ▲ ACT FOR SOCIETY ▲ ECO SOLUTIONS
- Major significant CSR issues
- Significant CSR issues
- CSR issues identified but not developed in this report

GOVERNANCE AND SUSTAINABLE PERFORMANCE SYSTEM

Verescence introduced a Governance Committee and a Sustainable Performance System several years ago for the purposes of implementing its sustainability strategy and ensuring that it is adhered to by all departments across all sites.



PIERRE KLEMAS
Chief Sustainability Officer
STIRLING SQUARE 
Stirling Square Capital Partners has been Verescence's sole shareholder since February 2019

Verescence sets itself apart with a remarkable CSR approach based on continuous improvement and excellence. Not only does Verescence demonstrate its commitment to long-term value creation but it also positions itself as the leader in its industry by attracting stakeholders who value ethical and sustainable business practices.

GOVERNANCE AT VERESCENCE

The Governance Committee, made up of the members of the CSR Executive Committee, aims to:

- Identify and continuously monitor future developments in sustainability;
- Take into account and prioritize expectations and changes of stakeholders (customers, employees, shareholders, suppliers, the State, various sectoral organizations, etc.);
- Analyze and control risks;
- Deploy and enforce the overall strategy;
- Define rules and modes of operation;
- Ensure the proper conduct of Verescence's operations;
- Ensure transparency of information to stakeholders;
- Act in a coherent and united manner to ensure good decision-making at the right level within the organization.



> CSR is carried to the highest level by the CEO, who unites all employees around the Group's vision. He works to ensure that the sustainable development policy and the transformation project are meaningful at all levels of the company.

> The CSR Executive Committee meets every two months with the participation of the Chief Executive Officer to define and validate CSR actions, in accordance with the Group's strategic orientations. Its members are the heads of geographical areas and functional departments.

> The operational departments deploy the CSR strategy within all the company's departments and implement actions to achieve the objectives defined by the CSR Executive Committee.

> At Verescence, CSR concerns every employee, whatever their position. They actively participate in working groups and part of their variable compensation includes objectives linked to the Group's CSR performance.

SUSTAINABLE PERFORMANCE SYSTEM

The Verescence Sustainable Performance System (VSPS) has supported the company's transformations for several years now and enables us to define formal mechanisms (processes, defined structures, management and organizational standards, etc.) with a view to the following:

- **SETTING** performance goals to be achieved for each department, region, site, furnace, or Autonomous Production Unit (APU);
- **MEASURING** performance at all levels of the organization in a homogeneous way using standard KPIs and shared reporting;
- **PERIODICALLY REVIEWING** performance through business reviews, performance meetings, etc.
- **DEFINING AND ENSURING** the follow-up of improvement projects through steering committees, work groups and business line committees;
- **VERIFYING** compliance with the main standards through an internal audit system.



ALAIN THORRÉ
Director CSR, Quality & Continuous Improvement
VERESCENCE

In 2022, Verescence incorporated an energy-saving plan into the VSPS with the aim of identifying all good practices within the group. Inspired by initiatives implemented by our customers and in other industrial sectors, its aim is to identify and eliminate all unnecessary energy consumption. As is the case with industrial and financial performance, energy performance is now measured with increasing precision at individual site level and governed based on targets and avenues of improvement that are common throughout the organization and will be monitored by the existing bodies.

Verescence has chosen to have its Sustainable Performance System certified by a single organization to ensure homogeneity of requirements and compliance with ISO (International Organization for Standardization) standards, recognized by our customers and stakeholders in the areas of Safety, Quality, Environment, Good manufacturing practice (GMPs) and Energy Management.

Furthermore, annual assessments by internationally recognized organizations allow Verescence to benchmark itself and improve the following:

- **ITS CSR STRATEGY**, the relevance of its deployment, and the results obtained and perceived, thanks to EcoVadis evaluations;
- **ITS COMMITMENTS AND PROCESS DEVELOPMENTS** regarding the reduction of CO₂ emissions and water management through CDP Climate Change and CDP Water Security.

3-PILLAR CSR STRATEGY

Being recyclable by nature, glass inspires our environmental policy. Our entire CSR approach, known as Glass Made to Last, is inspired by our strong values of passion, excellence, respect, and courage, and rests on three fundamental pillars:

People First, Act for Society and Eco Solutions. Our ambition and responsibility as a leader is to remain the forerunner and set an example for our employees, our regions, and our customers.

VERESCENCE AND THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The “Glass Made to Last” program contributes to achieving 15 of the 17 sustainable development goals (SDGs) set by the United Nations for 2030.



PEOPLE FIRST

Glass-making and finishing are not easily learned skills. They are based on precise and rare expertise acquired over a long period of time. What’s more, they evolve with the arrival of new technologies. Verescence must find a way to maintain its historical skills and adapt to new developments, while guaranteeing safety and well-being at work.

- HEALTH AND SAFETY
- WELL-BEING AT WORK AND RECOGNITION
- SKILLS AND CAREERS
- DIVERSITY



ACT FOR SOCIETY

What makes Verescence unique is its status as an international group with a strong local presence. As a leader, we have to set an example and make our actions sustainable so that we contribute positively to the ecosystems around us. We believe that economic and social performance can and must be coordinated jointly.

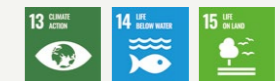
- LOCAL PRESENCE, GLOBAL STRENGTH
- PRESERVING EMPLOYMENT AT OUR SITES
- SUSTAINABLE PROCUREMENT
- BUSINESS ETHICS



ECO SOLUTIONS

Glass is a unique material that can be recycled an infinite number of times without any deterioration in its properties. It inspires us to incorporate the environmental imperative as a source of creativity and innovation. We believe that developing more planet-friendly processes and eco-designed products is compatible with the codes of luxury and beauty.

- QUALITY OF SERVICE AND COMPETITIVENESS
- OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES
- INNOVATION AND ECO-DESIGN



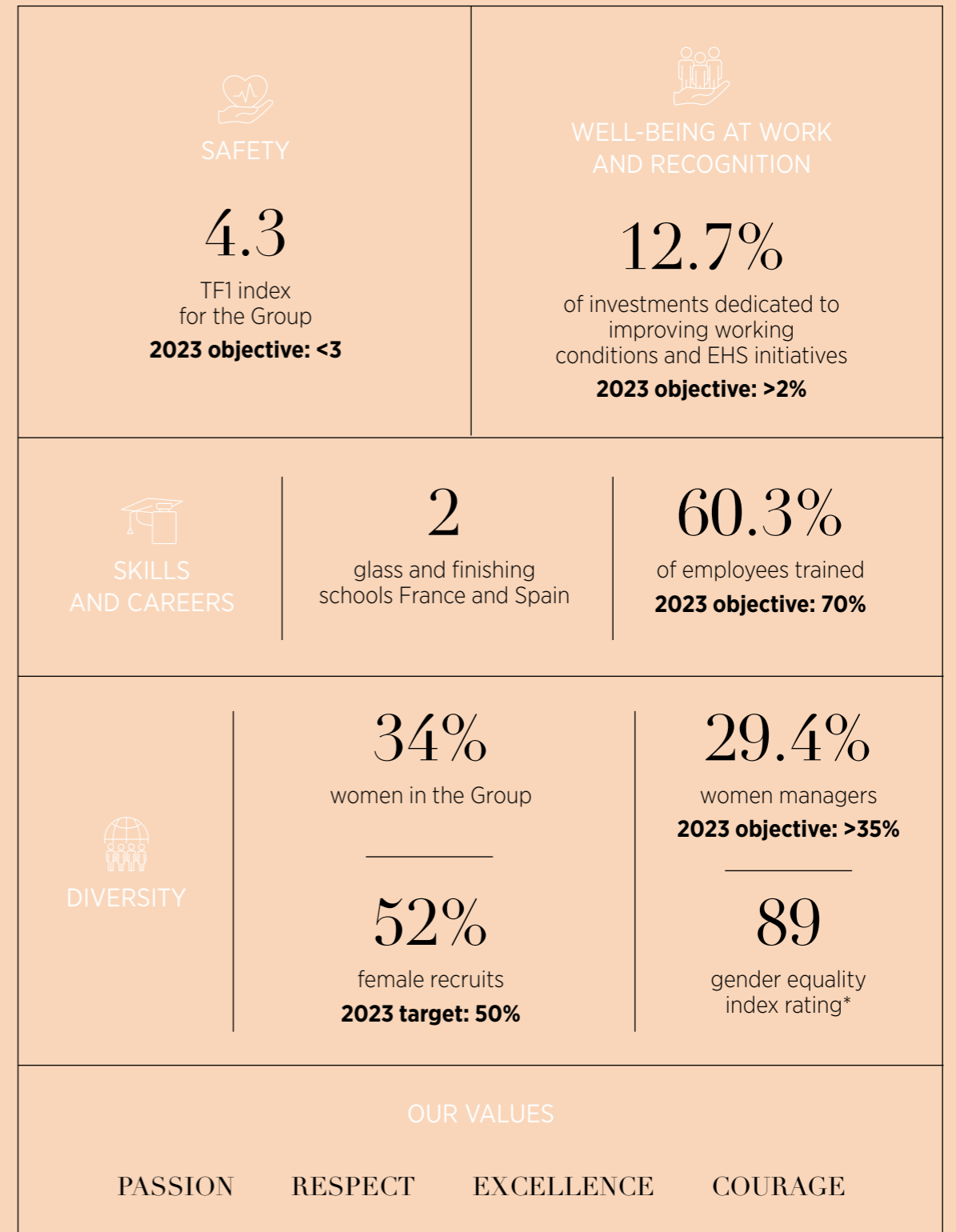


PEOPLE FIRST

- HEALTH & SAFETY
- WELL-BEING AT WORK AND RECOGNITION
- SKILLS AND CAREERS
- DIVERSITY

We at Verescence are convinced that our success and performance depend on the satisfaction and commitment of our employees. Which is why we place great importance on the well-being and development of each individual, creating a working environment in which everyone can develop their potential and contribute fully to the success we enjoy together. We made significant progress in all four of our priority areas in 2022: safety, quality of life at work, talent development, and diversity.

2022 IN KEY FIGURES



*The Gender Equality Index, rated out of 100, is an initiative of the French government



HEALTH AND SAFETY

Safety is Verescence's top priority, and this is reflected in the constant attention we pay to preventing occupational hazards and protecting the health and safety of our employees.

Safety: aiming for zero accidents

We believe the only acceptable goal when it comes to safety is to achieve "zero accidents".

Since 2016, we have implemented effective measures that have helped keep our TF1 indicator

(lost-time accident frequency rate) below 5, that is 2.5 times lower than the average for our industrial sector*. In 2022, our TF1 stood at 4.34, reflecting our commitment to maintaining a safe working environment for all our employees. Furthermore, we're delighted to report that our two US sites have been accident-free for over 3 years.

Promoting a culture of safety

We believe that all our employees have a role to play when it comes to safety and we do our utmost to encourage a strong, positive safety culture that stresses the importance of individual and collective responsibility. The Verescence Somme site successfully introduced the "Safety Bingo" challenge in 2022 with a view to promoting this mindset and encouraging operators to play an active role in identifying high-risk situations. We're delighted to report that this initiative has identified 52 risks, with a

significant drop in incidents requiring medical attention and work-related accidents since the program was introduced.

In an attempt to further involve our employees, we are launching an extensive training program aimed at transforming safe behaviors in 2023.

*Source: Caisse Nationale de l'Assurance Maladie occupational claims statistics 2018: the TF of sector 313Z "Hollow glass manufacturing" is 13.9

Paperless safety audits

As part of our continuous improvement strategy, we have dematerialized internal safety audits by migrating them to the GoAudits platform in 2022 to facilitate not only the efficient and rapid completion of audits by our EHS teams, but also the management of instances of non-compliance and the corresponding corrective measures.

In 2022, 152 internal safety audit reports were produced across 5 sites of the Group, with an overall compliance rate of 86%.



Improving working conditions

In Spain, we launched a project designed to improve working conditions and safety during the insulator assembly stage in 2022.

We develop reusable thermoformed packaging that provides stability during storage.

A loading robot will also be installed on the line to avoid repetitive handling.



HEALTH AND SAFETY

Fire prevention

Fire hazards are a major issue in our heavy industry and are dealt with in numerous action plans worldwide. Our Mers-les-Bains site is the Group's pilot site when it comes to fires involving our forming machines. Very specific cleaning protocols (in terms of location and frequency) have been put in place, incorporating new dry steam techniques. This is complemented by a real-time incident measurement system that enables us to adapt our protocols where necessary. Furthermore, since the start of 2023, two forming lines have already been equipped with a "deluge" extinguishing system, the aim being to have all our lines equipped in 2024.

Our La Granja site, meanwhile, is the pilot site for determining new pallet protection processes.

The latest-generation wrapping machines have been installed and are monitored to measure differences with shrink hooding machines, and our hooding machines are currently being fitted with smoke and heat detectors.



Wrapping machine at the Verescence La Granja finishing plant

FOCUS

CSR Week 2022: raising awareness of health and safety at work

Verescence successfully organized the 13th edition of CSR Week from June 6 to 10, 2022.

Throughout the week, our sites offered a variety of fun activities centered around the theme of occupational health and safety, including training sessions on fire extinguisher handling, evacuation drills, first-aid training, and stretching and warm-up exercises to help prevent injury.

This annual event is an opportunity for our teams to come together and gain an awareness of risk behaviors and situations in order to improve conduct in the long term.





WELL-BEING AT WORK AND RECOGNITION

Verescence is there for its employees to help counter inflation

Faced with an extraordinary level of global inflation in 2021 and 2022, Verescence wanted to be able to introduce early pay rises to protect all its employees. This was possible thanks not only to the quality of the dialog established with our social partners but also to

the support of our customers, for which we thank them. This approach also helps boost the appeal of the roles we offer.

Team building and conviviality

We are committed to celebrating important moments in the life of the company and to sharing these highlights with our employees and partners. Which is why we regularly organize events to mark such special occasions.

We encourage our teams to take part in sporting and community events, helping to combine a sense of endeavor, team-building and support for local associations. Our employees proudly represented Verescence at various sporting and community events in 2022, including Breast Cancer Awareness Month, the Oxfam Trailwalker in Dieppe and the Fuzz Run in Covington.

In 2022, we celebrated the International Year of Glass across all of our sites with a series of open days for our employees and their families.

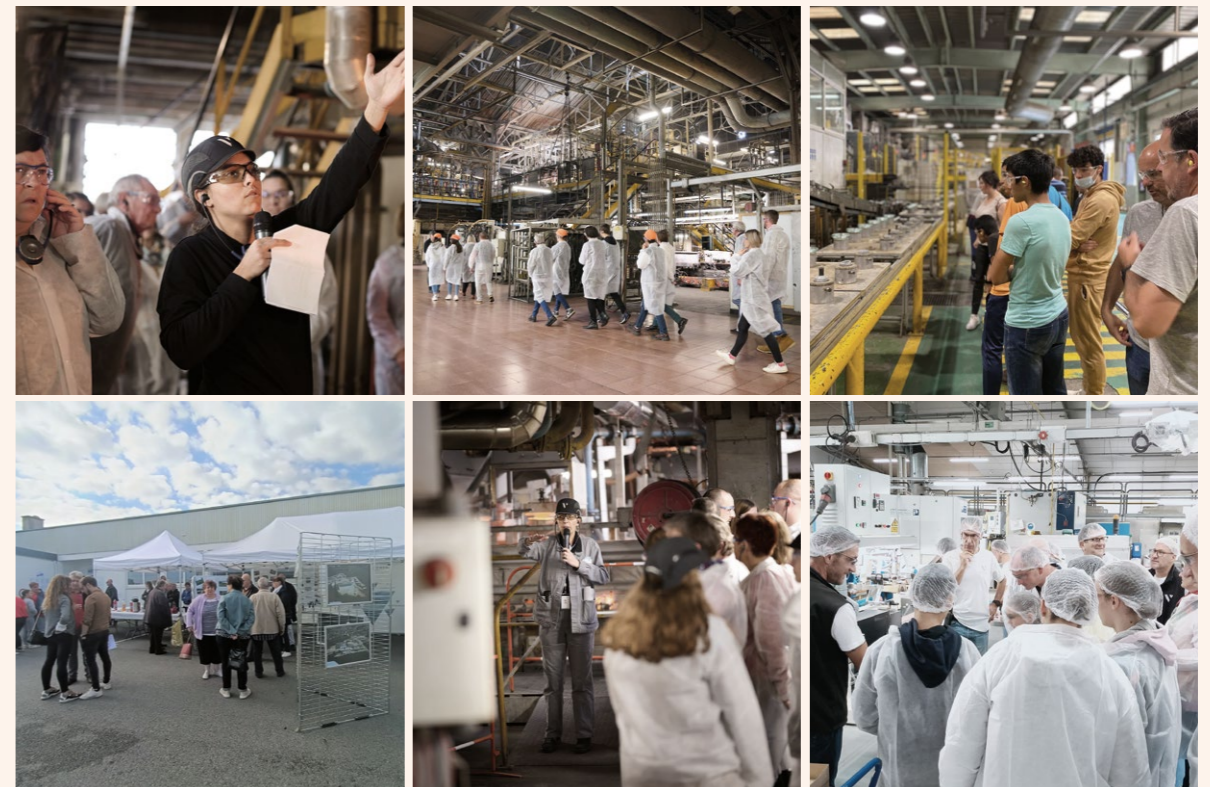


FOCUS

Open Day at Verescence plants

Verescence's plants in France and Spain opened their doors to mark the International Year of Glass in 2022. These one-off open days were aimed at the families of the company's employees with a view to showing them the quality of the work we do at the sites and encouraging the younger generation to consider a career in the glass industry. Over at Verescence Somme, we also celebrated the plant's 40th anniversary, providing an opportunity to show our employees and their families all of the transformations achieved, particularly over the last ten years.

A total of over 1,300 visitors got to take a guided tour of the facilities, understand how the machines work and find out how glass bottles for luxury fragrances and cosmetics are made. Our employees took great pride in being able to give their families an insight into what they do and their place of work.





SKILLS AND CAREERS

Work-study training: a matter of priority for Verescence

Verescence is committed to the transfer of skills and supporting junior people in their professional integration and has therefore made the promotion of work-study programs a matter of priority within its strategy. In 2022, this policy notably led to the recruitment of over 42 individuals on apprenticeship or professionalization contracts across our three French sites. In keeping with this approach, and in collaboration with Opco2i, Verescence also took part in the *Rencontres de l'apprentissage* apprenticeship events organized by the French Ministry of Labor, Employment and Integration to introduce junior people to the various roles within the glass industry and answer their questions.

It was also with this in mind that Verescence created its new *Conducteur de Ligne Bout Froid* ('Cold End Line Operator') training course, in partnership with Greta, a local training body issuing qualifications. This initiative is designed to meet our recruitment needs and improve our employees' skills in this specific field.

Since September 2022, eight apprentices have begun their training on a one-year work-study contract, with a permanent position at Verescence to boot.



Testimonial by Xavier Brevart, HR Director at Verescence, on the *Rencontres de l'Apprentissage 2022* apprenticeship event



Enzo on a professionalization contract at the Molding shop with his trainer



SKILLS AND CAREERS

Internal and international mobility

Internal and international mobility enables our employees to develop their skills, strengthen their expertise and contribute to our company's global success.

In September 2022, for example, we launched an extensive internal recruitment campaign for both ad hoc and long-term assignments at our Covington and Sparta sites, which helped us to enrich our US teams with Verescence experts from a variety of backgrounds.

One of the engineers from our Korean subsidiary has also joined the teams at the Mers-les-Bains site to facilitate technical exchanges between France and South Korea. Furthermore, promotions and internal mobility have strengthened the operational teams at our various sites, and every year we also offer several VIE (Volunteer for International Experience) placements in areas such as finance, quality, continuous improvement, and production. Before they leave for one of our foreign sites, VIE volunteers receive several months' training in France to give them the skills they need to succeed in their assignment. In 2022, we welcomed 6 VIE volunteers across our US sites.

OUR TALENTS TESTIFY



AUDREY MUKADI
System and Network Administrator, VERESCENCE Covington

My arrival was memorable as I was directly involved in resolving an incident but the different departments made me feel at ease and helped bring me on board right away. This experience in the US has helped broaden my mind, improve my English and learn other ways of working.



ROMAIN GUILLAUD
Quality Control Engineer, VERESCENCE Covington

My first impression when I arrived at Verescence was really positive. I received an instant warm and friendly welcome from all the members of the team, both during the 3-month training period in France and when I arrived at the US site. The work environment was sociable and motivating, which made me feel comfortable from the get-go and enabled me to quickly become a member of the team. I was impressed by the high standards in place to guarantee the quality of the products.



NELLY FRISE
Autonomous Production Unit Manager, VERESCENCE Somme

NELLY BEGAN HER CAREER AS A PACKER AND LATER OPERATOR AT VERESCENCE SOMME BEFORE GAINING SOME INITIAL MANAGEMENT EXPERIENCE AS A TEAM LEADER. IN 2022, HER SKILLS AND COMMITMENT EARNED HER A PROMOTION TO AUTONOMOUS PRODUCTION UNIT MANAGER.

First of all, there was my discovery of screen printing, during a 6-month training course at Verescence Somme. With my diploma in hand, I was hired as an "automatic screen printing machine operator" for 17 years, following which I became an expert in pad printing for 7 years. In 2018, the group opened a new path for me: Full-time Team Leader on the hot stamping technology, with management training into the bargain. Four years later, I was lucky enough to land the job of Autonomous Production Unit (APU) Manager, which encompasses screen printing, pad-printing and hot stamping lines. Verescence offered me a bespoke training program and I was appointed on December 1, 2022. I now manage 55 people. It's been an incredible journey! A career I'm proud of, achieved without having completed a long period of prior study. What I like most about Verescence is being out in the field and working with different departments, like maintenance, scheduling, human resources, production and the methods department. Working together to achieve success is what it's all about at Verescence, and that's what makes our work so rewarding.



GWI-SEON KIM
IS Maintenance Manager, VERESCENCE Pacific

GWI-SEON JOINED VERESCENCE PACIFIC (A SUBSIDIARY WE ACQUIRED IN 2021) TWELVE YEARS AGO AND HAS HELD VARIOUS MOLD DESIGN, PRODUCTION AND MAINTENANCE POSITIONS OVER THE YEARS. IN 2022, GWI-SEON JOINED THE TEAMS AT THE MERS-LES-BAINS SITE IN FRANCE FOR A 2-YEAR POSTING IN THE TECHNICAL DEPARTMENT.

When I heard about the opportunity to work at the Mers-les-Bains site, I jumped at the chance! It was an excellent opportunity to learn from one of the Verescence Group's most advanced sites, and I knew that international experience would be a major asset to my career. I've settled in really well in France, and the teams are all very friendly. There's a saying in Korea that "wherever people live, it's the same", meaning that, no matter how different things might seem in another country, human relationships remain the same. I'm learning so much every day, and hope to continue to make a valuable contribution to Verescence Pacific during my stay in Mers-les-Bains.



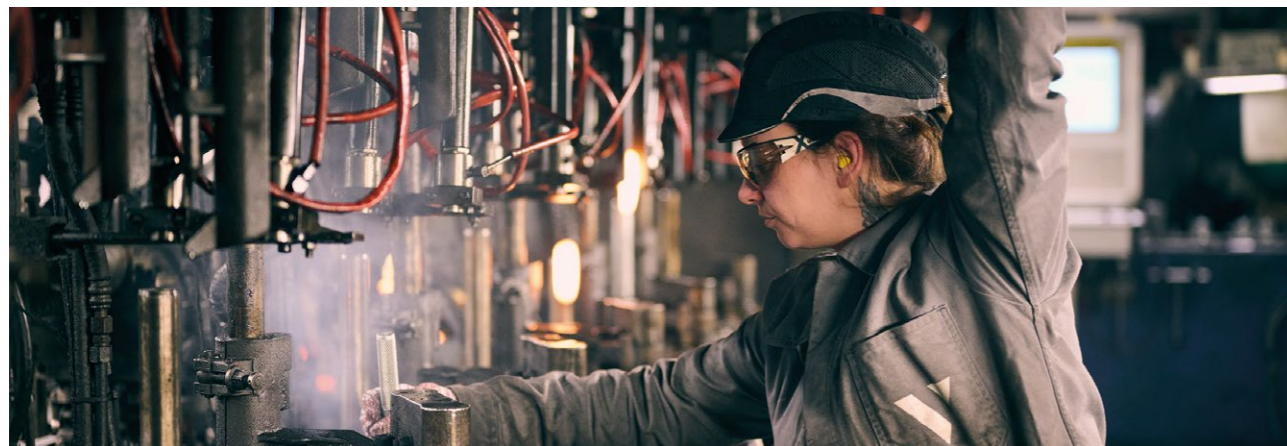
DIVERSITY

Women at Verescence in 2022

Women make up 34% of the total Verescence workforce, including in production, quality, molding and maintenance,

and we achieved recruitment parity in 2022, with 51.9% of new recruits being women (as opposed to 40% in 2021).

We aim to increase the representation of women in managerial positions (currently at 29% as in 2021) to at least 35% by 2026. This is a major issue for the company, and we are convinced that increasing the number of women in our organization is not a guarantee of success but that it will also enhance our teamwork and improve decision-making processes. We will therefore continue to try to attract female talent and encourage the promotion of women to positions of responsibility.



Gender equality in the workplace

Verescence pursues a proactive policy of professional equality at all its sites.

The French professional equality index measures pay inequalities between men and women based on five indicators, namely the gender pay gap, the individual increase rate gap, the promotion rate gap, the proportion of employees receiving an increase following

maternity leave, and the proportion of women among the company's ten highest earners.

Verescence's three French sites achieved well over 75/100 (the legal minimum) in terms of gender equality in the workplace for the 2022 calendar year, with an overall index rating of 89/100.

FOCUS

Verescence au féminin 2022: developing positive leadership

Our commitment to promoting female talent led to us launching the *Verescence au Féminin* event in 2017 with the aim of bringing together female Verescence employees and customers to talk to and inspire one another regarding their careers.

The 3rd edition of the event was held in Paris on Thursday, October 20, 2022 on the theme of "Developing positive leadership for business success". Following an opening address by Héléne Marchand, General Manager France and Member of the Verescence Board, participants attended a talk by Silvia Garcia, an expert in positive leadership and happiness in the workplace, who shared her experience as former Global Marketing Manager and Founder of Coca-Cola's Happiness Institute, and offered some tips on dealing with professional obstacles in a positive and constructive way.

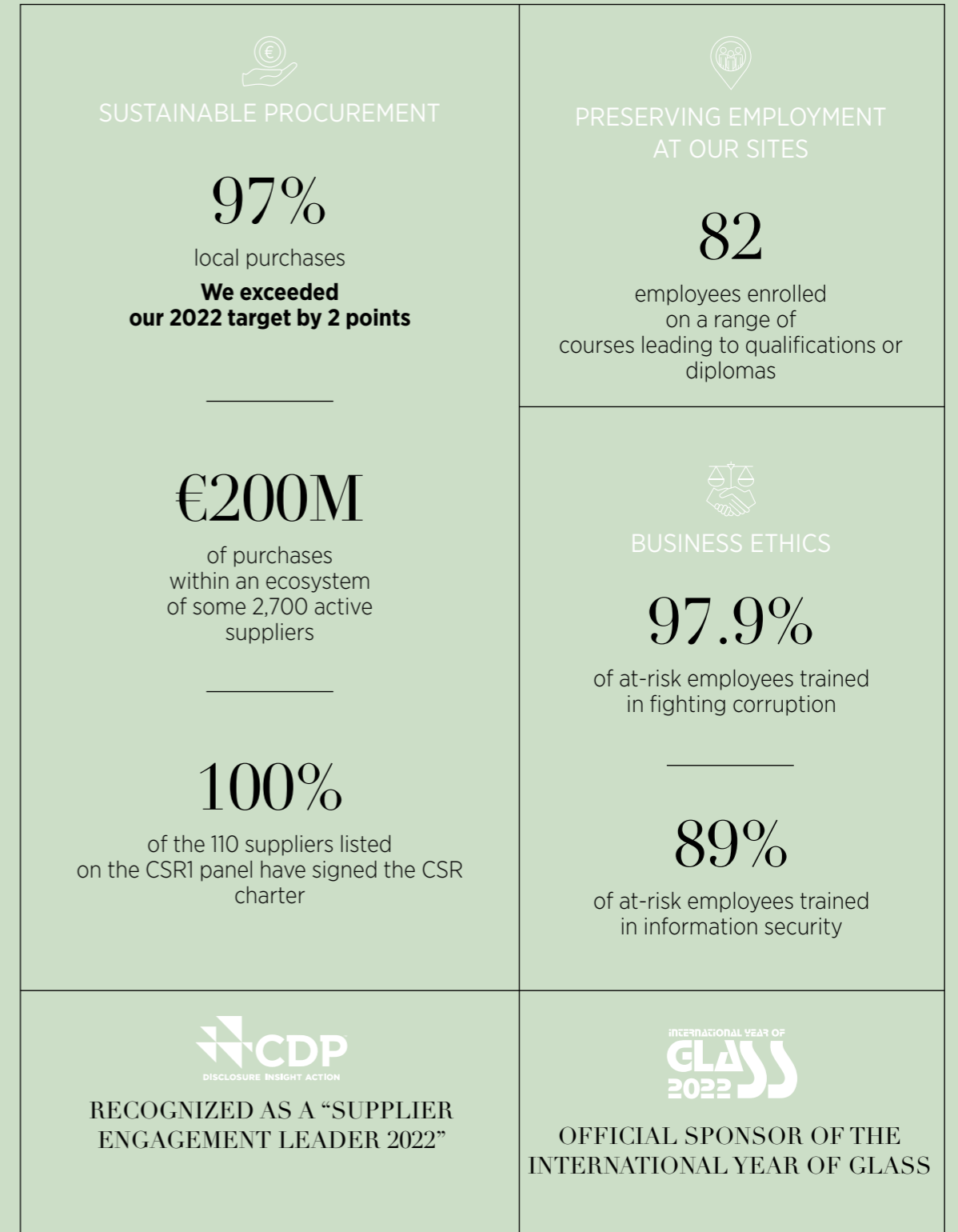


ACT FOR SOCIETY

LOCAL PRESENCE, GLOBAL STRENGTH
 PRESERVING EMPLOYMENT AT OUR SITES
 SUSTAINABLE PROCUREMENT
 BUSINESS ETHICS

Verescence is an international group that maintains a strong territorial presence in each of the countries in which it operates by playing an active role in the economic and social development of the regions in question and by promoting local employment. We believe in the importance of having short and resilient supply chains to ensure both the sustainability of our operations and the stability of our local partners. We work closely with our suppliers to develop long-term partnerships and implement sustainable practices right throughout our value chain. In 2022, we strengthened our ties with all of our stakeholders, holding regular consultations with our customers, our suppliers and the local communities in which we operate.

2022 IN KEY FIGURES





LOCAL PRESENCE, GLOBAL STRENGTH

Cosmetic Valley: the beating heart of the global cosmetics industry

Verescence is a member of Cosmetic Valley, the competitiveness cluster and national coordinator of the fragrance and cosmetics industry in France, as the world's leading exporter of fragrances and cosmetics (15% market share) and the second-largest contributor to France's trade balance, behind aerospace. The presence of our CEO, Thomas Riou, and our General Manager France, H el ene Marchand, on the organization's board of directors bears testimony to Verescence's commitment

to the industry. Cooperation and the fair sharing of value between the various players in the industry (distributors, manufacturers, suppliers, etc.) are key factors in the future success of both Verescence and indeed the industry as a whole. With this in mind, a number of initiatives have been introduced within the framework of the *Comit e de fili ere cosm etique* ('Cosmetics Industry Committee') with a view to tackling economic turbulence and challenges of the ecological transition.



Launch of the new Cosmetic Valley signature "France Cares for Your Skin" at the Ch ateau de Versailles on February 9, 2023

One Verescence: international missions



The Verescence Group's technical managerial operations are centered around a "local presence, global strength" strategy.

In addition to the Group's major technological projects, the team coordinates a global network of experts who work together to determine the standards of the future.

This ensures that practices are standardized and that the various cultures within the group are taken into account, which is a tremendous asset. There are also regular inter-site exchanges aimed at transferring skills, boosting motivation, and fueling a sense of belonging. These international missions that we consider so vital involve managers, technicians, and operators alike.

FOCUS



LOCAL PRESENCE, GLOBAL STRENGTH

A look back at 2022: International Year of Glass

Verescence marked the United Nations' International Year of Glass by taking part in various initiatives and events designed to promote our material and its extraordinary qualities.

LET'S TALK GLASS: HIGHLIGHTING THE QUALITIES OF GLASS

The multi-episode video series *Parlons Verre* ("Let's talk glass"), produced by the *Fédération des Industries du Verre* and the *Fédération du Cristal*, were intended to inform the general public about the various sectors in the glass industry (packaging, fiberglass, etc.) through a series of testimonials from manufacturers, institutional players, craftsmen, and creative talents. Verescence took part in Episode 1, *Le Verre, Acteur de la lutte contre le changement climatique* ("Glass and its Role in Fighting Climate Change"), looking at glassmakers' commitments to decarbonizing their processes.

We also took part in Episode 3, *Le Verre, un allié au service de l'économie circulaire* ("Glass as an Ally in the Circular Economy"), in which we outlined the challenges associated with using recycled glass for luxury bottles.



AGE OF GLASS: AN IMMERSIVE INSTALLATION AT LUXE PACK MONACO

Verescence took part in the Age of Glass installation at Luxe Pack Monaco from October 3-5, 2022, showcasing the European companies producing glass bottles for fragrances and cosmetics, wines, and spirits. The installation was produced in collaboration with FEVE (the European Container Glass Federation) and Centdegrés, an international brand intelligence and design agency.



LA NUIT DU VERRE ("GLASS NIGHT"): AN EVENING OF DISCUSSIONS OF THE MAJOR ISSUES FACING THE GLASS INDUSTRY

Over 150 Glass Valley customers, suppliers and partners gathered at the Cloud Business Center in Paris on Thursday, November 24, 2022 for the first edition of *La Nuit du Verre*. The evening provided an opportunity to discuss the major challenges facing the glass industry, such as decarbonization, eco-design, supply chains, and the energy transition, with Verescence taking part in various round tables and delivering the event's closing address.



CLOSING CEREMONY IN SPAIN: 300 YEARS OF HISTORY

In tribute to Spain's glassmaking tradition, the closing ceremony of the International Year of Glass was held on December 2, 2022 at the La Granja de San Ildefonso glass museum, housed in the former royal glassworks built in 1727. Participants then had the opportunity to visit the Verescence La Granja plant.



FOCUS



LOCAL PRESENCE, GLOBAL STRENGTH

Preserving the biodiversity of our regions

Our premises are located in areas of outstanding biodiversity, such as the Real Sitio de San Ildefonso-El Espinar biosphere reserve, nestled in the heart of the Sierra de Guadarrama, in the province of Segovia (Castilla-León), and the Baie de Somme in France. We are very much aware of the importance of preserving these protected ecosystems, which is why we work closely with local authorities to preserve the biodiversity of these regions. With this in mind, we are also committed to promoting the circular economy and its positive impact on biodiversity. As part of this commitment, we use recycled glass in our furnaces to help limit our impact on natural resources. In partnership with our customers, we also reuse wooden pallets and use returnable packaging to transport our bottles. We aim to map the biodiversity challenges associated with our operations at each of our sites worldwide by 2025. This will enable us to identify sensitive areas in which we need to take steps to preserve biodiversity.



BIRD AND NATURE FESTIVAL

With two plants located in the Hauts-de-France region, Verescence is proud to partner the *Festival de l'Oiseau et de la Nature* (Bird and Nature Festival), founded in 1991 to promote the environmental richness and diversity of the natural areas around the Baie de Somme, considered one of the world's most beautiful natural areas. Every spring, which happens to be the best time of year for birdwatching, the 9-day festival offers an opportunity for the whole family to immerse itself in nature.

Our Abbeville finishing site is producing glass carafes screen-printed in the festival's colors to mark the event.



OCEAN WASTE CLEAN-UP OPERATION ON SONGSEOK BEACH

Verescence Pacific took part in a litter clean-up operation on Songseok beach in South Korea for the second year running, in collaboration with local authorities. Around 60 employees took part in two clean-up sessions organized in May and August, helping to recover over a ton of litter. The initiative aims to protect marine biodiversity in the South Chungcheong province and is part of the government's 'Beach Companions' program, which aims to reduce marine pollution caused by marine litter.





PRESERVING EMPLOYMENT AT OUR SITES

Launch of the *Glass Vallée Inclusive* program

Verescence has a site in France's Glass Valley, where an ecosystem of some sixty companies—glassmakers, decorators, sorters, molders, transporters, etc.—employs over 10,000 people and produces 70% of the world's luxury bottles. Verescence partnered with Missions Locales and Pôle Emploi to launch a specific reintegration training program in 2022 aimed at the long-term unemployed, with a view to improving their awareness of professional codes, their knowledge of glass-related professions and expertise in the region, and their sorting skills (the first pre-requisite to joining the glass industry).

The initiative has certainly proven fruitful, with 57% of participants in the three training sessions organized in 2022 having since found employment either with Verescence or with other organizations operating in Glass Valley.

In total, more than 100 people will receive support by the end of 2023.

Promoting the inclusion of people with ASD

The social and professional integration of people with autism spectrum disorder (ASD) is a major factor in achieving a fairer and more inclusive society. In France, Verescence has chosen to support the Les Maisons de Vincent association, which provides adapted living and care facilities for autistic adults based on the principles of agroecology. The first home opened near our glass plant in Mers-les-Bains in 2021 and is designed to enable

residents to become independent and participate in the economic life of the region through a community grocery store selling local produce. Verescence supports the association through various initiatives, such as the creation of a glass carafe in the Les Maisons de Vincent colors and the purchasing of baskets of fruit.



Geneviève Darrieussecq, French Deputy Minister for Solidarity, Autonomy and Persons with Disabilities, visits the Maison de Vincent in Mers-les-Bains on January 30, 2023

FOCUS

Promoting glass-related professions among future generations

Few know much about the exciting career prospects that the glass industry offers. Which is why Verescence is committed both to actively promoting the roles it offers among junior people and to education. We take a closer look at two initiatives implemented in France and the United States in 2022.

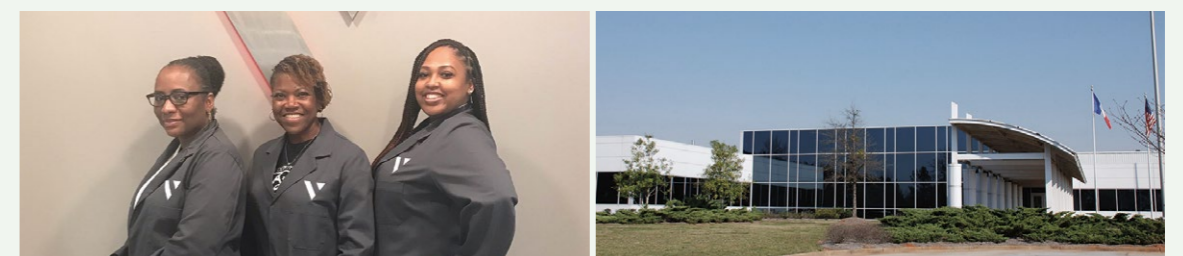
INDUSTRY WEEK

Every year, Verescence plays an active role in Industry Week, a national initiative aimed at strengthening links between the worlds of work and education, and combating the stereotypes that still surround industry and the roles it involves, with the aim of inspiring junior people to choose a career in industry. As part of the 11th edition of the event, held in November 2022, Verescence organized a number of plant tours giving junior people the opportunity to discover the glass and finishing trades in real-life situations. Our glass experts were also invited to speak and showcase their trades at local vocational schools and colleges. A total of over 200 junior people were introduced to the internship, work-study, and career opportunities that Verescence offers.



TEACHER IMMERSION AT VERESCENCE

Teachers have a key role to play in promoting industrial roles among junior people, which is why Verescence is working to strengthen its collaboration with the local educational community. In June 2022, Verescence hosted three teachers from Newton County schools for an immersion at our Covington glass manufacturing site. Over the course of the 3-day placement, the teachers got to shadow employees working in various production, quality, and molding roles. The initiative gave the teachers an insight into the opportunities Verescence offers and enabled them to pass on what they had learned to their students in order to help them make better career choices.





SUSTAINABLE PROCUREMENT

We involve our suppliers in our CSR policy right throughout the value chain and are establishing short, local supply chains by organizing production by geographical area.

In 2022, over 97% of our purchasing was local.

Involving our entire supply chain

Verescence spends around €200 million every year on purchasing products and services from its 2,700 suppliers. Indirect (Scope 3) CO2 emissions accounted for 34% of the Group's total emissions in 2022, making them the second-largest source after emissions from bottle manufacturing.

One of the priorities set out in Verescence's decarbonization plan is therefore to involve the 110 suppliers with the greatest impact in reducing the company's environmental footprint.

In 2022, we received an 'A' rating in the CDP's Supplier Engagement Rating (SER) 2022 for the second year running, in recognition of our efforts to measure and reduce climate risks within our supply chain. This involves holding suppliers accountable to certain CSR criteria and having their performance assessed by an external body. By 2022, 100% of our CSRI* suppliers had signed the Verescence CSR Charter, and 70% of them had signed up to EcoVadis.

Renewable energy

Verescence is committed to meeting ambitious environmental targets that were validated by the Science Based Targets initiative in 2022. We aim to purchase 80% of our electricity from renewable sources by 2025. Our Spanish production site already boasts a 100% renewable electricity supply thanks to a direct green energy purchase agreement with IBERDROLA. This 10-year agreement includes a power purchase agreement (PPA) and additional guarantees of origin for Spain. In 2022, we began a similar process for our South Korean production site, which used 50% guaranteed renewable electricity thanks to the purchasing of Renewable

Energy Certificates (RECs). We aim to have this site running on 100% renewable electricity as of 2023.



Respecting biodiversity in our sourcing operations

Verescence has put in place a policy for the sustainable sourcing of raw materials that favors traceability and short supply chains. As a result of this, our extremely pure sand is sourced from local quarries that are subject to strict rules, including guarantees regarding the restoration and revitalization of exploited areas.

We also stepped up our use of recycled glass from household waste collections in 2022, allowing us to replace a portion of the sand in our glass composition through solid partnerships with recycling plants in France, Spain, and the United States.

Our finishing plants use gold for some types of decoration, for which we have limited their suppliers to two trusted companies with the CMRT (Conflict Minerals Reporting Template). This certificate is designed to guarantee the traceability of products purchased and to prevent both the purchasing of precious metals from areas of conflict zones and illegal practices. Verescence

has also had this same certificate aimed at guaranteeing the traceability of products purchased since 2022.

In terms of packaging purchases, over 80% of the wooden pallets used at our plants have been reused, thus helping to limit the amount of wood felled to make new pallets.

In 2022, Verescence launched an approval system for plastic packaging containing between 30% and 50% PCR material. This type of plastic is made from recycled materials, thus limiting waste production. We have also launched an approval system for cardboard without a plastic coating, with a view to meeting our customers' requirements. Our corrugated cardboards are made from 90% recycled fiber and 100% of our suppliers are PEFC/FSC certified. These certifications ensure that the raw materials used come from responsibly managed forests.

Supplier support program

The rise in production costs accelerated in 2022, putting the cash flows of our local suppliers, most of which are SMEs, under strain. With this in mind, we have maintained the supplier support program we introduced during the health crisis in 2020, holding regular meetings with our

sorting and decoration providers as well as our molders, who have been heavily affected by rising energy and labor costs. This initiative has helped limit the impact the crisis has had on our supply chain.

*Suppliers with a significant effect on Verescence's CSR impact

FOCUS



SUSTAINABLE PROCUREMENT

Supplier CSR Day 2022

The second Verescence France Supplier CSR Day was held on October 19, 2022 in Saint-Valery-sur-Somme, France, and was attended by over 60 suppliers. The aim of the event was to share the progress made by Verescence and its partners since the first edition in 2019, encourage the sharing of good practices, and reinforce everyone's commitment to the transition to a more sustainable industry.

Over the course of the day, Verescence presented its decarbonization roadmap and reinforced the message conveyed through the dynamic KPIs introduced in 2021 with our suppliers as part of a continuous improvement program. We also had the pleasure of hearing a testimonial from one of our customers, a world leader in the beauty industry, who came along to outline their strategy and expectations with regard to Verescence suppliers. Finally, to round off a day rich in exchanges, five of our suppliers—SEQENS, JMS, RG, the PARICHE Group and METOSTOCK—outlined their respective advances in terms of CSR, offering a practical insight into the responsible practices that their companies had adopted.



BUSINESS ETHICS

Business ethics and the fight against corruption remain a matter of priority for Verescence. With this in mind, a Compliance Committee, overseen by the Group's CEO, meets every two months, as well as on an ad hoc basis if necessary. The committee's mission is to examine, handle and follow up on issues relating to business ethics.

Extended international training

Verescence introduced an online corruption prevention training program in 2017 for all employees considered to be "at risk". This includes all those who come into contact with third parties as part of their roles. The course aims to make employees aware of the risks associated with corruption, provide them with the tools they need to prevent them, and encourage them to report any suspicious behavior. A new training program was rolled out worldwide between November 2022 and February 2023, including for the first time at our new Korean subsidiary Verescence Pacific. The 555 employees concerned were invited to take part in the training—up 22% on the previous year's figure—with the high participation rate of 97.9% testifying to the company's commitment to integrity and preventing corruption.



BRICE BARRAT
Chief Legal Officer

In signing up to the United Nations Global Compact in 2018, Verescence reasserted its commitment to integrity and the fight against corruption in all its forms. One of the things we will be working on in 2023 will be overhauling our risk mapping process, which will enable us to identify areas for improvement over the coming years.

Cybersecurity awareness

At Verescence, we believe that cybersecurity is everyone's business, and we take practical measures to protect our data and that of our customers. Since 2021, for example, all new employees have been required to take an e-learning training course on cybersecurity, the aim being to make them more aware of the risks of cyber attacks and teach them the best practices to

adopt both in the workplace and in their day-to-day lives. We decided to take our cybersecurity awareness efforts a step further in 2022 by organizing a series of phishing campaigns. This initiative enabled us to test the skills acquired through training, identify any gaps that needed filling, and offer ad hoc training for those employees requiring additional support.

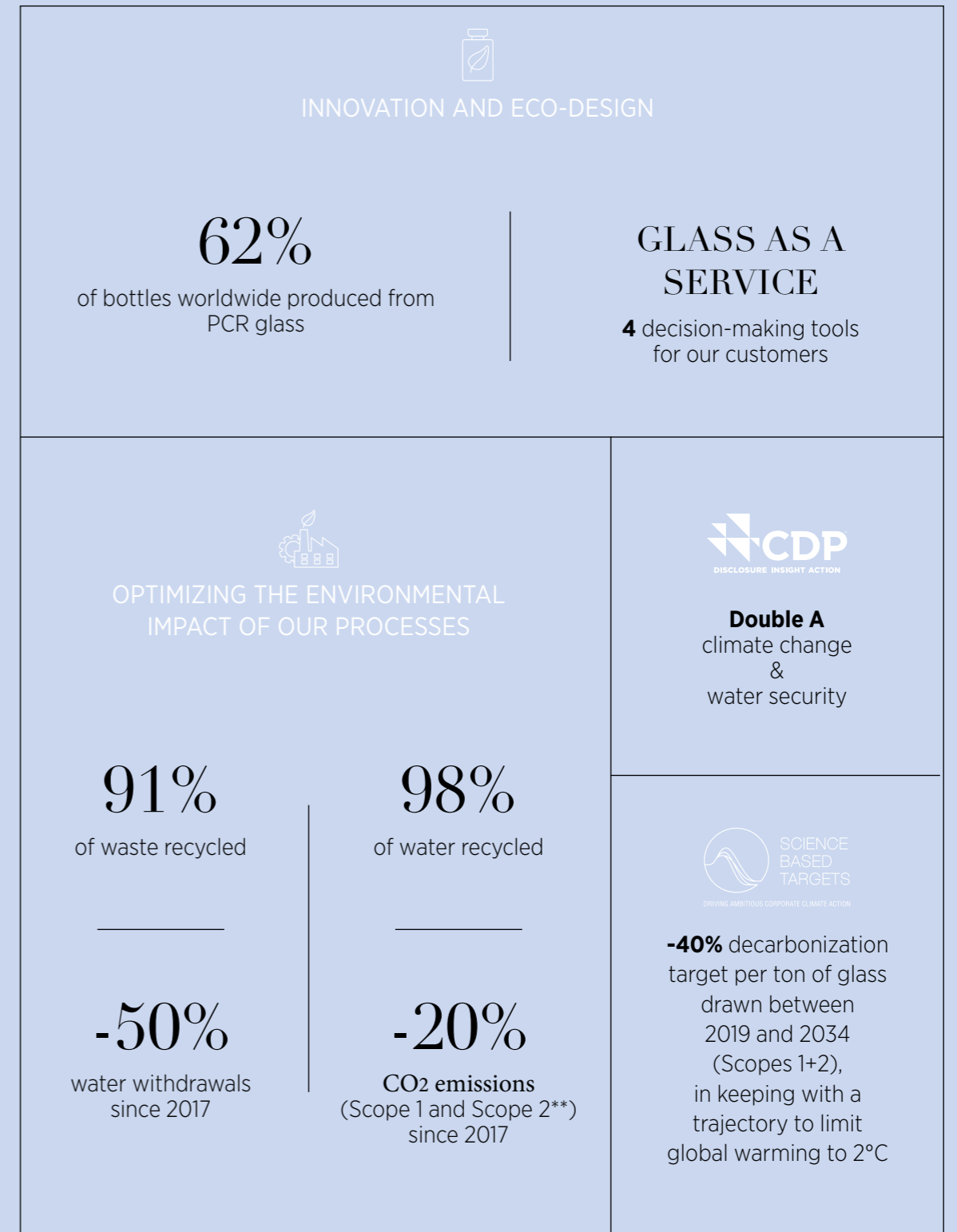
ECO SOLUTIONS

QUALITY OF SERVICE AND COMPETITIVENESS
 OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES
 INNOVATION AND ECO-DESIGN

In response to the unprecedented energy challenges facing us, we introduced an energy-saving plan for all our plants around the world in 2022.

We have long-term plans for reducing our CO2 emissions through an ambitious decarbonization plan based on the eco-friendly refurbishment of our industrial facilities, the use of new technologies (industry 4.0), and a range of products and services that bring ever-greater value to our customers.

2022 IN KEY FIGURES





QUALITY OF SERVICE AND COMPETITIVENESS

Improved industrial performance management

At the beginning of 2022, we launched a major global project to switch all our decorating sites to the latest-generation manufacturing execution system (MES).

All of our European sites will be fully equipped by 2023, and our American and Korean sites by 2024. This advanced control system, representing an investment of over a million euros, is vital to improving our quality, industrial performance and environmental impact.

Various sensors and screens are currently being installed across all of our sites to enable us to merge quality and productivity (OEE) data.

Short supply chains: the example of Verescence Pacific

Verescence has always sought to offer its customers short supply chains, and has therefore, naturally, developed a global industrial footprint. The relevance of such a strategy was confirmed by the logistics crisis (delays and the costs of sea and air transport). It is based on this same approach that we are now developing our Verescence Pacific site.

Beyond the local market, we want to be a leading supplier to our global customers, serving the luxury market in Asia.

An extensive recruitment, training, technology transfer and investment program is now under way to help us achieve this ambition.



The Verescence teams step into action to respond to strong growth

Following the COVID period, the beauty market recovered at a very strong pace, driven largely by the fragrance market.

- A very detailed analysis of the entire logistics chain to detect and improve bottlenecks;
- New advanced supply chain tools ranging from S&OP to scheduling, enabling us to create a wide range of simulations;
- Exceptional levels of investment in glass and finishing to increase our capacity: €15M were allocated to these capacity increases over the course of 2 years.

All of the Verescence teams swung into action to enable a 15% growth in volume in 2022 compared to 2021, and a 28% increase compared to 2020.

- Various measures were taken, including the following:
- Recruitment of over 200 people in Europe and the United States, as well as organizational changes to increase plant uptime;





OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

Energy-saving plan for all sites: spotlight on France



H  L  NE MARCHAND
General Manager France
and Member of the VERESCENCE Board

The recent risks of energy and water shortages have prompted us to develop, in addition to our decarbonization curve (SBTi WB2C), a very stringent energy and water saving action plan across all of our sites worldwide.

Faced with the risk of gas and electricity shortages in September 2022, and at the request of the French government, we have accelerated the implementation of energy-saving action plans at all of our French sites with the aim of reducing our energy consumption by 10% within 18 months. This reduction will also enable us to accelerate the reduction in our CO2 emissions and reduce our energy costs.

All employees were involved in drawing up our action plans, and we shared best practices across our three French sites. These included introducing metering and technical energy management systems, creating a Site Energy Manager role, installing LED lighting in buildings, improving insulation in our workshops and warehouses, using destratifiers to reduce the need for heating, limiting the use of compressed air to the bear minimum, optimizing our compressors, recovering waste heat, etc.

We have also made all of our employees aware of the day-to-day measures they can take at work (which also apply in their private lives) to help reduce our energy consumption.

We continue to enhance our roadmap by sharing ideas with our customers and our foreign sites, who are all working on improving their energy efficiency. We want to go even further in 2023 and share these good energy practices with our partner suppliers, enabling them to benefit from our expertise.

Climate issues: physical risks and transition risks

The challenges of climate change and the way they are evolving present a number of risks classified as physical risks* and transition risks**. It is vital that a company be able to recognize and assess these risks as accurately as possible in order to be able to take the necessary measures and actions.

We at Verescence have launched a number of audits and measures designed to deal with our physical risks, which include water stress, particularly in Spain, submersion risks at our Mers-les-Bains and Janghang

sites, and cyclone alerts at our American sites, as well as fundamental work across all of our sites to refurbish our plants.

We also take into account transition risks, which includes, for example, monitoring global regulations on CO2 emissions & taxation, technological monitoring to allow us to adopt more frugal processes, and monitoring regulations and changes in consumption that could profoundly affect the packaging sector (PCR, weight reduction, reuse, etc.).

Efforts to reduce and recover waste

Verescence is continuing its efforts to reduce and recover waste. A detailed roadmap and various exchanges between production sites have enabled us to reduce volumes, lower processing costs, improve recovery, and identify new initiatives.

As a result, in 2022, overall waste management costs were reduced by 26%, and 91% of our waste was recycled.

This performance is the result of strict compliance with our standards in order to maintain a high level of sorting across all sites, as well as the implementation of new initiatives such as the in-house processing of our "decorated glass" waste between the finishing sites and their respective glass plants. Since 2022, Verescence Somme has been redirecting 100% of its "decorated glass" waste (PIR or Post-Industrial Recycled cullet) to the Mers-les-Bains plant, where it is melted down to produce new bottles.



*Physical risks: natural risks that can occur, such as flooding, drought, extreme weather events, global warming, etc.

**Transition risks: risks linked to societal changes as we attempt to adapt to climate change, such as changes in policies and regulations, the evolution of certain technologies, and changes in certain markets or consumer behavior, for example.

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

Preserving water

Glassmakers use large quantities of water to cool their manufacturing processes. With this in mind, Verescence has been pursuing a two-pronged strategy for several years now, reducing its water consumption while at the same time reducing water withdrawals from the natural environment.

The water-saving plans implemented at each of our sites enabled us to reduce our water consumption in relation to our overall needs by 24% between 2021 and 2022. We have also continued to step up our efforts to recycle water, with over 98% of the water used in our industrial processes now recycled and reused in a closed loop at our sites. The amount of water we withdraw for industrial purposes was also cut by 11% per ton of glass drawn in 2022.

One key aim regarding the water we withdraw is not to compete with the needs of local populations, which is why we are looking into possibilities for partnerships with local players. In Spain, for example, we have

established a partnership with a nearby mining site that enables us to reuse extracted water that is unfit for human consumption.

Our sites are aiming to achieve “dry plant**” status by 2025.

Verescence also requires its suppliers to follow the same approach, especially those located in areas of very high water stress. Targets for reducing their water withdrawals are set and supported by action plans that are regularly reviewed by our purchasing team. Verescence was awarded an A rating by the CDP, the highest level of performance possible, for sustainable water management across its entire value chain for the second year running in 2022.



*A plant where 100% of the water used for industrial processes is purified and reused by other processes at the site

Energy/CO2



Verescence has introduced energy-saving plans across all of its sites with the aim of significantly reducing its energy consumption from various sources (gas, fuel oil, and electricity). These plans were launched in 2022 and have already helped reduce total energy consumption per ton of glass drawn.

Ultimately, we expect to see energy savings of up to 5-10%, depending on the site.

production facilities, mainly through the electrification of our furnaces, feeders, and annealing lehrs worldwide.

In 2022, this commitment to the fight against global warming was recognized by the CDP, which placed Verescence on the A-list of the best-performing companies for the first time. We are the only glass bottle manufacturer in the world to have achieved such a level.

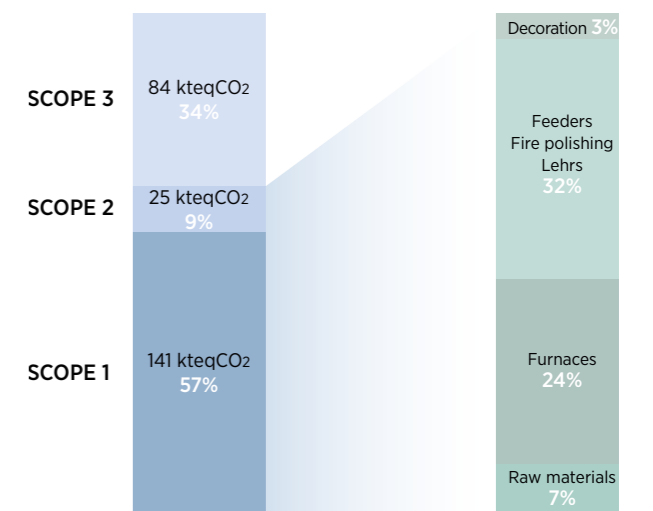
Over 80 different energy-saving initiatives have been identified and shared across our sites in order to reinforce our decarbonization plan, which aims to reduce our Scope 1 & 2 CO2 emissions by 40% by 2034 (compared to the 2019 baseline).

This plan is in line with a scenario of limiting the rise in temperatures to well below 2°C (compared to pre-industrial levels) and was validated by the Science Based Targets initiative (SBTi) in 2022.

We are stepping up our efforts to align our objectives with the 1.5°C trajectory by 2034, with a view to achieving net zero emissions by 2050.

Our roadmap for reducing CO2 emissions now identifies all of the new technologies needed to decarbonize our

CARBON FOOTPRINT 2022



Scopes 1 and 2: direct and indirect CO2 emissions related to bottle manufacturing.
Scope 3: indirect CO2 emissions linked to production-related activities.

FOCUS

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

Installation of solar panels at the Janghang plant

In late 2022, our Janghang plant in South Korea installed solar panels on its roof with a total output of 173kWh/h, amounting to an annual production of 227,322kWh. The renewable electricity produced will help reduce greenhouse gas emissions. The project is backed by the South Korean government, which is keen to reduce the proportion of fossil fuels (such as coal) in the country's energy mix.



Waste heat recovery: a new step towards decarbonizing our activities

Glass production generates very high-temperature thermal energy waste known as “waste heat”, which nevertheless represents considerable potential. In 2022, our Mers-les-Bains site launched an industrial facility to recover heat from our feeders (i.e. the channels that carry the glass from the furnace outlet to the forming machines). This technological innovation will enable us to heat our buildings and workshops in winter and cool the air in hot weather, while also reducing the site's CO2 emissions by 4% per year, meaning a reduction of 2,500 tonnes CO2 equivalent.



A new, more energy-efficient furnace for our insulator business

On March 29, 2023, after 50 days of preparation work, Verescence launched its new glass insulator furnace at its La Granja plant in Spain. This major project represented an investment of €7.4 million and involved some twenty suppliers. The new furnace will help to considerably increase our production capacity while reducing our energy consumption (-20% gas) and CO2 emissions by 14%. This technological breakthrough demonstrates Verescence's commitment to the future of the glass insulator market, which is currently booming thanks to the transition to green energies that we are witnessing the world over.





INNOVATION AND ECO-DESIGN

 Reduce
  Reuse
  Recycle
  Replace
  Disrupt

VERESCENCE'S PRODUCT INNOVATION STRATEGY FOLLOWS THE "4R&D" APPROACH, BASED ON FIVE PILLARS: REDUCE, REUSE, RECYCLE, REPLACE, AND DISRUPT.

It brings together all of our eco-responsible offers, including Infinite Glass, lightweight glass, refillable bottles, and jars, as well as our innovative glass solutions and decorations such as interior shapes and decorations.

Aiming for increasing PCR use



Verescence is a pioneer in the integration of post-consumer recycled (PCR) glass in the luxury packaging industry, having brought its first composition to market back in 2008. We believe PCR glass to be a major asset when it comes to eco-design since it reduces CO2 emissions (10% PCR = 5% reduction in emissions) and limits the use of natural raw materials (which are replaced by PCR cullet). With this in mind, we are currently working on a number of avenues:

- Having 100% of our worldwide production made from PCR glass as soon as possible.

This means identifying and securing sources of PCR cullet in sufficient qualities and quantities. It also requires precision control protocols and the creation of new glass compositions that meet the codes of luxury our customers expect. In 2022, 85% of our European productions were made from Infinite Glass 20 (20% PCR) and Infinite Glass 40 (40% PCR). Over the course of 2023, our American and South Korean plants will also produce Infinite Glass. This will bring our global production up to 90% PCR glass.

- Gradually increasing the PCR content of our compositions where possible.

In the first quarter of 2023, Infinite Glass 20 became Infinite Glass 25 in France, with Infinite Glass 40 set to become Infinite Glass 50 later in the year. This increase in the proportion of PCR in our compositions meets a demand of the part of many customers but will have no impact on the aesthetic quality of our glass. This is possible thanks to considerable work on our compositions, the quality of PCR cullet sourced, and the operation of our furnaces.

VERESCENCE HAS THE LEVEL OF PCR CONTAINED IN ITS COMPOSITIONS ANNUALLY CERTIFIED BY AN INDEPENDENT THIRD PARTY ACCORDING TO THE CALCULATION METHOD DEFINED BY THE EUROPEAN FEDERATION OF PACKAGING GLASS (FEVE).

The use of PCR glass in the manufacturing of Infinite Glass 20 and Infinite Glass 40 sold are over 20% and 40% respectively (√)*.



*Data verified with a reasonable level of assurance by KPMG



INNOVATION AND ECO-DESIGN

“Glass As a Service” program

Through its “Glass As a Service” program, Verescence supports its customers in the eco-design of their products with a comprehensive range of decision-making tools including Life Cycle Analysis (LCA), recyclability studies, 3D modeling, and, in 2022, the launch of a rating scale for glass weight reduction.

LIFE: MEASURING ENVIRONMENTAL IMPACT

Our life cycle analysis tool, developed in partnership with EVEA, enables us to very accurately simulate the environmental impact of producing a bottle using 8 key indicators, based on comparative scenarios in which we include the hypotheses of weight reduction and PCR glass incorporation. This analysis takes into account the 3 stages of the life cycle of glassware production: the ecological impact of raw materials, manufacturing (including packaging), finishing and transport.

RECYC'LAB: GLASS RECYCLABILITY STUDY

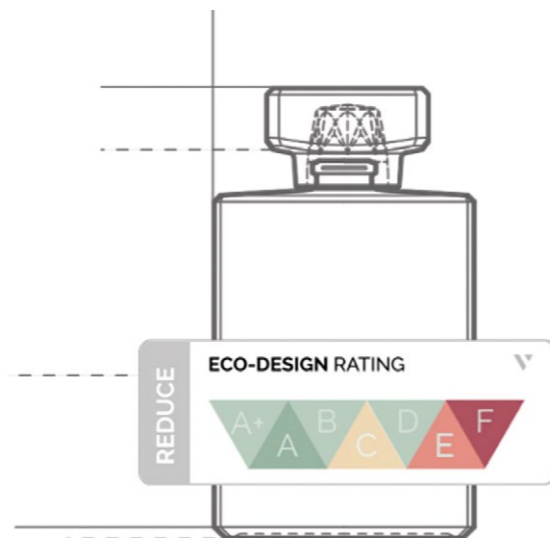
Glass is infinitely recyclable, but certain finishing operations can affect its recyclability to a greater or lesser extent. This is why Verescence has developed a glass recyclability index based on the type of finishing, following tests carried out at a French re-sorting plant. This tool gives us a clear vision of the recyclability of the bottles at the end of their life so that we can better advise our clients upstream of a project, from the development stage.

3D MODELING

This tool enables our customers to obtain a realistic visualization of their bottle, taking into account the distribution of the glass mass, the type of decoration, and the color of the product, thus reducing the need for industrial prototyping, which generates scrap and emissions.

GLASS SCORE: WEIGHT REDUCTION RATING SYSTEM

Glass mass is the first lever for reducing the environmental impact of a piece of glassware. The Glass Score system gives Verescence customers the option of assessing the weight reduction of their products without taking capacity into account. Each bottle is awarded a rating from A+ (lightest) to F, enabling brands to compare their products on a universal scale.



Moon and Gem: bottles made from lightweight glass and with complex shapes

As part of its lightweight glass program, Verescence has joined forces with design agency De Baschmakoff to offer two new 100ml bottles: Moon (106g) and Gem (97g), with complex, creative shapes and a 50% lighter weight than the average bottle on the market*. The bottles are also refillable (SNI 15 screw ring) to optimize their impact on the environment.

Verescence called on the expertise of high-end wood component manufacturer Minelli Spa to customize the bottles with a single-material wood cap with the aim of offering its customers a 100% eco-designed concept.



*Based on the 100ml fragrance bottles produced by Verescence in 2022

INNOVATION AND ECO-DESIGN

The rise of refillable fragrances



More and more brands are offering refillable fragrances, encouraging consumers to keep their fragrance bottle and buy a refill when it's empty—a new responsible action that is in keeping with the principle of a circular economy. One concrete example of this initiative is

L'Oréal's multi-brand refill, available in 100ml and 150ml formats. This refill has been developed by Verescence in lightweight glass (Glass Score A+) and with 40% post-consumer recycled glass to reduce the environmental impact of its production.

A double glass bottle for Guerlain's Advanced Double R Renew & Repair Serum

Guerlain has switched from plastic to glass for the double bottle for its new Double R serum. The major technical challenge in this, as far as Verescence was concerned, was to design a double glass bottle that remained as close as possible to the dimensions of the plastic bottles, in order to retain as many of the existing accessories as possible. Low glass thicknesses had to be achieved while at the same time guaranteeing

mechanical strength. The bottle required a level of precision 4 times greater than a standard piece because the two glass parts were then assembled together. Taking the eco-design concept further still, the double serum bottle is made of at least 20% post-consumer recycled glass (Infinite Glass 20), thus reducing both the use of virgin raw materials and the CO2 emissions generated during production.





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CSR DASHBOARD & OBJECTIVES

Verescence monitors its sustainable development performance and has set ambitious objectives for 2023.

The dashboard below gives a brief overview of the group's progress with respect to each of the three pillars of the "Glass Made to Last" program.

Details of the figures and progress with respect to each commitment are given in the main body of this report.

PILLAR	SDGS	THEME	KPI	UNIT	2021 RESULTS REMINDER	2022 RESULTS (√)	2023 OBJECTIVES
PEOPLE FIRST	3, 4, 5	HEALTH & SAFETY	Lost time accident frequency rate (TFI)	Rate	4.10	4.34	<3
		WELL-BEING AT WORK AND RECOGNITION	Investments allocated to improving working conditions and EHS initiatives vs. Total Investments	%	9.33%	12.7%	>2%
			Absenteeism rate	%	7.34%	7.9%	<7%
		SKILLS AND CAREERS	Number of trained employees vs. Number of employees	%	57%	60.3% ¹	>70%
			Number of promotions	Number		234	600
		DIVERSITY	Percentage of female managers	%	29.68%	29.39%	>35%
Percentage of female recruits	%		40%	51.96%	50%		

ACT FOR SOCIETY	8, 10, 11, 16, 17	LOCAL PRESENCE, GLOBAL STRENGTH	Local purchases vs. Purchasing volume	%	96.5%	96.9%	97%
		PRESERVING EMPLOYMENT AT OUR SITES	Number of qualification approaches	Number		82	120
		SUSTAINABLE PROCUREMENT	Number of suppliers that have signed the CSR Charter vs. Number of suppliers listed on the Verescence CSR1 panel (suppliers with a significant effect on Verescence's CSR impact)	%		100%	100%
		BUSINESS ETHICS	High-risk employees trained and qualified on corruption risks vs. Total workforce	%	91%	97.9%	100%
			High-risk employees trained and qualified on information security vs. Total workforce	%		89%	100%

ECO SOLUTIONS	6, 7, 9, 12, 13, 14, 15	QUALITY OF SERVICE AND COMPETITIVENESS	On Time In Full delivery rate (OTIF)	%	95%	88%	>97%
			Customer complaint rate	%	0.79%	0.84%	0.72%
		INNOVATION AND ECO-DESIGN	Number of commercial offers issued and accompanied by an LCA	Number	107	57	+50%
			Annual change in the number of bottles made from post-consumer recycled glass (PCR)	%	+112%	+248%	+50%
		OPTIMIZATING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES	CO2 emissions (Scope 1: Direct GHG; Scope 2: Energy Indirect GHG)	t/tg	1.12	1.02	1.08
			NOx emissions for glass manufacturing sites	kg/tg	1.66	1.78	1.89
			SOx emissions for glass manufacturing sites	kg/tg	0.64	1.18	1.25
			Fine particle emissions for glass manufacturing sites	kg/tg	0.06	0.103	0.134
			Water withdrawal per metric ton of glass	m ³ /tg	2.63	2.34	2.2
			Recycled water vs. Water needs	%	97%	98.13%	98.5%
			Water consumption vs. Water needs	%	1.2%	0.91%	0.9%
			Total quantity of waste per ton of glass drawn	kg/tg	128	159	143
			Waste recycling rate	%	89.9%	91%	95%

tg = metric ton of glass

(√) Data verified with a reasonable level of assurance by KPMG ¹Limited level of assurance

METHODOLOGY NOTE

Elements of methodology on the published indicators

SCOPE

All entities consolidated by the Group.

EXCLUSION

Verescence is not concerned with the following matters and does not therefore report any results or initiatives on these subjects:

- the fight against food waste
- the fight against food insecurity
- respect for animal welfare
- responsible, fair and sustainable food

FREQUENCY	INDICATORS	UNIT	DEFINITIONS / CALCULATION
Monthly	Lost time accident frequency rate (TFI)	Rate	Lost time accident frequency rate per 1 million hours worked [Sum of lost time accidents (ytd) / Number of hours worked (ytd)]*1,000,000 Note The frequency rate takes into account Verescence personnel and does not include temporary staff (the contracts taken into account are: CDI, CDD, professional contracts, apprenticeship contracts)
Annual	Investments allocated to improving working conditions and EHS initiatives vs. Total Investments	%	[Sum of Investments allocated to improving working conditions and EHS initiatives in K€ / Total CAPEX in K€]*100 Note The investments considered correspond to the budget validated for the year, whether or not the amounts are used in the year in question
Monthly	Absenteeism rate	%	[Sum of hours of absence (TI) / Sum of theoretical hours worked]*100 Note The Group's result is the weighted average of the absenteeism rates of the sites in terms of their respective workforce
Annual	Number of trained employees vs. Number of employees	%	[Sum of employees who have completed training / Sum of employees]*100 Note Definition of training: 1 hour minimum, in any form (face-to-face or e-learning). Conferences, meetings and other types are excluded. Training delivered to temporary workers and subcontractors is not included
Annual	Number of promotions	Number	Number of promotions Note Promotions can be changes of profession, position or coefficient. These changes are visible on payroll endorsements. Promotion is the move to a higher classification or coefficient level visible on the payroll. During a change of profession, the promotion is the subject of an amendment. A change of profession or position is not necessarily accompanied by a salary increase (the case of moving from a 5x8 position to a day position, for example). If a person is promoted 2 times in the exercise, they will be counted 1 time. The promotion is taken into account in the month of the change of title or coefficient recorded by the payroll
Annual	Percentage of female managers	%	[Number of female managers on permanent contracts / Sum of male + female managerial staff]*100 Note This indicator concerns the number of women with socio-professional status likely to be in charge of employees or justify a management position in the company
Annual	Percentage of female recruits	%	[Sum of female recruits on permanent contracts / Sum of total male + female recruits]*100 Note This indicator only includes recruits on permanent contracts

FREQUENCY	INDICATORS	UNIT	DEFINITIONS / CALCULATION
Annual	Local purchases vs. Purchasing volume	%	[Sum of the purchasing turnover realized in the processing country (K€) / sum of the entity's total purchasing turnover (K€)]*100 Note A local purchase is defined by the location of the supplier and the performance of the service, or the source of the supplier's materials as follows:— France and Spain: processing countries + border countries — USA: USA only — Exceptional purchases are not included in this indicator — Exceptional purchases are excluded from this indicator
Monthly	Number of qualification approaches	Number	Number of people enrolled in training courses leading to qualifications or diplomas Note This number is monitored monthly in all foreign countries and in France (Verescence France, Verescence Orne and Verescence Somme). These are professionalization contracts, apprenticeship contracts and professional titles. If a person is registered for several diploma courses, it will only be counted once
Annual	Number of suppliers that have signed the CSR Charter vs. Number of suppliers listed on the Verescence CSRI panel (suppliers with a significant effect on Verescence's CSR impact)	%	[Number of suppliers that have signed the CSR Charter / Number of suppliers listed on the Verescence CSRI panel]*100
Annual	High-risk employees trained and qualified on corruption risks vs. Total workforce	%	[Sum of the high-risk employees trained and qualified on corruption risks, anticompetitive practices vs. total high-risk workforce]*100 Note The following people, known as "high-risk employees", are eligible for this type of training: 1) All executive staff worldwide, including various departments (Excom, sales, purchasing, finance, etc.) 2) "Non-executive" populations are included, but are considered at risk given their function, namely the Accounting/Payroll, HR, R&D, Sales Assistants, Purchasing, and anyone in contact with third parties as part of their function 3) Any newcomer falling under 1) or 2)
Annual	High-risk employees trained and qualified on information security vs. Total workforce	%	[Sum of the high-risk employees trained and qualified on information security vs. total high-risk workforce]*100 Note The following people, known as "high-risk employees", are eligible for this type of training: 1) All executive staff worldwide, including various departments (Excom, sales, purchasing, finance, etc.) 2) "Non-executive" populations are included, but are considered at risk given their function, namely the Accounting/Payroll, HR, R&D, Sales Assistants, Purchasing, and anyone in contact with third parties as part of their function 3) Any newcomer falling under 1) or 2)

FREQUENCY	INDICATORS	UNIT	DEFINITIONS / CALCULATION
Monthly	Customer complaint rate	%	[Sum of customer complaints accepted / Sum of lots delivered]*100
Monthly	On Time In Full delivery rate (OTIF)	%	Number of deliveries in time and quantity / Number of deliveries Note A delivery is considered as being "on time" if it is delivered on the date requested in the customer's order. Delivery in full means that there is no difference between the quantities requested and the quantities delivered (+/- thresholds agreed in each region with our customers)
Annual	Annual change in the number of bottles made from post-consumer recycled glass (PCR)	%	[Sum of bottles produced with PCR glass year n - (n-1) / Sum of glass bottles produced year n - (n-1)]*100 Note Verescence's PCR glass offer includes Infinite Glass 20 and Infinite Glass 40, incorporating 20% and 40% post-consumer recycled glass respectively
Annual	Minimum PCR glass content in "Infinite Glass 20" and "Infinite Glass 40" sold	%	[(Quantity of PCR glass delivered in year (n) (t) + Change in stock of PCR glass in year (n) vs. Year (n-1) (t)) / (Quantity of Infinite Glass considered good and sent to customers (t))]*100 Note Complies with the definition adopted by FEVE
Annual	Number of commercial offers issued and accompanied by an LCA	Number	Sum of commercial offers issued with an LCA (life cycle analysis) whether they are lost, won, in progress or abandoned
Monthly	CO ₂ emissions (Scope 1: Direct GHG; Scope 2: Energy Indirect GHG)	t/tg	Estimated quantity of CO ₂ emissions to produce one metric ton of glass Total quantity of estimated CO ₂ (t CO ₂) / Quantity of glass drawn (t)
Annual	Atmospheric emissions (NO _x / SO _x / fine particles) for glass manufacturing sites	kg/tg	Mass of atmospheric emissions (NO _x , SO _x or fine particles) in kg for glass manufacturing sites / Quantity of glass drawn (ton)
Monthly	Waste recycling rate	%	Percentage of recycled, reused or recovered waste [Quantity of recycled, reused or recovered waste (t) / Total quantity of waste (t)]*100 Note In Europe, waste treatment is based on a nomenclature which specifies, depending on the destination of the waste, a code confirmed by the treatment provider
Monthly	Total quantity of waste per ton of glass drawn	kg/tg	Sum of hazardous waste and non-hazardous waste (kg) / Quantity of glass drawn (t) Note In Europe, a nomenclature makes it possible to differentiate hazardous waste from non-hazardous waste based on codes confirmed by the treatment provider in tracking slips. Elsewhere, local legislation defines the category of hazardous waste and imposes specific treatment
Monthly	Water withdrawal per metric ton of glass	m ³ /tg or kcols	Total water withdrawn for one ton of pulled glass (Glass manufacturing plant) or 1000 of decorated bottles (Decoration plant) Total quantity of water (m ₃) / Quantity of pulled glass (ton) or kcols
Quarterly	Recycled water vs. Water needs	%	[Total industrial water recycled] / Total water needs for industrial use]*100
Quarterly	Water consumption vs. Water needs	%	[Total water consumption (Withdrawals - Discharges) / Total water needs]*100

tg = metric ton of glass

CSR INITIATIVES 2022-2023

Our continuous improvement approach is based on implementing the VERESCENCE CSR policy at each site and sharing best practices. The initiatives listed are not exhaustive and are constantly changing.

Period from 1/1/2022 to 4/30/2023.



2022-2023 INITIATIVES STANDARDIZED AT GROUP LEVEL
AND APPLIED AT ALL SITES

HEALTH AND SAFETY

MANAGEMENT

- Health and Safety targets have been set for the Group and applied to all sites. They form part of the individual objectives set for all members of Management.
- Pandemic risk management standard according to the level of traffic in the territories for all sites and proposals for common prevention methods at the organizational, technical and human levels.
- Bimonthly publication of a 'Safety Newsletter' at all sites to help prevent high-risk situations.
- Establishment of a space for sharing best practices in safety management between subsidiaries.
- Deployment of internal security audits on the GoAudits platform.

WELL-BEING AT WORK AND RECOGNITION

MANAGEMENT

- Organization of expression groups at all sites. These help define and implement actions to improve working conditions and the organization of the activity within the units.
- Sharing of all our CSR initiatives carried out by each site on a collaborative platform structured around our CSR strategy.

RECOGNITION OF PERFORMANCE

- Group process for evaluating the performance of managers via 'People Success': 2 reviews during the year (goal setting and year-end review).
- Review of the levels of responsibility for the group's manager functions in

order to guarantee internal fairness in terms of compensation, and to visualize career paths.

- Significant salary increases to support the inflation observed in 2022 and maintain our level of competitiveness on the employment and remuneration market.

INTERNAL COMMUNICATION

- CSR e-learning: worldwide distribution to connected teams in order to share Verescence's strategic sustainability approach.
- Organization of a global CSR day, either in person or remotely, at all sites to present and share with employees the challenges and impacts of CSR within Verescence.
- HR Intranet site in each region and for all sites: communication of policies, company agreements (collective agreements) and public policies, staff movements (recruitment and departures), job offers and practical information (medical expenses, health insurance).
- Publication for the group and at all sites of our corporate newspaper 'Verescence en Action' which includes a CSR section.
- Integration of company values (Passion, Courage, Respect, Excellence) during HR processes (recruitment, mobility, promotion, performance evaluation).

SKILLS AND CAREERS

RESOURCE MANAGEMENT HUMAN RESOURCES AND CAREERS

- An HR policy is defined at the Group level and implemented at all sites responsible for hiring their employees and managing their personnel.

- Internal and international mobility is encouraged when meeting new hiring needs.
- 6 International Volunteers in Business (VIE) have been recruited for the USA.
- An international body bringing together the country HR departments manages HR actions (recruitment, mobility, training, etc.).
- HR monitoring indicators (KPI) have been reviewed and adopted for all sites.

EMPLOYEE TRAINING

- All new arrivals (temporary and permanent employees, interns) receive Health, Safety and Environment training, which must be validated before they start work.
- Development of e-learning solutions in various fields (Good Manufacturing Practices, CSR, cybersecurity and anti-corruption).
- Continuation of a training course dedicated to the Verescence Sustainable Performance System with different levels: white, yellow, green, and black.

DIVERSITY

MANAGEMENT

- The HR policy is consistent with the ethical charter included in the common provisions (notably the internal regulations in France).
- Encouragement of the feminization of technical and managerial fields in the recruitment and promotion phases.
- Organization of a "Women at Verescence" day with a conference on positive leadership.



2022-2023 INITIATIVES BY SITE

VERESCENCE
MERS-LES-BAINS
France

HEALTH AND SAFETY

IMPROVEMENT IN
INFRASTRUCTURE/PPE

- Monitoring of the tools and materials used for glass forming machines (IS machines), securing of our employees during at-risk operations.
- Reduction of the risk of accidents during lubrication via an automatic lubrication system.
- Improvement of working conditions: refreshing bandanas, nonflammable sweatshirts, polar wool (cold end), installation of fans at all workstations (cold end and hot end), provision of saline water (hot and cold plan), waste heat recovery and air destratification, adiabatic fan at the hot end.
- Numerically controlled lathe for the molding shop: more automation and fewer manual adjustments.
- Modification of new industrial racks for the mold room: reduced carrying of heavy loads.
- Automatic packaging line (reduction of MSDs).
- Follow-up of the stages of the TMS Pro approach in collaboration with Carsat, employee representative bodies and the medical service.
- Improvement of the fire protection of the entire site.
- Installation of a fire detection system on the bagging machine with servo-controls.
- Renewal of the IS machine fleet: ergonomic improvement, enhanced safety.
- Finalization of LED lighting for better visibility.
- Improved fire protection of IS machines.

- Renewal of the forklift fleet.
- Installation of grinders with noise reduction for the molding workshop.
- Pallet truck with ride-on driver as part of improving the handling of heavy equipment.

EMPLOYEE TRAINING

- Health, Safety, Environment and Energy (HSEE) training for new hires (70 new hires / 305 temporary workers).
- Training of a new competent person in radiation protection (level 2 module applied to the industry sector).
- Deployment of ATEX (EXplosive ATmospheres) training for personnel supervising employees carrying out work operations in an ATEX zone.
- Training of a new Prevention Agent - Professional title "Prevention and Security Agent".
- Integration of the new nurse into the Inter-University Diploma (DIU) Occupational Health course.
- Integration of the "Gestures & Postures" training module into the Hot End Driver training course.
- Partnership with the SDIS → Training of 21 internal firefighters on the Gas & Insulating Breathing Apparatus course.
- Participation of the Energy Advisor in the Proréfi course (course which aims to train employees in charge of energy management in industry and the complex tertiary sector) dedicated to energy efficiency in industry.
- Training in Pressure Equipment regulations for the staff of the Maintenance Methods unit.

MONITORING

- Complete overhaul of the single document for the evaluation of pro-

- fessional risks, incorporating human prevention measures.
- Carrying out safety audits of production lines (using the GoAudits application).
- Implementation of monitoring of exposure to dangerous chemical agents contained in Articles R4412-149 (binding OELs) and R4412-150 (indicative OELs).
- Monitoring of vertical and horizontal shocks on forklifts.
- Noise exposure measurements.
- Dangerous situation report file (RSD) for the resolution of risky situation and near miss.

MANAGEMENT

- Recruitment of a nurse and an occupational physician.
- New administrative approval issued by the DREETS which allows the Verescence self-employed health service to be recognized.
- Evaluation of workload, performance and their consequences on the development of the team of project managers.
- Renewal of Occupational First Aid (SST) employee accreditation by Carsat.

COMMUNICATION

- Regular CSR animation: bi-monthly safety and environment message.
- Safety leaflet for new arrivals, including temporary workers.
- Advices / tips about health, consumption, housing, recycling, well-being at work on the screens installed in the break rooms.
- Delivery of the Hot End Booklet to new Hot End Operators and Operators in "Mold Changer Relay" training.
- Raising awareness of the preven-

- tion of contagious diseases and hand washing during safety day.
- Flu vaccination campaign.
- Participation in various events during Pink October: annual communication campaign aimed at raising women's awareness of breast cancer screening and raising funds for research.

WELL-BEING AT WORK
AND RECOGNITION

- Specific working group on IS/SGP service on carrying heavy loads.
- Musculoskeletal disorders (MSD) working group with the cold end.
- Implementation of improved handling of the molds in the molding department.
- Expression groups in the cold end sector and molding.
- Accompaniment by a social worker.
- Launch of a listening and action design group with the Occupational physician on the issue of workload.
- Organization of a ceremony to award long-service medals and retirement celebrations.
- Organization of an open day for employees' families.

SOCIAL DIALOGUE

- Finalization of a job protection plan (68 positions): follow-up carried out with trade unions and elected officials.
- Negotiation of a new profit-sharing agreement for 2022-2024.
- Negotiation of an agreement on wages.

- Launch of negotiations on Employment and Career Management (GEPP).

SKILLS AND CAREERS

CAREER MANAGEMENT

- Development of partnerships with grandes écoles (Lille School of Chemistry, INSA, UTC, etc.) for internship programs and work-study students.
- Creation of a cold end operations support position whose main role is to increase employee skills.
- Establishment of a cold end dojo to ensure the continuous training of staff and the regular review of standards.
- Overhaul of our internal training system by optimizing on-the-job operational training time.

EMPLOYEE TRAINING

- Focus on improving the skills of maintenance personnel (1064 hours for 20 people).
- Overhaul of internal training modules (Glass Sorter, Cold End Line Operator, Hot End Operator & Hot End Mechanic) and development of AFEST to apply skills.
- Creation of a cold end professionalization contract.
- Qualiopi certified training center.
- "Sorter" training for 251 job seekers & "Packer" for 62 temporary workers.
- 45 people enrolled in a qualifying course, including:
 - Relaunch of Professionalization Contracts CQPI CEI Hot End Operators (21 people)
 - Launch of the Professional Title "Industrial Production Technician" in partnership with GRETA (8 people)

- Launch of Professionalization Contracts (Accompanied 2i) Adjuster Polisher (3 pers.).
- 91 employees trained in SPS (Sustainable Performance System) since 2021: strengthening the methodological skills of our teams around a common One Verescence standard.

DIVERSITY

- Professional Equality Index W/M 2022 (Verescence France: headquarters and plant in Mers-les-Bains): 90/100.
- Workstation adjustments and discussions with company doctor for temporarily or permanently disabled employees: provision of an electric cart for an employee experiencing mobility difficulties, 3 reclassifications following unfitness.
- Launch of a "Glass Valley Inclusive" action to reintegrate job seekers and people in difficulty.

VERESCENCE
ORNE
France

HEALTH AND SAFETY

IMPROVEMENT IN
INFRASTRUCTURE/PPE

- System for gripping 25kg bags (reduction of load carrying).
- Study of technical noise reduction solutions at the lacquering workshop.
- Improved working conditions for sorting stations, lighting control, and height adjustment of tables.
- Improved management and moni-

toring of the consumption of personal protective equipment (PPE).

- Expansion of the electric lift table fleet.
- Installation of cobots (reduction of difficult working conditions).
- Reduction of care following the installation of thin cut resistant gloves and hard hats across the entire site.
- Installation of an ambient air cooling system in the workshops.
- Implementation of the MES system to reduce the administrative tasks of the operators.
- Restoration of sanitary facilities and painting of changing rooms.
- Installation of a lifeline on the roof of the lacquering building to secure the work on the roof.
- Securing the common area for pedestrians and trolleys at the level of the reception platform.
- Securing the site by access control and video surveillance.
- Lacquering pallet storage.

EMPLOYEE TRAINING

- "Gestures & Postures" training.
- Training in stretching and muscle warm-up for certain production lines.
- Collaboration with local schools: robotic vision license in Flers and electrical engineering BTS in Condé.
- Improvement of training for the reception of temporary workers, going from 1 day to 2 days.
- Training of new first aid workers at work (6 pers.).
- Work at height training (10 people).
- Training of new employees in the Internal Organization Plan: organization set up in an emergency situation (4 people).
- Training of new second intervention team members (4 pers.).

MONITORING

- Use of the GoAudits application for field safety audits for the expanded CODIR (2022), and 6SE audits for local managers (2023).

MANAGEMENT

- Deployment of a Quality of Life at Work approach.
- Deployment of a targeted awareness campaign against absenteeism.
- Work with social assistance on long-term illness → from 3% in 2021 to 0.5% in August 2022.

COMMUNICATION

- Regular CSR awareness-raising: twice-monthly safety and environment message.
- Safety welcome support for newcomers, including temporary workers.
- Events around the fight against breast cancer: Pink October.
- Support for blood donation collection.

WELL-BEING AT WORK AND RECOGNITION

- Presence of a social worker twice a month and an osteopath two days a month to provide relief for employees exposed to repetitive movements.
- Conducting a satisfaction survey of all employees.
- Organization of "Tuto Leaders", informative and educational support for local management.
- Realization of an open day for employees' families.

SOCIAL DIALOGUE

- Negotiation of a 2022-2024 profit-sharing agreement.
- Negotiation of an agreement on salaries.
- Negotiation of an agreement on setting up a weekend shift.
- Negotiation of an employment and career management agreement (GEPP).
- Quality of Life at Work Commission.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Establishment of a career and individual development plan for all

employees.

- Working group on the attractiveness of the company and employee loyalty.
- Repositioning commission: study of the gaps between our career paths and real situations.

EMPLOYEE TRAINING

- Training of 2 employees in CQP Maintenance (industrial maintenance technician).
- Follow-up of GMP training (good manufacturing practices).
- Simplification of hot and cold evaluations.
- 84% of employees have benefited from at least one training action.
- Hosting of work-study students and interns.

DIVERSITY

- Professional Equality Index W/M 2022: 94/100.
- Raising managers' awareness of the risks of discrimination and harassment.
- Quality management is run by a woman.
- The management of an autonomous production unit is run by a woman.
- Integration of 3 Ukrainians in the production staff.

VERESCENCE

SOMME France

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Personnel exposed to noise equipped with ear muffs and exposed staff equipped with molded protections.
- Implementation of a noise reduction project in the lacquering workshop.
- Refurbishment of break rooms.
- Creation of new recreational rooms (locker rooms).

- Installation of additional lift tables on unequipped workstations.
- Installation of 4 pallet dispensers in the logistics warehouse.
- Installation of an industrial paint sludge press (improvement of working conditions).
- Deployment of LED lighting on the exterior and interior of the plant.
- Implementation of new collaborative robots (cobots).
- Creation of a dedicated space for the occupational physician.

EMPLOYEE TRAINING

- Safety training provided to all new hires and temporary workers.
- "Preventing PSR" training for local managers.
- "PCSI" training for future retirees.
- "Recruit without discrimination" training.

MONITORING

- Field audits: Gemba Walks (factory tours) & 6SE with GoAudits system.
- EHS audits.

MANAGEMENT

- Fire evacuation drill for a complete plant in operation.
- "Well-being at work" expression groups.
- "BINGO" safety animation based on the identification, centralization and correction of risk situations.

COMMUNICATION

- Safety and environment messages.
- EHS news flash.
- Welcome booklet for new arrivals.

WELL-BEING AT WORK AND RECOGNITION

- Presence of a physiotherapist twice a month.
- Presence of a social worker two to

three times a month.

- Air cooling in APU 5 and deployment in APU 3.
- Deployment of the MES (Manufacturing Execution System) system to reduce administrative tasks for operators.
- Study of noise exposure with the aim of reducing it at the workstation of the lacquering workshop team members.
- Organization of an open day for employees and their families on the occasion of the 40th anniversary of the site.
- Organization of a ceremony to award long-service medals and retirement celebrations.

SOCIAL DIALOGUE

- Negotiation of a new profit-sharing agreement for 2023-2025.
- Negotiation of a new career path.
- Employment and Career Path Management Approach (GEPP): multiple discussions with trade unions and elected officials.
- Negotiation of an agreement on wages.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Management of skills through the career programs and associated multiskills table
- Development of partnerships with grandes écoles (Lille School of Chemistry, INSA, UTC, etc.) for internship programs and work-study students.
- Implementation of a GEPP agreement (management of jobs and career paths).
- CCPI certified internal trainer "Animation of internal training".

EMPLOYEE TRAINING

- Hosting of work-study students and trainees.

- Training on the basics of office automation for volunteer employees.
- CléA certification (Certificate of knowledge and professional skills) offered to employees.
- Qualifying training offered to temporary workers in line operations (CQP CEI).

DIVERSITY

- Professional Equality Index W/M 2022: 83/100
- 40% of women on the management committee.
- The person responsible for hiring has taken "Hiring without discrimination" training.
- Partnership with a vocational rehabilitation center for general maintenance work.
- Collaboration with Humando, Pôle emploi, EPIDE and Mission Locale.
- Implementation of a new method of recruitment by simulation (MRS) in partnership with Pôle emploi.

VERESCENCE LA GRANJA Spain

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Compulsory wearing of safety hats in the hot end.
- Annual safety improvements for cold end packaging machines: automatic pallet transfer system.
- Construction of new loading docks to improve the safety of logistics operations: truck traffic inside the plant reduced by 90%.
- New Dust Control System in Composition.
- Repair of the roof during the Insulator furnace rebuilding.

- Complete repair of forklift areas.
- Improved ergonomics in the cold end: device for turning boxes.
- Improved ventilation of the Cold End building.
- New packaging machine in APU 3.
- Integration of EHS aspects in the new decoration factory building (APU 3).
- Flocking line ventilation.
- New offices in the decoration factory.
- Improved ergonomics and safety of the flocking line: avoid damage to operators during process change (change of tooling in spindles).
- Division of the insulator laboratory.

EMPLOYEE TRAINING

- Training of emergency response teams on fire hoses.
- 100% of employees were trained in safety in 2022 after the general risk review. All safety manuals have been updated.
- Training of new arrivals for the US (new specialist in electronics).
- Assignment of experienced technicians to the United States to assist in project deployment and training.

MONITORING

- Dust level (crystalline silica) and other chemical measurements on the entire site.
- Chemical measurements in the Decoration factory (Volatile organic compounds).
- Measurement of noise throughout the plant.
- Measurement of dust and metals in the molding workshop.
- New automatic report from PRO-SAFETY to check the quarterly status of security planning in each sector.
- GoAudits deployment to conduct internal safety audits.

MANAGEMENT

- Daily rounds to monitor plant safety: new safety audits in GoAudits.
- Safety roadmaps focused on behavior and management.

- "Face to Face Project": factory tours focused on safety, 5S, etc. by management.
- Standardization of 5S, responsibility by area.

COMMUNICATION

- Weekly safety messages. In 2022, we started sending specific safety messages to forklift drivers and maintenance employees.
- Information board for reporting accidents.
- Safety videos recorded and shared with all internal and external employees.
- Safety awareness campaigns.
- Insulators R&D Newsletter & TechDay.

WELL-BEING AT WORK AND RECOGNITION

- Monthly general information meeting with all employees.
- Health campaign: once a week, fruit is distributed to employees to encourage them to adopt healthy eating habits.
- Ideas box so that employees can make suggestions to improve workstations, safety, quality, etc.
- Deployment of the TF1 roadmap to improve accidents from 2021 with numerous managerial actions focusing on the mindset and managerial approaches.
- Organization of an open day.
- Special event with employees with 25 years of seniority.
- Christmas competition: drawings made by children of employees for the 2023 calendar.
- Mountain hike with the managers and lunch.

SKILLS AND CAREERS

SOCIAL DIALOGUE

- Launch of a survey on the social climate.

CAREER MANAGEMENT

- Management of Workers' skills through the career programs and associated multi-skills table.
- Several moves of workers to the United States; different mobility or internal promotions.

EMPLOYEE TRAINING

- Specific training on the use of new automatic machines in the finishing plant.
- Training sales managers in negotiation and leadership techniques.
- Language training.
- Training in management techniques for local managers.
- Implementation of an online training platform for employees, in collaboration with Randstad.
- 3D Studio training: work on designs.
- Management training for managers and team leaders, high potential employees and team leaders.

VERESCENCE COVINGTON USA

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- CMMS system in Fiix fully implemented in preventive maintenance operations.
- Compulsory wearing of safety hats in the hot end is now standard policy.
- Installation of robots to pack bottles to reduce repetitive motion injuries.

EMPLOYEE TRAINING

- Quarterly safety footwear check.
- Trainer in charge of welcoming newcomers.

MONITORING

- Gemba Walks (factory tours) have been added to the GoAudits system.
- Addition in GoAudits of the hot and cold end audits, as well as the 5S audit.

MANAGEMENT

- Safety observation cards for "near misses" to flag potential safety issues.
- Safety efforts were also recognized through the "Pride Incentive".
- Launch of a new EHS audit program.
- Inclusion of the Safety team in the Gemba Walks (factory tours) scheduled twice a week on the site.

COMMUNICATION

- Weekly update of the display screens installed at the employee entrance.
- Information board for reporting accidents.

WELL-BEING AT WORK AND RECOGNITION

- Organization of a "Health" information day and meetings with a doctor.
- Monthly general information meeting with all employees via Teams.
- Information note of important events sent with pay slips.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Management of Workers' skills through the career programs and associated multi-skills table.
- Posting of career opportunities on all employee information boards.
- Bonus plan to encourage recruitment.
- Wage overhaul for all positions to encourage career progression to qualified positions.
- Change in staffing strategy to onsite program with agency representatives 100% on Covington site.
- Implementation of red carpet program for salaried staff.

EMPLOYEE TRAINING

- Offer of online training: e-learning courses on the technical use of software.

- Organization of local seminars/lectures according to requirements, particularly on the use of specific medical resources to help in emergencies.
- Technical training for maintenance personnel at a local university.

DIVERSITY

- All managers and supervisors will receive training on equal employment opportunities, and anti-discrimination and harassment in the workplace.
- Partnerships with local schools to promote the integration of junior people.

VERESCENCE SPARTA USA

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Preventive maintenance program, use of a new CMMS (Computerized Maintenance Management System).
- Renovation of the access doors.
- Project to improve the lacquering lines:
 - Improved cooling of bottles as they leave the lacquering lines.
 - Control of excess lacquer on the lacquering lines / improved air circulation system: reducing the risk of exposure to lacquer dust to ensure better working conditions.
- New 5S project to improve visual Management of operation (floor markings, signage).
- Project to increase awareness on people's health (better healthy choices in breakroom, encourage more physical activities).
- Improved employee breakroom.
- Refurbished entire security cameras system.
- Improved HVAC in lab areas.

EMPLOYEE TRAINING

- EHS information distributed to employees on a weekly basis.
- New training and increased staffing for the emergency response team. This team has also been certified in a first aid training program. Renewal of all certifications will occur in 2023.
- Better organization of the emergency response team / central safety committee through the new skills matrix (mandatory for levels 3 and above).

MONITORING

- 100% of the audits and Gemba Walks (factory tours) were conducted via the GoAudits platform.
- EHS audits performed with GoAudit platform.
- Sustaining preventive maintenance program.

MANAGEMENT

- Safety observation cards for "near misses" to flag potential safety issues.
- Safety efforts were also recognized through the "Pride Incentive".

COMMUNICATION

- Improvement of road markings.
- Weekly update of the display screens installed at the employee entrance.

WELL-BEING AT WORK AND RECOGNITION

- Interactive communication session with employees on working conditions.
- Healthier food choices at the staff canteen.
- Prevention campaign for a healthy mindset.
- Improvement of the HVAC system in the station and the lacquering laboratory.
- Improved packaging for better ergonomics.
- Creation of an outdoor break area with picnic tables to promote employee well-being - still in progress.

- Redevelopment of the park adjacent to the facility into an outdoor recreation area.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Management of Workers' skills through the career programs and associated multi-skills table.
- Posting of career opportunities on all employee information boards.
- Bonus plan to encourage recruitment.
- Wage overhaul for all positions to encourage career progression to qualified positions.
- Change in the temps program: deployment of structure with temp agency representatives 100% on Sparta site.
- Deployment of the "red carpet program" to facilitate integration of newly hired personnel.

EMPLOYEE TRAINING

- Offer of online training: e-learning courses on the technical use of software.
- Organization of local seminars/lectures according to requirements, par-

- ticularly on the use of specific medical resources to help in emergencies.
- Introduction of an evaluation of all temporary workers using the 30-60-90 day method to transition them to full-time positions.

DIVERSITY

- All managers and supervisors have received training on equal employment opportunities, and anti-discrimination and harassment in the workplace.
- Enhanced career development opportunities by advertising job openings internally to promote transparency and equity and to hire the local workforce first.
- CODIR management training: Off site team exercise for all CODIR members to understand personality traits and optimal ways to interact with others, to improve communication.

VERESCENCE PACIFIC

South Korea

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Implementation of a noise protection program and purchase of custom hearing protection equipment to reduce noise exposure (2 times a year).
- Standardization of the lengths of greasing tools, standardization of practices for safe machine operation.
- Adjustment of the workstation height, improvement of anti-skid pads.
- Improved fire safety for re-burning operations.
- Improvements to facilities and equipment to reduce smoke and dust generation.
- Employee health and workplace hygiene are monitored by nurses, hygiene specialists and doctors during regular visits.

EMPLOYEE TRAINING

- Training in emergency situations through simulated disaster situations for each process (fluoric acid

- leak, glass pouring, work in confined spaces, natural disasters, etc.).
- Joint training with the fire department (mobilization of fire trucks, chemical transport vehicles and emergency vehicles).
- Training on fire prevention measures, such as the use of extinguishing equipment, first aid, patient evacuation and reporting.

MONITORING

- Monitoring of the effectiveness of site evacuation systems, such as the ventilation system.
- Safety inspection 1,4,4,4. (1st day of the month: check presence/wear of safety devices; 4th day: general safety inspection; 14th day: safety inspection of entrapment hazards; 24th day: safety inspection of fall hazards).

MANAGEMENT

- Development and implementation of a safety and health management system in accordance with the Severe Disaster Punishment Act.
- Recording and evaluation of "near misses".
- Analysis of risks related to chemical products and material factors.

COMMUNICATION

- Publication and posting of health and safety management policies on site information boards, Intranet and meeting rooms.
- Focus on publications related to health and safety issues, such as poor health and safety behaviors, changes in legislation and the importance of wearing protective equipment.
- Once a month, employers, unions and business partners meet to jointly conduct a Safety Leadership Tour and discuss health and safety issues (monthly meeting).
- Health and safety performance is reported to all employees on a monthly basis.

WELL-BEING AT WORK AND RECOGNITION

- Creation of a catering committee that meets regularly to ensure the nutritional quality of the meals offered.
- Use of the suggestion system to create a safe and pleasant working environment.
- Provision of salt tablets to prevent dehydration, drinking water and food supplements.

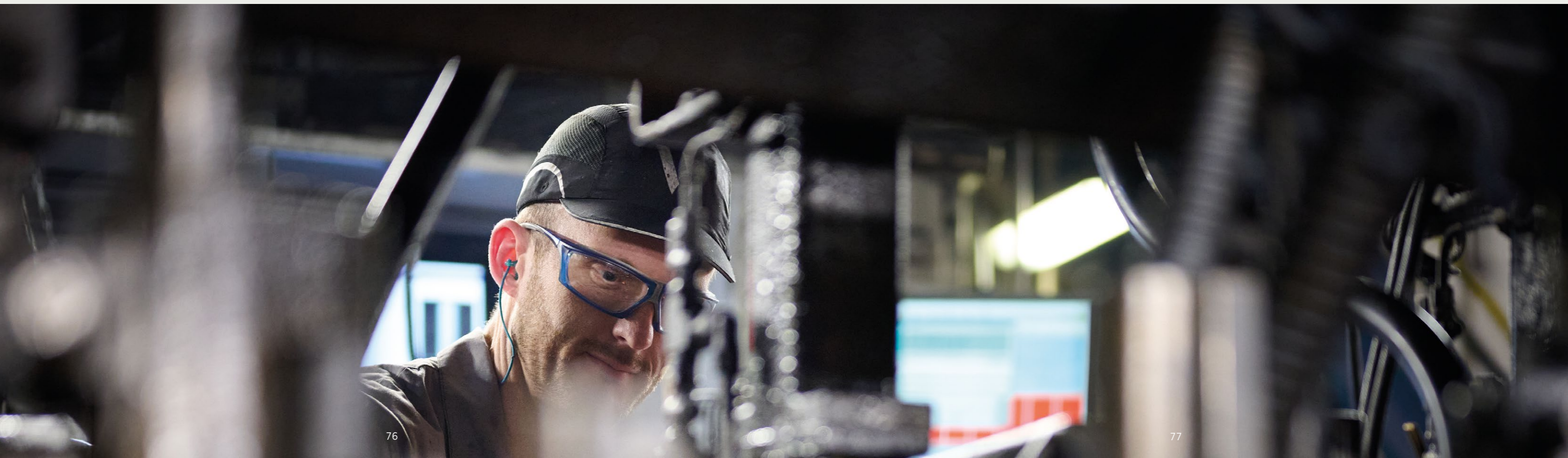
SKILLS AND CAREERS

EMPLOYEE TRAINING

- Since the company is established in several countries, English classes have been set up to promote communication and better understand cultural differences.
- Regular training on health and safety issues to ensure a safe working environment.

DIVERSITY

- Harassment and discrimination prevention training provided to all employees.
- Bilateral cooperation with Verescence France via travel and business trips for technical training and benchmarking purposes.





ACT FOR SOCIETY

2022-2023 INITIATIVES STANDARDIZED AT GROUP LEVEL AND APPLIED AT ALL SITES

LOCAL PRESENCE, GLOBAL STRENGTH

MANAGEMENT

- Review of all Verescence key processes by their owners at the level of the Executive Committee, Regional Management Committees, and Site Management Committees, incorporating CSR criteria, with SWOT analysis and improvement plans.
- Creation of a CSR Roadmap included in the 3 pillars of our CSR strategy. For each theme, a leader is appointed and is in charge of evaluating CSR progress based on this roadmap.
- Participation of Verescence in the Mouvement des Entreprises de Taille Intermédiaire (METI - Association of French Mid-Caps Enterprises).

EQUIPMENT

- Use of 3D printers for the production of most of our tools, which allows us to reduce the flow of tool transport while considerably improving our agility thanks to a significant reduction in lead time.

SUSTAINABLE PROCUREMENT

MANAGEMENT

- Group :
 - Deployment of action plans for the entire panel of CSR1 suppliers

- The entire purchasing team is objectified on the results obtained in relation to the implementation of action plans
 - Monitoring of purchasing data relating to the volume of CSR1 actions
- France: organization of the second Supplier CSR day to reinforce the message conveyed through dynamic KPIs and to honor the most active companies in the field.

SUPPLIER SELECTION

- CSR1 suppliers respond to dynamic KPIs and are committed to an improvement process.
- Deployment and management of the purchasing policy, CSR policy and supplier CSR charter established by the Group: 100% of CSR1 suppliers have signed the CSR charter.
- Significant increase in the number of CSR suppliers assessed by EcoVadis: 20% in 2019, 70% in 2022.
- Continuation of on-site audits of suppliers on environmental and social issues.

SUSTAINABLE PROCUREMENT

- The finishing plants use gold for some types of decoration. The plants have restricted the number of suppliers to two trusted companies. Their sources are certified and declared through official CMRT-type declarations.
- Verescence maintains a “gold mapping” document that is used to trace

- the origin of the gold for all of the finishing plants and has its own CMRT.
- Deployment of a multi-year action plan with our CSR1 suppliers and various Verescence departments:
 - Systematic review of the 5 pillars (CSR, quality, OTIF, competitiveness and innovation) with our CSR1 suppliers.
 - Assessment of their maturity by pillar.
 - Definition of actions needed for progress.
- Census of CSR1 suppliers involved in approaches such as: CDP, SBTi, etc.

BUSINESS ETHICS

COMMON PROVISIONS FOR ALL SITES

- An “FCPA policy” that covers the following subjects: anti-corruption, conflicts of interest, fraud, anti-competitive practices.
- Ethics Code and Code of Conduct for all employees.
- “Cyber security policies and measures”: ISS (Information Security System) policies, internal audits, a Cybersecurity Committee composed of the CEO, CFO, CIO, Head of Cybersecurity and the Chief Legal Officer, which meets twice a year to define and implement the Group’s Cybersecurity policy.
- Deployment of a worldwide “Cybersecurity” training program since 2021 involving more than 860 employees

- to raise awareness against the risks of cyber-attacks and/or fraud. Focus on the GDPR in 2023 to recall good practices and everyone’s duties and responsibilities in this area.
- A “whistleblower procedure” accessible on the Intranet and on www.verescence.com.
- The Compliance Committee, supervised by the CEO, meets every two months and/or when needed to deal with issues related to business ethics, including anti-corruption, conflict of interest (via the deployment of tools such as the whistleblower procedure, the third-party verification procedure, employee training, etc.), limitation of authority (limits on gifts and donations, etc.), the GDPR, and securing IT access, on a Group-wide basis.
- Standard ethical and anti-corruption clause imposed on all Verescence partners (suppliers, customers, service providers, agents, distributors, etc.).
- Third-party verification procedure via the “World-Check” database to guarantee the absence of any act of corruption by a potential partner.
- A GDPR policy accessible on the intranet.
- Safety of information systems & cyber security:
 - (i) Internal/external penetration tests (06/2022) performed by Orange Cyberdefense: assessment of the robustness of the infrastructure to internal and external attacks.
 - (ii) DRP (Disaster Recovery Plan)

- / BRP (Business Recovery Plan): shutdown and recovery tests in the event of the loss of Data Center 2 (March 2023), Data Center 1 (December 2021).
 - (iii) Strengthening of network policies and introduction of network segregation (France/Spain).
 - (iv) Strengthening of backup strategies: cross-site backups for local data, addition of off-line backups for the Data Center, outsourced Office 365 perimeter backups.
 - (v) Annual renewal of a Cyber/Fraud group insurance policy (April 2023).
 - (vi) Implementation of an outsourced SOC at Orange Cyberdefense with deployment of an EDR solution.
 - (vii) Password “cracking” campaigns conducted successively in 2020, 2021, and 2022; new campaigns scheduled in 2023.
 - (viii) Phishing campaign in 2022; several campaigns will be carried out in 2023, and an ad hoc training plan will be put in place for employees.
 - (ix) Strengthening of access control via the deployment of a Multi-Factor Authentication (MFA) policy.
- Deployment of automatic information classification tools to support and strengthen the information management policy, and the DLP (Data Loss Protection) policy.
- Digitization of business processes in line with the “zero paper” strategy and strengthening of compliance control within the Group (eValid, etc.).

- Introduction of a “sensitive positions” recruitment procedure (Finance, Payroll, Purchasing, HR, INPD departments).
- Annual review and update of banking powers and delegations of powers and signature.
- Global computerized “eValid Gifts & Donations” workflow to control gifts and donations in accordance with the Group’s LoA policy.
- Global computerized “eValid New Customer” workflow to (i) track, streamline and centralize all customer creations, (ii) avoid the risk of fictitious customers, and (iii) comply with the LoA policy on payment terms.
- Computerized “eValid Creation/Modification Supplier-Employee bank details change” workflow deployed in France.
- Standardization of supplier payments through a single cash management tool.
- Deployment of a new “anti-Bribery” training program worldwide in 2022, including Verescence Pacific, involving 550 employees (so-called “at-risk” population) in order to raise their awareness of the risks of corruption.



2022-2023 INITIATIVES BY SITE

**VERESCENCE
MERS-LES-BAINS**
France

LOCAL PRESENCE AND
SOCIAL COMMITMENT

**LOCAL OPERATION THROUGH
THE CREATION OF CLUSTERS**
— Extension of “door-to-door” blank bottle sorting subcontractors.

LOCAL SECTORAL
COLLABORATION

— Active participation in “Glass Valley” and “Cosmetic Valley”, which bring together all local players in the sector, i.e. glassmakers, decorators, toolmakers, layout artists, sorters, etc.

COLLABORATION WITH
LOCAL AUTHORITIES

— Regular collaborative work with the local authorities within the framework of environmental protection measures (limiting emissions into the air and water).
— Monthly communication with the Seine Maritime Regional Directorate for Environment, Planning and Housing (DREAL) on our progress on environmental, energy and/or safety issues.

LOCAL PRESENCE AND
SOCIAL COMMITMENT

— Partnership with the association “Les Maisons de Vincent”.
— Glass Valley Inclusive.

PRESERVING EMPLOYMENT
AT OUR SITES

**PRESERVING
THE SECTOR'S TRADES**
— Verescence Mers-les-Bains is certified as a training organization, allowing for bespoke training adapted to the needs of our staff.

— Continuation of the CQPI for “Hot End” mechanic drivers.
— Hiring of 12 pro contracts in 2022.
— Participation in the “Week of Industry”.

**VERESCENCE
ORNE**
France

LOCAL PRESENCE,
GLOBAL STRENGTH

**LOCAL OPERATION THROUGH
THE CREATION OF CLUSTERS**
— Insourcing of all decorated bottle sorting activities on site.

LOCAL SECTORAL
COLLABORATION

— Active participation in “Glass Valley” and “Cosmetic Valley”, which bring together all local players in the sector, i.e. glassmakers, decorators, toolmakers, layout artists, sorters, etc.

COLLABORATION WITH
LOCAL AUTHORITIES

— Strengthening the relationship with the SDIS 61 (Orne Departmental Fire and Rescue Service) by welcoming them on site for command and coordination exercises.

LOCAL PRESENCE AND
SOCIAL COMMITMENT

— Organization of an annual blood drive.
— Founding member of the Argentan ambassadors association, with the aim of promoting the employment area (this association allowed Verescence Orne to take on some temporary workers).
— TechNormandie: sharing CSR policies between companies in the employment area.

PRESERVING EMPLOYMENT
AT OUR SITES

**PRESERVING
THE SECTOR'S TRADES**
— 2 people in training “CQP Maintenance”.
— Participation in the “Week of Industry”.

**VERESCENCE
SOMME**
France

LOCAL PRESENCE,
GLOBAL STRENGTH

**LOCAL OPERATION THROUGH
THE CREATION OF CLUSTERS**
— Insourcing of all decorated bottle sorting activities on site.
— Study of the extension of the sorting center: addition of 4 tables in order to keep some positions in case of production hazards.

LOCAL SECTORAL
COLLABORATION

— Active participation in “Glass Valley” and “Cosmetic Valley”, which bring together all local players in the sector, i.e. glassmakers, decorators, toolmakers, layout artists, sorters, etc.

**COLLABORATION WITH
LOCAL AUTHORITIES**
— Regular collaborative work with the local authorities within the framework of environmental protection measures (limiting emissions into the air).

LOCAL PRESENCE AND
SOCIAL COMMITMENT

— Participation in the Employment and Work-Study Training Forum (Amiens and Abbeville).
— Blood drive.
— As part of European Mobility Week and the Enterprise Mobility Plan,

participation in the “Faites du Vélo” cycling operation in partnership with LACTINOV.
— Collaboration with Mission Locale and EPIDE to take on individuals in reintegration.
— Participation in the Mission Locale enterprise club.
— Participation in Industry Week: factory visit with the employment counselors at Pôle Emploi Abbeville and Amiens.
— Sponsorship of a local sports association.
— Visit of the regional prefect, the prefect of the Somme, the departmental councilor and the sub-prefect of Abbeville.
— Interview by local newspapers (Vivre en Somme, Courrier Picard, Journal d'Abbeville).

PRESERVING EMPLOYMENT
AT OUR SITES

**PRESERVING
THE SECTOR'S TRADES**
— Continuation of the CQP “Industrial Equipment Operator” system for lacquering line operators. Project to develop a CQP Industrial Equipment Operator system for decoration line operators.
— Continuation of the CléA diploma system.
— In-house trainer dedicated to core business training.
— Participation in the “Week of Industry”.

**VERESCENCE
LA GRANJA**
Spain

LOCAL PRESENCE,
GLOBAL STRENGTH

**LOCAL OPERATION THROUGH
THE CREATION OF CLUSTERS**
— Insourcing of all blank or decorated bottle sorting activities on site.
— Development of “door-to-door” bottle sorting subcontractors.
— Improvement of the S&OP and PIC (Industrial and Commercial Plan) to promote the insourcing of decoration.

LOCAL SECTORAL
COLLABORATION

— Collaboration with the Royal Glass Museum for training and exchange of best practices on glass.

COLLABORATION WITH
LOCAL AUTHORITIES

— Member of several local associations (AMEC, FES, and VIDRIO ESPAÑA).
— Collaboration with the Town Hall in cultural activities, Civil Protection material and headquarter, materials for local festivities, etc.
— Member of the Local Emergency Planning Committee.

LOCAL PRESENCE AND
SOCIAL COMMITMENT

— Sponsorship of sports activities (local soccer clubs) and cultural activities (Noches Mágicas, Mercado Barroco, Christmas parties, etc.).
— Collaboration with the University of Valladolid Foundation and the University of Madrid.
— Collaboration with public authorities to promote the employment of the local population.
— Sponsorship of a student drawing contest on the theme of ecology.
— Collaboration with the Ukrainians for the collection of food and medical equipment.
— Collaboration with the Cancer Association.
— Collaboration con Miastenia Association.
— Collaboration with the Red Cross in the environmental course program for the unemployed in Segovia in 2022, with several visits and talks on our environmental management system.
— Open day in June 2022 to show our factory to all interested citizens.

PRESERVING EMPLOYMENT
AT OUR SITES

**PRESERVING
THE SECTOR'S TRADES**
— Government-certified training center authorized to deliver training leading to qualifications for glass trades (Certificado Profesionalidad): 37 workers trained in 2022.

**VERESCENCE
CONVINGTON**
USA

LOCAL PRESENCE AND
SOCIAL COMMITMENT

**LOCAL OPERATION THROUGH
THE CREATION OF CLUSTERS**
— Insourcing of 80% of blank bottle sorting activities.
— Development new relationships with local suppliers for packaging.

LOCAL SECTORAL
COLLABORATION

— Member of the Newton Chamber of Commerce.

COLLABORATION WITH
LOCAL AUTHORITIES

— Membership in the local industrial committee.
— Membership in the Local Emergency Planning Committee (LEPC).
— Continued collaborated with the Newton County Chamber of Commerce to donate meals to Piedmont Newton Hospital employees as part of National Hospital Week.
— Business Community meet and greet at our facility.

LOCAL PRESENCE AND
SOCIAL COMMITMENT

— Annual participation in organization supporting cancer prevention event.
— Continued support of “Nutrition” advisory campaign.
— Renewed support of “Adopt-A-Mile” partnership with the city of Covington to clean the roadside leading to the plant.
— Annual support of Toy drive for the “Toys for Tots” association.
— Continued Support for various community events (Fun Run, Family Fun Day, YMCA race, etc.).
— More sustainable procurement by sourcing locally as a priority.
— Annual participation in an event in honor of veterans.
— Continued sponsorship of a community course to support the local police force.



PRESERVING EMPLOYMENT
AT OUR SITES

PRESERVING
THE SECTOR'S TRADES

- Greater conversion of temporary workers to permanent workers.
- A 30-60-90 day plan has been put in place for new employees.
- Participation in the 2022 Connect Newton Teacher Externship Program.

VERESCENCE
SPARTA
USA

LOCAL PRESENCE AND
SOCIAL COMMITMENT

LOCAL OPERATION THROUGH
THE CREATION OF CLUSTERS

- Strengthening the partnership with the current lacquer supplier so that 93% of the lacquer used is locally produced.
- Conclusion of a second partnership with another local lacquer supplier.
- Development of the collaboration with the local tool supplier for highspeed printing machines.

LOCAL SECTORAL
COLLABORATION

- Member of the GMIC.

LOCAL PRESENCE AND
SOCIAL COMMITMENT

- Extension of the cancer prevention event to cover other forms of cancer.
- “Nutrition” advisory campaign.
- Participation in an event in honor of veterans.
- Toys for Tots drive and fundraising event.

PRESERVING EMPLOYMENT
AT OUR SITES

PRESERVING
THE SECTOR'S TRADES

- 10% more temporary workers were hired on permanent contracts.
- Establishment of career paths to promote staff retention, skills development and job attractiveness.
- Partnerships with local schools to promote the integration of local youth.
- All employees complete the online ethics training program.
- A 30-60-90 day plan has been implemented for new employees.

VERESCENCE
PACIFIC
South Korea

LOCAL PRESENCE AND
SOCIAL COMMITMENT

LOCAL OPERATION THROUGH
THE CREATION OF CLUSTERS

- Local supply of specific materials at the request of customers.
- Installation by a local company of robots for the addition of an automatic printing machine on a given line.
- Installation of robots for other lines.

COLLABORATION WITH
LOCAL AUTHORITIES

- Participation in the 22nd International Ocean Cleanup Day organized by local and national authorities.
- Organization of coastal clean-up activities in collaboration with local authorities.
- Participation in World Water Day events in partnership with local authorities.

LOCAL PRESENCE AND
SOCIAL COMMITMENT

- Organization of a breast cancer prevention event.
- Donation activities for the local community (heating, supplies, scholarships, etc.).
- Cake donations for the families of employees and subcontractors.

QUALITY OF SERVICE
AND COMPETITIVENESS

MANAGEMENT AND
ORGANIZATION

- Strengthening of “One Verescence” through the roll-out of the Verescence Sustainable Performance System (VSPS) across the Group, based on a strong continuous improvement approach.
- Management of performance at monthly committee meetings by site and by business line, enabling rapid deployment of best practices.
- All sites are subject to CSR objectives covering the three pillars. Included in their respective budgets, these objectives are the subject of a report and are reviewed during monthly “Business Reviews”. All sites thus actively work to reduce their energy and water consumption and their emissions into the air (CO₂, NO_x, SO_x, VOC, etc.), and are committed to recovering as much of their waste as possible by examining all local recycling solutions. All of this data is collected each month within the EHS network and consolidated on a non-financial reporting platform administered by TENNAXIA.
- Monitoring of waste by type and disposal method at all sites: standardization of declarations at all sites.
- Insourcing of bottle sorting activities on our sites in order to optimize our processes, reduce our delivery times and reduce transportation.
- All Verescence sites are certified in accordance with all of the following standards: ISO 9001, ISO 45001, ISO 14001, ISO 22716 (GMP Cosmetics).
- “Agilescence” project: work on improving our flows allowing our customers to benefit from a premium service enabling them to deliver their strategic ranges in a maximum of 4 weeks.

2022-2023 INITIATIVES STANDARDIZED AT GROUP LEVEL
AND APPLIED AT ALL SITES

- Assessment of the Quality population for the entire Group.
- All members of the Executive Committee have individual CSR objectives that they deploy within their teams.

OPTIMIZATING THE
ENVIRONMENTAL IMPACT OF
OUR PROCESSES

- Each year, Verescence and all of its sites evaluate their performance in terms of climate impacts and water management according to the “CDP Climate Change” and “CDP Water Security” programs. In 2022, Verescence joined the prestigious “Double A-List” by obtaining an A rating on the “CDP Climate Change” and “CDP Water Security” programs. Thus, Verescence confirms its leadership in terms of managing its water footprint by obtaining an A for the second consecutive year and improves its climate rating to also reach level A.
- After joining the Science Based Targets (SBTi) initiative and having its decarbonization plan validated in accordance with the “Well-Below 2°C” scenario in February 2022, Verescence continues to develop its decarbonization program to converge towards a 1.5°C trajectory by 2034 and achieve “Net Zero” CO₂ emissions before 2050.
- Verescence is rolling out its 2019-2034 decarbonization plan to all of the Group’s plants:
 - by standardizing its Infinite Glass® 20 (containing 20% PCR glass),
 - by supplying its factories with electricity from renewable sources (100% of the electricity needs of the La Granja site and 50% of the Verescence Pacific site in 2022),
 - by involving all of its sites in energy conservation plans, all of whose

- initiatives are benchmarked internally and externally.
- All plants consuming industrial water are equipped with recycling systems.
- Deployment of a common water management standard and mapping of water supply and discharge for 100% of processes. Verification of certain KPIs related to water management by our ITO: KPMG.

- Verescence has acquired a new internal EHS reporting tool developed under PowerBI and offering each site the possibility of analyzing its environmental impacts over comparative periods.
- Verescence is an industrial partner in the “VERCANE” R&D project (VERre CARboNEutre), the objective of which is to decarbonize the glass manufacturing process by providing energy solutions capable of supplying production sites in a sustainable manner.

INNOVATION AND ECO-DESIGN

PRODUCT INNOVATIONS

- The Verescence R&D teams, positioned at Group level, are working to systematically improve the environmental impact of the products manufactured at all our sites:
 - Use of post-consumer recycled glass in our furnaces (Infinite Glass® range).
 - Use of water-soluble lacquers instead of solvent-based lacquers.
 - Use of organic inks instead of enamels or precious metals.
 - Glassification: replacement of plastic by glass for many projects in new territories (mascara applicators, lipstick, etc.).
 - Growth in the production of bottles with screw rings: 90% of the





new molds have screw rings facilitating recycling by separability as well as reuse by the consumer.

- Use of a 3D modeling tool to limit the industrial prototyping phases that generate scrap and emissions

- Launch of Glass Score, a weight reduction rating scale for more sustainable luxury bottles.

MEASURING ENVIRONMENTAL IMPACT

- Evolution of the Life Cycle Analysis (LCA) software for Verescence products with the inclusion of Infinite Glass 20 and Infinite Glass 40. All data specific to Verescence has been updated to take into account our latest improvements impacting the life cycle of our products.

- All sites contribute through their performance to enriching the environmental impact model we have developed using our unique life cycle analysis tool. This tool allows us to compare two bottles and to give our customers an objective opinion for the most eco-responsible choice based on eight impact indicators: Global

Warming (CO₂), Acidification, Photochemical Oxidation, Eutrophication, Ecotoxicity, Exhaustion of Mineral Resources, Non-renewable Energy Consumption and Water Consumption.

- Recyclability study for colored and decorated glass bottles in order to define a recyclability index and share these with our main customers for their thoughts ahead of developments.

EXTERNAL COMMUNICATION

- Raising the awareness of our customers on the environmental impact of their products during Trends & Innovations presentations.
- Proactively presenting our CSR strategy and decarbonization plan to our clients.
- Solicitation of Verescence to act as an expert on eco-design in partnership with our clients during conferences, training sessions and individual presentations.
- Organization of several "Glass School" training sessions for our customers' R&D, purchasing and development teams.

- Luxe Pack in Green New York 2022 award in the "Most Responsible CSR Initiative" category for our efforts to make PCR glass the new standard in the beauty industry.
- Participation in round tables about the decarbonization of the glass industry and eco-design during the "Glass Night 2022" organized by the French Glass Valley.
- Participation in a conference at Luxe Pack Los Angeles 2022 on the theme "Minimizing Product Time to market while being committed to quality and sustainability".
- Participation in the exhibition of Hauts-de-France companies at the Lille prefecture to highlight know-how and innovation in luxury bottling.
- Participation in two episodes of the "Let's Talk Glass" video series: episode 1 "Glass and its Role in Fighting Climate Change" and episode 3 "Glass as an Ally in the Circular Economy".
- Participation in an online conference in the "Future Made Clear" series organized by FEVE on the theme of glass decarbonization.

VERESCENCE MERS-LES-BAINS France

OPTIMIZATING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

ENERGY CONSUMPTION AND REDUCTION OF CO₂ EMISSIONS

- Completion of energy-efficient LED lighting throughout the site.
- Retainment of ISO 50001 certification.
- Search for air leaks on our compressed air network: establishment of a permanent monitoring system, purchase of a compressed air leak detection device.
- Study on the implementation of a variable speed compressor to limit energy consumption.
- Finalization of the installation of equipment for our GTE (Management Energy technology).
- Installation of an industrial facility to recover waste heat from our feeders.
- IS machine ventilation study: better regulation of air and consumption.
- Intermittent scissor spray study: reduction of water used.
- Economical air blower study: reduction of compressed air.
- Insulation work on the feeders (distribution channels which make the link between the furnace and the forming machine).
- Standard line shutdown study: machine energy consumption.

POLLUTION REDUCTION (AIR, WATER, SOIL, EMISSIONS)

- Monthly measurements sent to the Regional Directorate for Environment, Planning and Housing (DREAL) to check our atmospheric emissions: dust, particles, SO_x, NO_x, etc.

2022-2023 INITIATIVES BY SITE

- Monthly measurements of pollutants in wastewater and search for legionella (monthly reporting to DREAL), addition of a fortnightly measure from July to December following the prefectural drought decree.
- Monitoring of the technical management of energy and water consumption project in order to precisely monitor and analyze the consumption of all equipment (water, gas and electricity).

WASTE AND END OF LIFE

- Plastic recycling: collection of our plastics for production of plastic covers and sheaths (secondary raw material).
- Complete analysis of our waste in terms of costs and volumes.
- Identification and rationalization of all waste streams.
- Integration of all recoverable waste from our subcontractors.
- Increase in recycled waste of around 1% to 92.5% in 2022.
- Recovery of discarded bottles decorated with Verescence Somme for reintegration into our furnaces.
- Reduction of waste costs over the year 2022.

REDUCED IMPACT ON WATER

- Monitoring of cooling tower consumption and treatment improvement via an automatic biocide feed system.
- Installation of 32 water meters to optimize our consumption.
- Enhanced reliability of the FISA machine to reduce water consumption and decrease our electrochemical waste discharge.

COMMUNICATION

- CSR day, intervention and communication on the energy part.
- Solicitation of employees on energy

improvement ideas (call for good ideas).

MANAGEMENT

- Creation of the energy department and weekly animation by a specific pillar.

VERESCENCE ORNE France

OPTIMIZATING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

ENERGY CONSUMPTION AND REDUCTION OF CO₂ EMISSIONS

- Gradual installation of low energy consumption LEDs across the entire site.
- Commissioning of a variable speed compressor.
- Implementation of a technical management of energy and water consumption system on the site.
- Implementation of actions as part of the decarbonization of production processes: reduction of gas consumption.
- Equipping of a screen printing machine with a UV lamp for Full UV process validation.
- Replacement of lehr 7 with an electric lehr.
- Installation of destratifiers for heating in storage areas, lacquering workshop.
- Matching of productions in enamel ink in organic.
- Study for the change of boilers.
- Automatic shutdown of suction / convection and conveyor belt when the gas lehr reaches a temperature below 80°C.
- Automatic stop of the drying hood suction depending on the activity of the acid-etching machine.

POLLUTION REDUCTION (AIR, WATER, SOIL, EMISSIONS)

- Replacement of the lacquering filtration boxes.
- Restoration of the chemical product retention of the effluent treatment station (NH4).
- Covered containment facility for the storage of hazardous materials.
- Redevelopment of storage areas near the sprinkler system.

WASTE AND END OF LIFE

- Increase in the selective recovery of waste: recycling of polyethylene plastic films (+23%), PE/PS thermoformed materials (+54%) and wood from broken pallets.
- Reduction of the production of lacquer sludge by a second pressing to reduce the water content.
- Recycling of flint glass for Mers-les-Bains glass factory.

REDUCED IMPACT ON WATER

- Reuse and recycling of effluents wherever possible: installation of an automatic purge on TAR and reuse of the vacuum pump water as TAR water make-up.
- Management of our water footprint by collecting systematic and targeted data on our withdrawals, discharges and needs by process, capable of identifying our consumption and recycling capacities.
- Study for the recovery of rainwater for its integration into our processes.

COMMUNICATION

- Raising employee awareness of eco-gestures (waste sorting, energy, etc.).

MANAGEMENT

- Evolution of our integrated management system with the gradual integration of the requirements of the ISO 50001 standard relating to the management of energy performance.

VERESCENCE SOMME France

QUALITY OF SERVICE AND COMPETITIVENESS

COMPETITIVENESS

- Implementation of the MES system (Manufacturing Execution System): ensure the effective execution of manufacturing operations and improve production efficiency.

OPTIMIZATING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

ENERGY CONSUMPTION AND REDUCTION OF CO2 EMISSIONS

- Change of the compressor room with metering of the volume of air produced and the energy consumed.
- Switching to LED on 100% of the plant's exteriors.
- Switch to LED in 100% of production areas.
- Gradual transition to LED on the ancillary and support areas.
- Installation of electric lehrs on new projects.
- Installation of LED lamps instead of UV lamps.
- Gradual elimination of enamels in favor of organic inks: curing temperature increased from 650°C to 150°C.
- Change of the administrative boiler.
- Elimination of compressed air to cool the bottles.
- Shutdown of outdoor lighting on weekends.
- Installation of destratifiers in our logistics warehouses.
- Finding and repairing compressed air leaks.
- Identification and shutdown of equipment not used on weekends.
- Control of infrared lehrs.
- Standardization of temperatures in APUs/Offices.
- Installation of flexible doors to limit the supply of fresh air.

- Implementation of a GTE (technical management of energy and water consumption).
- Electric lehr 1 clamping at 150°C.

POLLUTION REDUCTION (AIR, WATER, SOIL, EMISSIONS)

- Elimination of atmospheric discharges by replacing dry filters with closed circuit water curtains on line 1 of the lacquering.
- Removal of the siliconizing line by the end of 2023.

WASTE AND END OF LIFE

- Installation of a double sludge press.
- Recycling: cardboard, transparent plastics PE, Akilux plastics, thermoformed and merchant pallets, colored glass, and white glass.
- Distribution of recyclable bottles for all employees to eliminate plastic cups and reduce the number of cardboard cups.
- Selective sorting management.
- Recycling of discarded glass bottles for Mers-les-Bains glass factory.

REDUCED IMPACT ON WATER

- Reuse and recycling of effluent on highly water-consuming process (lacquering lines, etc.).
- Installation of additional water meters to monitor and optimize our consumption.
- Monitoring of water withdrawals (subdivisional meters).
- Installation of closed circuit on line 1 of the lacquering.
- Improved management of water consumption through systematic and targeted data collection of our water withdrawals, discharges and needs by process, capable of identifying our consumption and recycling capacities.

COMMUNICATION

- Employee awareness-raising on eco-friendly habits (waste sorting, energy, etc.).

- Creation of a new display for all waste.
- Identification of employees' good ideas on reducing consumption through a questionnaire.
- Production of environmental messages.
- Communication in the internal newspaper.

MANAGEMENT

- Extension of the contract of our fixed-term engineer on EHS project assignments.

VERESCENCE LA GRANJA Spain

OPTIMIZATING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

ENERGY CONSUMPTION AND REDUCTION OF CO2 EMISSIONS

- Elimination of external warehouses to reduce transportation of finished products.
- Implementation of a door-to-door bottle sorting system to reduce the internal supply chain of the finishing plant.
- Implementation of the renewable energy PPA project aimed at carbon neutrality of our electricity consumption on the site.
- Since 2021, we have been producing a type of glass made from post-consumer cullet (Infinite Glass 20), which allows us to reduce our consumption of natural raw materials, natural gas and CO2.
- Corporate vehicle strategy: replacement of all fuel vehicles with hybrid vehicles.
- To encourage electromobility, a new electric recharging station has been installed on the site's parking lot.
- In 2022, we have replaced 2 old air compressors with new ones more efficient.
- Installation of LEDs at the cold end.
- +39% of cullet used in Furnace 2 in

- 2022 vs. 2021.
- +19% of cullet used in Furnace 1 in 2022 vs. 2021.

POLLUTION REDUCTION (AIR, WATER, SOIL, EMISSIONS)

- Project launched in 2022 to install acoustic cabinet in a air generator to reduce noise. The project will be deployed in 2023.
- Project launched in 2022 to install a new depuration plant to reuse insulators water consumption. The project will be deployed in 2023.

WASTE AND END OF LIFE

- Better non-recyclable waste sorting and recyclability performance increase for specific waste categories: colored glass, cement, dirty cullet.
- In 2022, non-recyclable waste decreased by 3% in KPI, resulting in a recycling rate of 95%.
- Recycling of 100% of the liquid waste produced by the lacquering lines and the waste produced by the tool cleaning machines.
- End-of-life management of glass insulators: LCA report published.
- Set up of a workshop to recover broken pallets and reduce wood waste. In 2022 we have achieved a reduction of 17% in KPI of this wood waste thanks to this project.

REDUCED IMPACT ON WATER

- We emptied the water storage pool in June 2022 to clean it and to check leaks, etc.
- Contingency Plan for water in case of draught deployed in 2022 because of Climate Change (consumptions settings, leaks control, water dissification, etc.).
- Reduction of 50% of water evaporation in the cooling towers thanks to temperature checking and water settings.
- Water Saving Project : keep on going with Stage 2 completed (split closed water network of glass plant and Insulator Assembly Plant) to prepare the network to the next Stage

- 3 in 2023: the new decante to reuse insulators waste water.

COMMUNICATION

- Communication concerning waste sorting.

MANAGEMENT

- ISO 50001 certified since December 2021. Consolidation in 2022 with the second yearly audit.
- Publication of the Environmental Product Declaration (EPD) for Glass Insulators.
- Proposal of glass lacquered with water-based paint rather than mass-colored glass, thus contributing to the increase of glass recycling in our sector of activity.

VERESCENCE COVINGTON USA

OPTIMIZATING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

ENERGY CONSUMPTION AND REDUCTION OF CO2 EMISSIONS

- Re-certification in the first quarter for annual CO2 emissions completed for 2023
- Installed new fixed gas analyzer to improve the gas/air ratio and burner efficiency in order to reduce gas consumption and CO2 emissions. Still completing training in 2023.

POLLUTION REDUCTION (AIR, WATER, SOIL, EMISSIONS)

- Replace all silo dust collectors with new high efficiency units that will reduce emissions.
- New Argonite Bin Vent installed in 2022 and Soda Ash bin Vent in 1st quarter 2023.
- Annual stack inspection starting in 2022 (not mandated by US regulators). This ensures our compliance and commitment to reducing NOx, SOx and fine particulate emissions.

This initiative is part of our company's ongoing global commitment to reduce NOx, SOx and fine particle emissions.

- Quarterly cleaning of the parking lot to reduce sediment from the road that could contaminate adjacent properties via runoff.

WASTE AND END OF LIFE

- Reduction in the use of waste compactors through better recycling of cardboard and plastic.
- Recycling of all cardboard and metals.
- Recycling of precious metals. (Molds/Furnace sensors).
- Recycling of printer cartridges and IT waste (Green IT).
- Reduction of packaging waste with a major customer by using returnable packaging.
- Introduction of deco glass into batch formulation.
- Implementation of the "Universal Waste Management Program" started with batteries and light bulbs. This effectively eliminates unnecessary waste.
- Recycling of all packaging from the sorting area.
- Commissioning of an independent study to assess waste streams to determine recycling opportunities (e.g. stretch film).

REDUCED IMPACT ON WATER

- Submit CAPEX for installation of a tank and pumping system to recycle the water we use to cool the seals of the oxygen production station pumps (representing a saving of 51m³ per day).

COMMUNICATION

- Annual employee training on the environmental issues involved in our activities in 1st quarter every year.

MANAGEMENT

- Confirmation of ISO 14001 certification completed Feb 2023.
- Efforts to obtaining ISO 50001 certification by the end of 2023.
- Annual audit of the Risk Assessment to be conducted in 2nd quarter of 2023.

**VERESCENCE
SPARTA
USA**

**QUALITY OF SERVICE
AND COMPETITIVENESS**

COMPETITIVENESS

- Installation of video systems for the decoration lines.
- Automatic buckling stations for 2 decoration lines.
- Robot on 2 decoration lines to pass the bottles from the machine to the lehr.

**OPTIMIZATING THE
ENVIRONMENTAL IMPACT OF
OUR PROCESSES**

**ENERGY CONSUMPTION AND
REDUCTION OF CO2 EMISSIONS**

- Reduced energy consumption by using organic components instead of ceramics for decorations.
- Measures for reducing energy consumption:
 - Air leak detection and repair
 - Optimizing the use of lehrs

**POLLUTION REDUCTION
(AIR, WATER, SOIL, EMISSIONS)**

- Project to renovate the lacquering lines:
 - Improvement of the air filtration system
 - Improvement of the air circulation system

WASTE AND END OF LIFE

- Recycling of all undecorated glass waste.
- Implementation of the "Universal Waste Management Program" started with batteries and light bulbs. This effectively eliminates unnecessary waste.
- Reuse of decorated glass in the bottle manufacturing process.
- Better use of packaging. Reuse of common packaging between Covington and Sparta.
- Mandatory presentation to every customer: life cycle and recycling of glass.

REDUCED IMPACT ON WATER

- Dismanteling of Acid Etching line, waste water treatment station will be shut down once all remaining acid will be done neutralized and processed.

**VERESCENCE
PACIFIC
South Korea**

**OPTIMIZATING THE
ENVIRONMENTAL IMPACT OF
OUR PROCESSES**

**ENERGY CONSUMPTION AND
REDUCTION OF CO2 EMISSIONS**

- Improvement of the lighting system to reduce consumption (replacement by LED bulbs, installation of lighting with motion detectors).
- Reduced energy consumption through the system's climate control programmer and temperature control.
- Installation of photovoltaic panels on the roof of a factory to reduce electricity consumption:
 - Reduce consumption energy : about 227,322kWh /yr
 - Reduce CO2 emissions : about 106 tCO2 /yr

- Purchase of 15,000 MWh of electricity from renewable sources over the period 1 January to 31 December 2022, which is equivalent to a gain of 7,000 tonnes of CO2 (carbon emissions from electricity consumption).

**POLLUTION REDUCTION
(AIR, WATER, SOIL, EMISSIONS)**

- Agreement reached with the Chungnam provincial government to take measures to reduce NOx emissions and to plant trees in factories. Measure effective from 2021 to 2024.
- Monthly measurement of water and air quality to manage pollutant emissions.
- Reduce Sox emissions by using fuels with lower sulfur content.

WASTE AND END OF LIFE

- Reuse of lacquered bottles to reduce glass waste.
- 77% reduction in glass waste (2021-2022).
- Glass waste (2020: 403.93 tons; 2021: 283.56 tons, 2022: 64 tons).

REDUCED IMPACT ON WATER

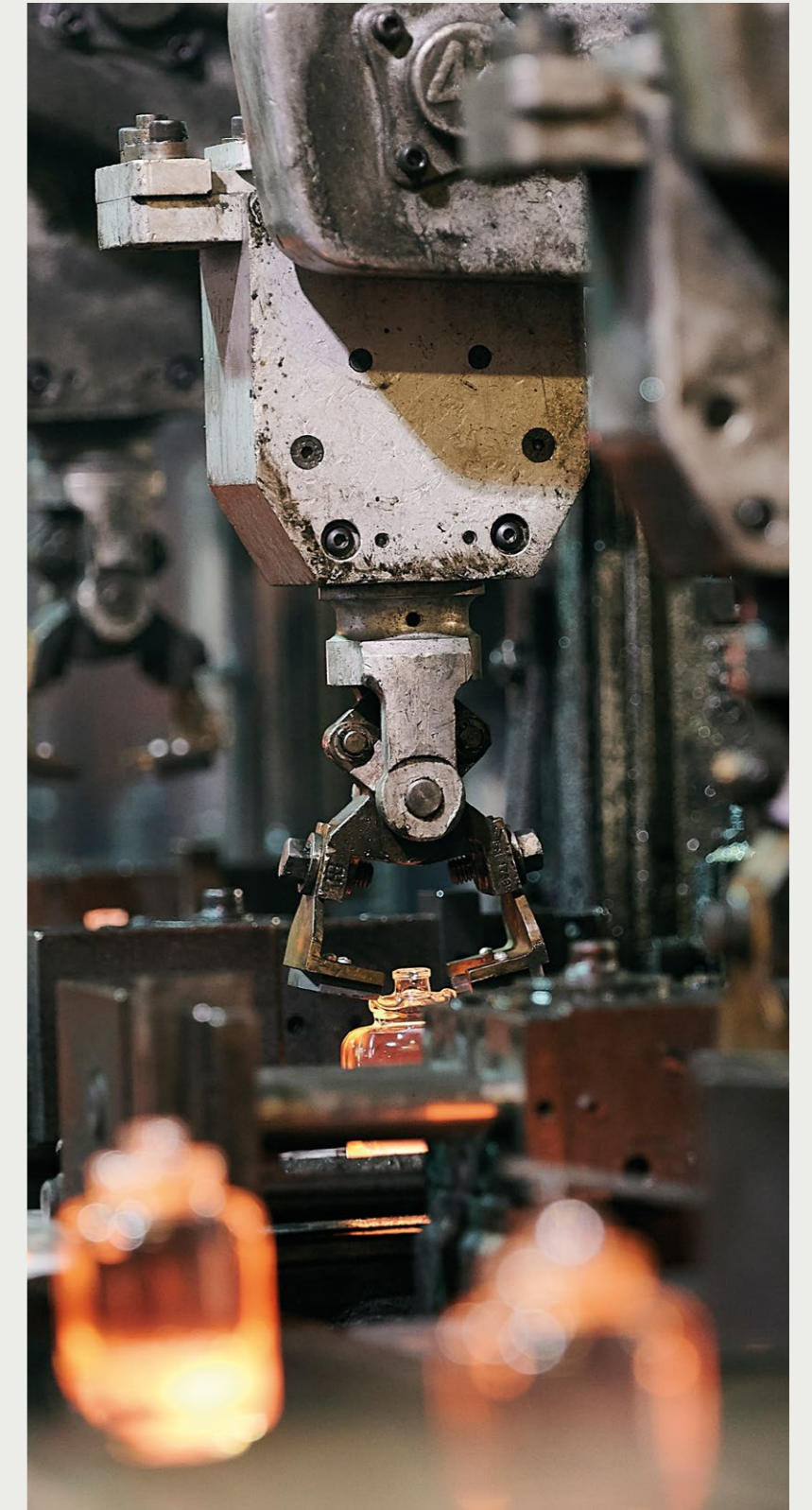
- Meeting with Verescence France to add a flow meter in terms of wastewater reuse.
- The old flow meter has been calibrated to improve its accuracy.

COMMUNICATION

- Communication concerning waste sorting and disposal.

MANAGEMENT

- Regular checks.



GRI EQUIVALENCE TABLES

Verescence has set out its strategy and reporting in accordance with the principles of the GRI

(Global Reporting Initiative) in order to ensure the completeness of its approach.

Below, you will find the equivalence table to assess the compliance of our CSR report

with the Core criteria defined by the GRI (cf. Gri-G4).

NO.	GRI INDICATORS	EQUIV.	SECTION/COMMENTS
102	GENERAL DISCLOSURES		
102-1	Name of the organization	▼	Cover page
102-2	Activities, brands, products and services: description of the organization's activities, brands, products, and services	▼	About Verescence
102-3	Location of the organization's headquarters	▼	About Verescence
102-4	Location of operations: number of countries where the organization operates, names of countries where the organization has significant operations or operations that are specifically relevant to this report	▼	About Verescence
102-5	Nature of ownership and legal form	▽	-
102-6	Markets served: geographic location of markets, sectors served, and types of customers and users/consumers	▼	About Verescence
102-7	Scale of the organization: number of employees, information about operations, sales, capitalization and sales of products	▼	About Verescence Value chain
102-8	Information about employees and other workers: employees by type of employment contract (permanent/temporary), gender, region, full time/part time, and whether a substantial portion of the organization's work is performed by workers who are not employees of the organization	▼	About Verescence Value chain
102-9	Supply chain: including the organization's main structure for the activities, brands, products and services	▼	Value chain
102-10	Significant changes regarding the organization's size, structure, ownership, or its supply chain (change in the location of operations, main suppliers, or the share capital structure)	▼	Three-pillar CSR strategy and governance
102-11	Approach to the precautionary principle	▽	-
102-12	External initiatives (list of CSR charters, principles, or other initiatives that the organization endorses)	▼	Three-pillar CSR strategy and governance

NO.	GRI INDICATORS	EQUIV.	SECTION/COMMENTS
102-13	Membership of associations (list of memberships of international industry associations or organizations or other associations or organizations incorporating CSR issues)	▼	Three-pillar CSR strategy and governance
102-14	Statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of CSR to the organization and the strategy developed	▼	Editorial
102-16	Values, principles, standards, and norms of behavior	▼	Editorial
102-18	Governance structure of the organization, including committees of the highest governance body and their CSR responsibilities	▼	Governance & sustainable performance system
102-40	List of the Group's stakeholders	▼	Value chain
102-41	Collective bargaining agreements: percentage of employees covered by collective bargaining agreements	▼	100% of employees covered by collective bargaining agreements in all countries where the legal framework allows
102-42	Collective bargaining agreements: percentage of employees covered by collective bargaining agreements	▽	-
102-43	Approach to stakeholders: the organization's approach to stakeholders, including frequency of engagement and specific commitments made for each stakeholder group	▽	-
102-44	Key topics that have been raised through stakeholder engagement: including how the organization has responded to those key topics and the stakeholders concerned	▼	-
102-45	Entities included in the organization's consolidated financial statements: including reasons justifying exclusion	▼	-
102-46	Report content and boundaries: process for defining the report content and the Aspect Boundaries	▼	Value chain
102-47	List of material Aspects identified in the process for defining report content	▼	Value chain
102-48	Review of previous statements: the reasons for and effects of restatements of information provided in previous reports	▼	Clarification on the definition of our main key indicators (cf. Methodology Note): consistency with the values reported in 2019
102-49	Changes in reporting: significant changes from the previous year in the list of material Aspects and report content	▼	Acquisition of Pacificglas in February 2021 (renamed Verescence Pacific), company taken into account in this reporting for the period from January 1 to December 31, 2022
102-50	Reporting period	▼	2022 calendar year
102-51	Date of the most recent previous report (if any)	▼	July 2022
102-52	Reporting cycle	▼	Annual
102-53	Contact point for questions regarding the report or its contents	▼	Contact us
102-54	Reporting statements in accordance with GRI standards: this report has been prepared in accordance with GRI standards: Core or Comprehensive	▼	GRI Equivalence Table (Global Reporting Initiative) Core criteria (cf. GRI-G4)
102-55	GRI Equivalence Table	▼	GRI Equivalence Table (Global Reporting Initiative). Core criteria (cf. GRI-G4)
102-56	External assurance: description of the organization's approach with regard to seeking external assurance for the data in the report (if the report has been externally assured, and the External Assurance Report, if any)	▼	Reasonable assurance opinion issued by KPMG

NO.	GRI INDICATORS	EQUIV.	SECTION/COMMENTS
	SPECIFIC DISCLOSURES		
20	ECONOMIC		
201	Economic performance		
201-1	Direct economic value generated and distributed	▼	Value chain: financial resources and impacts
204	Procurement practices		
204-1	Proportion of spending on local suppliers	▼	Act for Society: 2022 in key figures
205	Anti-corruption		
205-2	Communication and training on anti-corruption policies and procedures	▼	CSR dashboard and objectives: Act for Society – Business ethics
30	ENVIRONMENT		
301	Materials		
301-2	Recycled input materials	▼	Eco Solutions: 2022 in key figures
302	Energy		
302-3	Energy intensity	▼	Eco Solutions: optimizing the environmental impact of our processes Value chain: environmental assets
302-4	Reduction of energy consumption	▼	Eco Solutions: optimizing the environmental impact of our processes Value chain: environmental assets
303	Water		
303-1	Total water withdrawal by source	▼	Value chain: environmental assets CSR dashboard and objectives Eco Solutions: optimizing the environmental impact of our processes
305	Emissions		
305-4	Greenhouse gas (GHG) emissions intensity	▼	Value chain: environmental assets CSR dashboard and objectives Eco Solutions: optimizing the environmental impact of our processes
305-5	Reduction of greenhouse gas (GHG) emissions	▼	Value chain: environmental assets CSR dashboard and objectives Eco Solutions: optimizing the environmental impact of our processes
306	Effluents and waste		
306-2	Waste by type and disposal method	▼	Value chain: environmental assets CSR dashboard and objectives Eco Solutions: optimizing the environmental impact of our processes

NO.	GRI INDICATORS	EQUIV.	SECTION/COMMENTS
40	SOCIAL		
401	Employment		
401-1	New employee hires and employee turnover	▼	Value chain: intellectual assets
403	Occupational health and safety		
403-2	Type of injury and rates of injury, occupational diseases, absenteeism, and work-related fatalities	▼	People First: health and safety, Well-being at work and recognition – CSR dashboard and objectives
404	Training and Education		
404-1	Average hours of training per employee	▼	CSR dashboard and objectives - People First: skills and careers
404-2	Programs for skills management and programs that assist employees in managing career endings	▼	CSR dashboard and objectives - People First: skills and careers Act for Society: preserving employment at our sites
405	Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	▼	CSR dashboard and objectives: People First - Diversity
405-2	Ratio of basic salary and remuneration of women to men	▽	-
407	Freedom of association and collective bargaining		
407-1	Operations and suppliers identified in which the right to collective bargaining may be at risk	▼	CSR dashboard and objectives: Act for society - Responsible purchasing
413	Local Communities		
413-1	Local community engagement, impact assessments, and development programs	▼	Act for Society: preserving employment on our sites
417	Product and Service Labeling		
417-1	Product and service information and labeling requirements	▼	CSR dashboard and objectives: Eco Solutions - Innovation and eco-design

GLOBAL COMPACT EQUIVALENCE TABLE



Verescence has joined the GLOBAL COMPACT in 2018 and is committed to the ten principles.

Each year, the Group issues a COP (Communication On Progress), which is published on the global compact website.

This report constitutes Verescence's 2022 COP (2022-2023 data).

NO.	TEN PRINCIPLES OF THE GLOBAL COMPACT	EQUIV.	PILLARS AND ASSOCIATED THEMES
	HUMAN RIGHTS		
1	Businesses should support and respect the protection of internationally proclaimed human rights.	▼	People First - Health and Safety
2	Businesses should make sure that they are not complicit in human rights abuses.	▼	Act For Society - Sustainable procurement
	LABOR		
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	▼	People first - Well-being at work and recognition
4	Businesses should contribute to the elimination of all forms of forced and compulsory labor.	▼	Act For Society - Sustainable procurement
5	Businesses should contribute to the effective abolition of child labor.	▼	Act For Society - Sustainable procurement
6	Businesses should contribute to the elimination of discrimination in respect of employment and occupation.	▼	People First - Diversity
	ENVIRONMENT		
7	Businesses should support a precautionary approach to environmental challenges.	▼	Eco Solutions - Optimizing the environmental impact of our processes
8	Businesses should undertake initiatives to promote greater environmental responsibility.	▼	Eco Solutions - Optimizing the environmental impact of our processes
9	Les entreprises sont invitées à favoriser la mise au point et la diffusion de technologies respectueuses de l'environnement.	▼	Eco Solutions - Innovation and eco-design
	ANTI-CORRUPTION		
10	Businesses should work against corruption in all its forms, including extortion and bribery.	▼	Act For Society - Business ethics

▼ Complete equivalence ▼ Partial equivalence ▽ No equivalence



INDEPENDENT THIRD PARTY REPORT (KPMG)

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL STATEMENT. For the year ended 31 December 2022

To the Board of Directors',

In our capacity as Statutory Auditor of your company (hereinafter the "entity") appointed as independent third party, and accredited by the French Accreditation Committee (COFRAC) under number 3-1884, we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended the 31st of December 2022 (hereinafter, the "Information" and the "Statement" respectively), presented in the Group's management report pursuant to the legal and regulatory provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

At the request of the entity, we conducted works designed to express a reasonable assurance conclusion on the information selected by the entity and identified by the sign √.

LIMITED ASSURANCE CONCLUSION

Based on the procedures we have performed, as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

COMMENT²

Without modifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we have the following comments:

— For a subsidiary, traceability and internal control could be strengthened for data relating to the indicator "Number of employees trained vs. number of employees".

REASONABLE ASSURANCE CONCLUSION ON A SELECTION OF NON-FINANCIAL INFORMATION

In our conclusion, the information selected by the entity and identified with the symbol √ in the Statement has been prepared, in all material respects, in accordance with the Guidelines.

PREPARATION OF THE NON-FINANCIAL PERFORMANCE STATEMENT

The absence of a commonly used generally accepted reporting framework or a significant body of established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarized in the Statement and available on the Entity's website or on request from its headquarters.

INHERENT LIMITATIONS IN PREPARING THE INFORMATION

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

RESPONSIBILITY OF THE ENTITY

Management of the Entity is responsible for:

— selecting or establishing suitable criteria for preparing the Information;
— preparing a Statement pursuant to legal and regulatory provisions,

including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators;
— preparing the Statement by applying the Entity's "Guidelines" as referred above; and
— designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

RESPONSIBILITY OF THE STATUTORY AUDITOR, APPOINTED AS INDEPENDENT THIRD PARTY/INDEPENDENT THIRD PARTY

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:
— The compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
— The fairness of the historical information (observed or extrapolated) provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e., the outcomes of policies, including key performance indicators, and measures relating to the main risks.
As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.
At the request of the entity and outside of the scope of certification, we may express reasonable assurance that the information selected by the

entity, presented in the appendices, and identified by the symbol √ has been prepared, in all material respects, in accordance with the Guidelines.
It is not our responsibility to report on:
— The entity's compliance with other applicable legal and regulatory provisions;
— the compliance of products and services with the applicable regulations.

APPLICABLE REGULATORY PROVISIONS AND PROFESSIONAL GUIDANCE

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to such engagement, in particular the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes, "Intervention du commissaire aux comptes — Intervention de l'OTI - Déclaration de performance extra-financière", acting as the verification program, and with the International Standard on Assurance Engagements 3000 (revised)³.

OUR INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement.

MEANS AND RESOURCES

Our work engaged the skills of six people between April 2023 and June 2023 and took a total of five weeks. We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted some interviews with the people responsible for preparing the Statement.

NATURE AND SCOPE OF PROCEDURES

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

— We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
— We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;

— We verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code;

— We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;

— We verified that the Statement

¹ Accreditation Cofrac Inspection, number 3-1884, scope available at www.cofrac.fr

² As stipulated under article A. 225-3-III, the independent third party may opt to draw the reader's attention to matters concerning procedures used or to information relayed by the entity (without actually dispensing the information) to make the report more reliable in light of standard industry practices, and this would not result in an adverse or qualified opinion. This stipulation particularly concerns:

- material limitations to scope and comparability;

- limitations of processes implemented to meet regulatory compliance requirements (e.g. business model, main risks, policies, actions, outcomes and KPIs) and results obtained;

- reliability of outcomes and KPIs.

To be considered observations, comments must have a limited bearing on the key components of the Statement.

³ ISAE 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;

— We referred to documentary sources and conducted interviews to:

- assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented;

- corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix. Concerning certain risk⁴, our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities⁵.

— We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code;

— We obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;

— For the key performance indicators and other quantitative outcomes that we considered to be the most

important presented in Appendix, we implemented:

- analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
- tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing entities⁵ and covers 52% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;

— We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidance of the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes); a higher level of assurance would have required us to carry out more extensive procedures.

NATURE AND EXTENT OF
ADDITIONAL WORK ON THE
INFORMATION SELECTED BY THE
ENTITY AND IDENTIFIED
BY THE SIGN √

With regard to the information selected by the entity, presented in the appendix and identified by the symbol √ in the Statement, we conducted the same work as

described in the paragraph "Nature and scope of our work" above for the Information considered to be the most important, but in a more in-depth manner, in particular with regard to the number of tests.

The selected sample accounts for between 50% and 100% of the information identified by the symbol √.

We believe that our work is sufficient to provide a basis for our reasonable assurance opinion on the information selected by the entity and identified by the symbol √.

Paris-La Défense, on 26 June 2023

KPMG S.A.

Fanny HOULLIOT
ESG Expert
KPMG France ESG Center of Excellence

Philippe CHERQUI
Partner

Appendix

QUALITATIVE INFORMATION (ACTIONS AND RESULTS) CONSIDERED MOST IMPORTANT

Internal safety audits and associated results
Action to promote well-being and recognition at work
Skills management and employee training policy
Measures to promote social dialogue
Measures to promote gender equality and related results
Measures to optimize energy consumption and water resources
Initiative to enhance Verescence's service quality and competitiveness
Measures to optimize the environmental impact of processes
Initiatives to promote innovation and eco-design
Actions to promote local economic development
CSR criteria considered in contracts with suppliers
Procedures in place for good business conduct
GDPR data processing register

KEY PERFORMANCE INDICATORS AND OTHER QUANTITATIVE RESULTS CONSIDERED MOST IMPORTANT

LEVEL OF ASSURANCE

Key Performance Indicators and Other Quantitative Results Considered Most Important	Level of Assurance
Social indicators	
Lost time accident frequency rate (TF1)	Reasonable
Investments allocated to improving working conditions and EHS initiatives vs. Total Investments	Reasonable
Number of trained employees vs. Number of employees	Limited
Number of promotions	Reasonable
Percentage of female managers	Reasonable
Percentage of female recruits	Reasonable
Absenteeism rate	Reasonable
Societal indicators	
High-risk employees trained and qualified on corruption risks vs. Total workforce	Reasonable
High-risk employees trained and qualified on information security vs. Total workforce	Reasonable
Local purchases vs. Purchasing volume	Reasonable
Number of suppliers that have signed the CSR Charter vs. Number of suppliers listed on the Verescence CSR 1 panel (suppliers with a significant effect on Verescence's CSR impact)	Reasonable
Customer complaint rate	Reasonable
On Time Full delivery rate (OTIF)	Reasonable
Number of qualification approaches	
Environmental indicators	
Minimum PCR glass content in "Infinite Glass 40" and "Infinite Glass 20" sold	Reasonable
Number of commercial offers issued and accompanied by an LCA	Reasonable
Annual change in the number of bottles made from post-consumer recycled glass (PCR)	Reasonable
Water withdrawal per metric ton of glass	Reasonable
Recycled water vs. Water needs	Reasonable
Water consumption vs. Water needs	Reasonable
CO ₂ emissions Scope 1 and Scope 2 per ton of glass drawn	Reasonable
Waste recycling rate	Reasonable
Total quantity of waste per ton of glass drawn	Reasonable
NOx emissions for glass manufacturing sites	Reasonable
SOx emissions for glass manufacturing sites	Reasonable
Fine particle emissions for glass manufacturing sites	Reasonable

⁴ Working conditions, Adaptability to different cultures, Social dialogue, Eco-design, Product quality optimization, Management of environmental risk, Resilience in the face of climatic hazards, Competitiveness in the face of global warming, Use of recycled materials and optimization of glass recycling channels, Cybersecurity, Revitalization of the local industrial and economic fabric, Integrity in Business, CSR commitment of our partners, Protection of personal data, Ensuring and optimizing the level of service to customers.

⁵ Verescence Mers-les-bains (France), La Granja (Spain), Covington (United States).

FOR ALL QUESTIONS RELATING TO
THE INFORMATION CONTAINED IN
THIS REPORT
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