



# Vetriere Riunite

Sustainability Report 2022

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# Stakeholders letter

Dear Stakeholders,

this third edition of Vetrerie Riunite's Sustainability Report is an opportunity for us to reflect on the importance of our commitment towards a sustainable development.

We are aware that our activities have several impacts on our stakeholders. Our constant effort aims at maximizing the positive outcomes we could generate, while eliminating, and if not possible, minimizing the harmful consequences of our production, now and in the future. This is our *sustainable development*, namely a model of growth that allows our generations to fulfill their needs without hindering the capacity of future generations to do the same.

We embrace our responsibility toward the environment and the society by committing every year to provide a clear account of our ESG (environmental, social, of governance) performances, as much precise and accurate as possible. A clear and solid account of our footprints is essential for designing policies, strategies and actions, and especially setting targets to improve.

Therefore, this document represents our effort to go beyond legislative compliance regarding sustainability (for example, the ETS Directive), it is aimed at providing our stakeholders with a complete and comprehensive account of developments and performances regarding sustainability. With our Sustainability Reports we want to stress once again that it is not only possible, but necessary, to combine economic growth with respect for environmental, social equity and ethics of governance.

In 2022, we updated our Materiality Analysis with the aim to gain a clear knowledge of our impacts toward our stakeholders: the approach adopted, the so-called *impact materiality*, is meant to guide gradually toward a more comprehensive understanding of our impacts. Besides the effects that our actions have on the stakeholders (depicted thanks to the impact materiality), the introduction of the *financial materiality* will show the economic and financial consequences deriving from the ESG spheres. Hence, this year we addressed those impacts that were highlighted by the application of the impact materiality: however, we mean to gradually complete our analysis by also embracing the financial materiality.

This becomes extremely relevant also considering the geopolitical crisis occurred in Europe during 2022. Vetrerie Riunite belongs to a business that is highly energy intensive and dependent on raw material costs; despite these critical issues and the very significant increase in average operating costs the company's production is still sustainable. This testifies Vetrerie Riunite's great stability and resilience, despite the uncertain geopolitical situation and unstable prices around the world.

Hence, the Sustainability Report 2022 testifies not only the progress achieved, but also our commitments to pursue a path of continuous improvement toward a sustainable development.

## Methodological Note

The third Sustainability Report of Vetrerie Riunite S.p.A. (later also referred to as “Vetrerie Riunite”) represents the company's commitment to provide its stakeholders with a constant and transparent account of its ESG (Environmental, Social, of Governance) performances. A solid accounting process is essential for monitoring sustainability issues, gaining knowledge and insight on Vetrerie Riunite impacts. The company has been building and consolidating this process over the years with the aim to further develop activities and strategies to embrace stakeholders’ expectations, its duties towards environment and society for a sustainable development, and eventually, the evolution of the legislative context.

The Sustainability Report 2022 accounts for Vetrerie Riunite’s performance for fiscal year 2022 (01.01.2022-31.12.2022), coherently with financial disclosures. Information on FY 2020 and 2021 were included whenever possible in order to allow stakeholders to compare data over time.

The following report examines the performance of Vetrerie Riunite with respect to the environment, the society and the economic sphere. Although the drafting of the Sustainability Report is still a voluntary exercise for Vetrerie Riunite, the decision to undertake a structured process for reporting non-financial information stems from the company's commitment to foster an increasingly complete and transparent disclosure towards its stakeholders. This choice is driven by the recognition of the high economic, socio-environmental and technological value of the activities carried out in the manufacture of its products.

The reporting boundary of the Sustainability Report considers the headquarters of Vetrerie Riunite S.p.A.

The Report was prepared in accordance with the guidelines of the Sustainability Reporting Standards issued in 2021 by the Global Reporting Initiative (GRI Standards), which constitute the most widespread international framework for sustainability reporting.

The preparation of this Report was carried out following the fundamental principles provided by the GRI Standards for ensuring the quality and proper presentation of the reported information, which are:

- Sustainability context;
- Completeness;
- Accuracy;
- Balance;
- Clarity;
- Comparability;
- Verifiability;
- Timeliness.

The topics discussed in the following sections are those considered “material” for Vetrerie Riunite as they are able to reflect the economic, environmental and social impacts associated to its activities or to influence the decisions of its stakeholder. These material ESG aspects were identified by conducting a materiality analysis according to a structured approach, detailed in the “Materiality analysis” section. The performance indicators that were employed cover the specific sustainability areas analysed, coherently with the activities carried out by Vetrerie Riunite.

The Sustainability Report has been prepared on the basis of an organized and articulated reporting process, that engaged all the company’s business areas, responsible for collecting and managing qualitative and quantitative information, which is presented in this document. Various corporate representatives actively participated in the reporting process contributing to different activities:

- collecting and analysing data in accordance with the selected GRI indicators;
- consolidating and validating all the reported information within their respective areas of responsibility;
- determining significant initiatives and projects to be described in the document.

The restatements of information included in the previous Sustainability Report have been properly signalled by means of footnotes and are now summarized. Given the adoption of a new methodology to report human resources data, information included in tables for the “Staff composition” and “Training and talents development” paragraphs has been updated for the FY 2020 and 2021. In addition, a new method was

employed to compute Scope 1 and Scope 2 emissions in the “Emissions reduction” paragraph. Therefore, relevant data on FY 2021 and 2020 were re-calculated in order to respect the principle of comparability.

This Report was not subject to auditing.

For further information about this report, please contact Mr. Federico Rossin, Head of financial statements & accounting (f.rossin@vetrerieriunite.it).

Vetriere Riunite’s Sustainability Report 2022 was approved by the Board of Directors on the 26<sup>th</sup> of September 2023.

Vetriere Riunite S.p.A.  
Via Calcinese 60,  
37030 Colognola ai Colli (VR)

# 1. Organizational Profile

## Highlights

- 370 employees
- *360 tons of glass per day*
- *28 million pieces*
- *26 countries served*

# 1. Organizational Profile

## 1.1. History, mission and vision of Vetrerie Riunite

Vetrerie Riunite S.p.A. is the world leader in the glass porthole market for household appliances and works with thousands of customers all over the world. Thanks to the synergy, dynamism and its innovative capacity, the organization has stood out in its sector for over 50 years.

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### Our mission<sup>1</sup>



*To consolidate our position as a global leader in the market for glass portholes, washing machines and dryers, while continuing to be the preferred partner of all the major manufacturers of household appliances in the long term.*

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### Our Vision



*To exceed the expectations of our customers with more innovative products, having moderate cost and higher quality, while granting the highest service level and sustainability with respect to our competitors.*

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### Our Values

*We put the customer at the heart of everything we do*

*We continuously strive for improvement, every single day*

*We are positive, for us every problem is an opportunity*

*We all play on the same team, we only win together*

*We have respect for the environment, for customers, suppliers and our personnel.*

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### Our ESG Commitments

#### *For the environment*

*50% decrease of CO<sub>2</sub> eq. emissions by 2050 - 50% decrease in water consumption by 2025*

#### *For the people*

*Zero accident: to guarantee the health and safety of our team*

*To invest in training and skills development of our people*

#### *Governance*

*Effective risk management for the wellbeing of all our stakeholders (employees, clients, suppliers, shareholders, local communities)*

The organization's values and principles are written in the Code of Ethics which describes the ethical principles and the rules of behaviour.

The Code of Ethics of Vetrerie Riunite S.p.A. sets out the ethical principles and the rules of conduct that reinforce and give concrete form to the general principle of legality, understood as respect for all laws, regulations, administrative provisions and, in general, the regulatory provisions in force.

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<sup>1</sup> Vetrerie Riunite's Mission and Vision have been updated during the preparation of this Report.

The purpose is to maintain the highest possible degree of ethicality in the conduct of business activities, defining the principles and rules of conduct for all stakeholders.

The Addressees are:

- Members of Corporate Bodies (Board of Directors, Board of Auditors);
- Executives and middle managers;
- Employees;
- Consultants, agents, commercial partners, suppliers and collaborators, however denominated.

All recipients will be required to observe and, to the extent of their competence, to ensure compliance with the principles of the Code of Ethics.

The Ethical Principles are:

***1. Respect for personal dignity and impartiality:***

For Vetrerie Riunite S.p.A. the respect for the person is a priority. In decisions that affect relationships with its stakeholders (customer management, work organization, supplier selection and management), Vetrerie Riunite S.p.A. does not condone conduct that is discriminatory in content based on age, gender, health status, race, nationality, political opinions or religious beliefs. Vetrerie Riunite S.p.A. requires no harassment of any kind of employees, suppliers, customers or visitors in internal or external working relationships. Harassment is defined as any form of intimidation, threat, behaviour or verbal abuse that is an obstacle to the peaceful performance of one's duties, for example the abuse by a superior of his or her position of authority.

***2. Respect for the law:***

In carrying out their activities and in relations of any type or nature, personnel and collaborators of Vetrerie Riunite S.p.A. are required to diligently comply with the laws in force, the Code of Ethics and internal provisions. Under no circumstances may the pursuit of interest of Vetrerie Riunite S.p.A. justify any action that does not conform to an ethically and legally sound course of action.

***3. Transparency and completeness of information:***

The collaborators of Vetrerie Riunite S.p.A. are obliged to give complete, transparent, comprehensible and accurate information, in order to allow all the stakeholders to make autonomous and conscious decisions in the development of their relations with the company. In particular, in the formulation of any form of agreement, Vetrerie Riunite S.p.A. will take care to specify to the contractor, in a clear and understandable way, the conduct to be kept in the relationship established.

***4. Privacy:***

Vetrerie Riunite S.p.A. ensures the confidentiality of the information in its possession and refrains from searching for confidential data, except in the case of express and conscious authorization and in accordance with the legal regulations in force. All employees of Vetrerie Riunite S.p.A. are required not to use confidential information for purposes unrelated to the conduct of their business.

***5. Value of human resources:***

The qualification and specialization of its employees have always been a commitment for Vetrerie Riunite S.p.A. because they are an indispensable factor of success. The company protects and promotes the value of human resources in order to maximize the degree of satisfaction and increase the wealth of skills



possessed. Therefore, in the management of relationships involving the establishment of hierarchical relationships, Vetrerie Riunite S.p.A. requires the authority to be exercised with fairness and correctness, prohibiting any behaviour that may be considered harmful to the dignity and autonomy of the employee.

#### ***6. Environmental protection and sustainable development:***

Vetrerie Riunite S.p.A. is strongly committed to an eco-sustainable development, through concrete investments and a cutting-edge environmental policy able to reduce to zero the external impacts. The environmental management system is integrated with the management of health and safety in the workplace and with the quality of products and processes. With a monitoring plan approved and verified by the public control bodies, it tends to a continuous improvement of the impact levels on the various environmental matrices such as air, water, soil. Vetrerie Riunite S.p.A. has made a commitment to a constant reduction of greenhouse emissions. The Kyoto Protocol has never been considered as an obligation, but as a tool to add more and more energy efficiency that allows the containment of CO<sub>2</sub> emissions.

#### ***7. Protection of health and safety at work:***

The primary mission of Vetrerie Riunite S.p.A. is to safeguard the health and safety of its employees, of external parties who come into contact with the company, of its clients and of the surrounding population. Equally primary is the objective of eliminating accidents and occupational diseases. Vetrerie Riunite S.p.A. is therefore committed to spreading and consolidating a culture of safety by developing awareness of risks and promoting responsible behaviour by all employees and collaborators.

#### ***8. Efficiency and technological innovation:***

Vetrerie Riunite S.p.A. intends to operate in the management of the company with criteria of economy and efficiency to provide products and solutions with a high quality/cost ratio and achieve full customer satisfaction. With this in mind, it has made innovation its nerve and strategic point: it is thanks to this that today the company can boast a very high technological level.

#### ***9. Responsibility towards the community:***

Vetrerie Riunite S.p.A. is aware of the influence that its activities may have on the conditions, on the economic and social development and on the general well-being of the community, as well as the importance of the social acceptance of the communities in which it operates. For this reason, Vetrerie Riunite S.p.A. intends to conduct its activities aimed at achieving the corporate purpose in accordance with social appreciation, in respect of the communities with whom it interacts.

#### ***10. Prevention of conflicts of interest:***

In conducting any activity, Vetrerie Riunite S.p.A. intends to avoid situations in which the persons involved in the transactions are, or may even only appear to be, in conflict of interest.

#### ***11. Fairness in Relations with Competitors:***

Vetrerie Riunite S.p.A. intends to protect the value of fair competition by refraining from collusive and anti-competitive conduct.

### **Rules of conduct**

#### ***Relations with the corporate bodies***

*The members of the corporate bodies, in addition to complying with the provisions of the law, are required to comply with the provisions of the Code of Ethics. In particular, corporate bodies must:*

- ensuring the truth, completeness, clarity and timeliness of information, both internally and externally, as well as the utmost accuracy in the processing, safekeeping and updating of accounting and corporate data and information.
- properly and promptly record in the business accounting system each transaction or transaction in accordance with the criteria laid down by law and on the basis of the applicable accounting principles; each transaction or transaction must be authorized, verifiable, legitimate, consistent and appropriate.
- participate, according to their respective competences, in the implementation and implementation an effective business control system and to involve the other entities with which they relate.
- make confidential use of the information which comes to their knowledge for reasons of office by avoiding using their position to obtain personal benefits.

### ***Relations with the employees***

The interaction with employees is mainly associated to the staff selection and management processes.

Vetriere Riunite S.p.A. offers the same opportunities without any discrimination, starting from the moment of the selection of the personnel. Favouritism, forms of patronage or nepotism are not permitted. Those who select or participate in the selection must not be in situations of potential conflict of interest with the candidate.

Recruitment takes place under a regular contract of employment in full compliance with the law and the CCNL applied, facilitating the integration of the worker into the working environment.

Vetriere Riunite S.p.A. offers the same career opportunities to those who possess the characteristics required for access to higher functions, positions and/or profiles, without any discrimination. The company shall give priority is given to staff training and constant updating on specific topics (for example: safety at work, updating of technical skills).

### ***Relations with the suppliers***

The company imprints its conduct in relations with suppliers on the principles of transparency, equality, loyalty and competition.

### ***Relations with external collaborators***

The collaborators, however called, are obliged to respect the principles contained in the Code of Ethics.

### ***Relations with the Public Administration***

The relations of Vetriere Riunite S.p.A. with the Public Administration - state, regional and municipal, internal or community - or in any case relating to public relations, shall be guided by the strictest observance of applicable laws and regulations and shall in no way affect the integrity and reputation of the company.

### ***Relations with competitors***

In the management of business and business relations is inspired by the principles of loyalty, legality, fairness, transparency, efficiency and openness to national and international markets. The activities of Vetriere Riunite S.p.A. and the behaviour of its employees, directors, managers and collaborators must be inspired by the most complete autonomy and independence from the conduct of competitors in the national and foreign markets.

### ***Protection of privacy***

The acquisition, processing and storage of information and personal data, is carried out in compliance with specific procedures aimed at preventing unauthorized persons and/or entities from becoming aware of it. These procedures are in compliance with current regulations, in particular Vetriere Riunite S.p.A. pursues compliance with the provisions of the European Regulation 2016/679.

The Code of Ethics is accessible to all on the [www.vetrierieriunite.it](http://www.vetrierieriunite.it) website.

The list of the main memberships of industry or other associations, and national or international advocacy organizations includes: Confindustria Verona, Assovetro, Assoceramica.

## 1.2. Business model description

Vetriere Riunite S.p.A. is a leading company in the production and marketing of objects and pieces made of high-quality pressed glass, supplying the largest companies in the industry of the household appliance internationally. The pressed glass production process involves melting the raw materials in the furnace and subsequent casting in a mould. The application of a punch on the molten material gives the glass the desired shape.

Over the years the company has developed specific skills in the exclusive production of pressed glass; hence, its sales target the market of *technical glass*, with a particular focus on products such as portholes of washing machines and globes for lighting.

Until December 2020, the company had a business unit dedicated to the tableware business. It was sold in January 2021, so that the company could focus on its core business, technical glass. Vetriere Riunite has therefore exclusively developed products for the B2B market since 2021.

### Technical glass

Being one of the main suppliers of the most important manufactures of household appliances, Vetriere Riunite is internationally recognized as an excellent producer of technical glass. The main sector of reference is the "white industry" (washing machines and dryers) for which Vetriere Riunite represents a significant supplier of pressed glass portholes by satisfying about a third of the global demand.

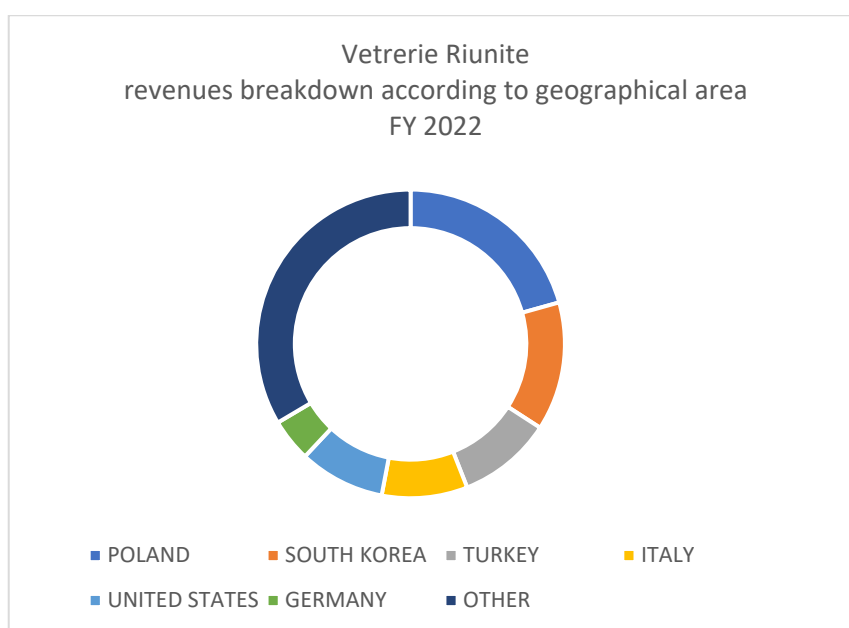
Vetriere Riunite is a leader in the production of medium-high range portholes and the company's customers portfolio includes the major players in the sector. The main strengths are represented by the know-how and the specific technology developed over the years. Indeed, the company is characterised by technological innovation and continuous investments for the improvement of productivity. The technical department of Vetriere Riunite can develop technologically advanced glass characterized by high technical performances. In fact, all products are characterized by quality, transparency and high resistance to detergents and water's strength. These characteristics allow Vetriere Riunite's products to be placed in the premium segment of the market.

The Vetriere Riunite business is subdivided in different geographical areas as showed in the map below:



While the Headquarters is in Italy, warehouses are located in Asia and North America to ensure efficiency and closeness to costumers, which are mainly washing machine manufacturers. During fiscal year 2022, Vetrerie Riunite S.p.A. generated revenues mainly in Poland and South Korea.

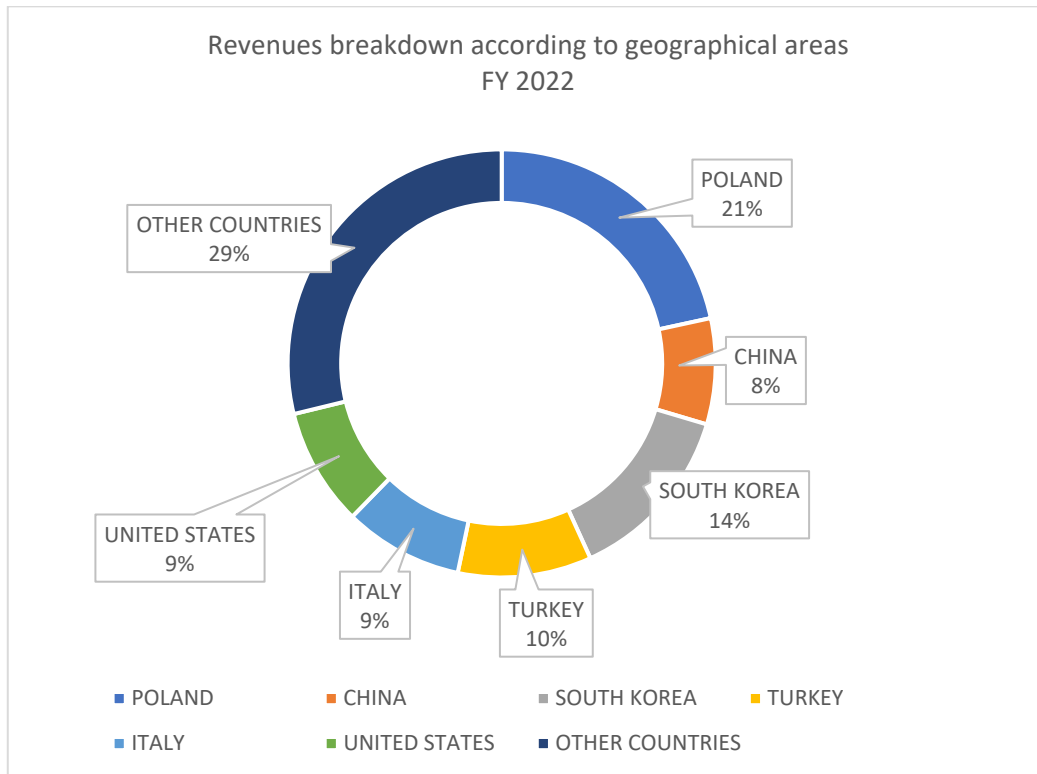
Vetrerie Riunite Revenues Per Country All products	2020	2021	2022	% Revenues 2020	% Revenues 2021	% Revenues 2022
Poland	11,455,345 €	13,068,077 €	17,553,553 €	15.9%	17.9%	22.9%
South Korea	9,000,410 €	11,855,473 €	11,058,580 €	12.5%	16.2%	14.4%
Turkey	8,958,242 €	6,661,772 €	8,174,943 €	12.5%	9.1%	10.6%
Italy	6,225,133 €	5,379,018 €	7,329,550 €	8.7%	7.4%	9.5%
United States	5,628,939 €	6,130,674 €	7,262,266 €	7.8%	8.4%	9.5%
Germany	4,534,870 €	2,689,095 €	3,710,516 €	6.3%	3.7%	4.8%



Taking into account Vetrerie Riunite S.p.A. and Verona Industries, the areas which generate the highest levels of revenues are showed in the following table.

Vetrerie Riunite and Verona Industries Revenues Per Country All products	2020	2021	2022	% Revenues 2020	% Revenues 2021	% Revenues 2022
Poland	€ 11,455,345	€ 13,482,135	€ 17,553,553	14.5%	17.7%	21.6%
South Korea	€ 9,000,410	€ 8,199,610	€ 11,058,580	11.4%	10.7%	13.6%
Turkey	€ 8,958,242	€ 8,568,869	€ 8,174,941	11.3%	11.2%	10.1%
Italy	€ 6,148,557	€ 5,965,056	€ 7,329,550	7.9%	7.8%	9.0%
United States	€ 5,628,939	€ 6,130,674	€ 7,262,266	7.1%	7.7%	8.9%
China	€ 12,908,796	€ 9,895,254	€ 6,485,800	16.3%	13.0%	8.0%

During the reporting period the share of revenues from the Russian Federation, which used to generate approximately 10% of the group's turnover, decreased significantly due to the Ukrainian-Russian conflict started in February 2022. Alternatively, Vetrerie Riunite increased the share of revenues from the United States which represented the 8.9% of the total turnover in 2022.



### 1.3. Certifications and quality management system

The Vetrerie Riunite glass products are composed of excellent raw materials, selected and inserted within a cutting-edge production process. The research carried out in the company laboratories has made it possible to obtain high quality articles recognized all over the world.

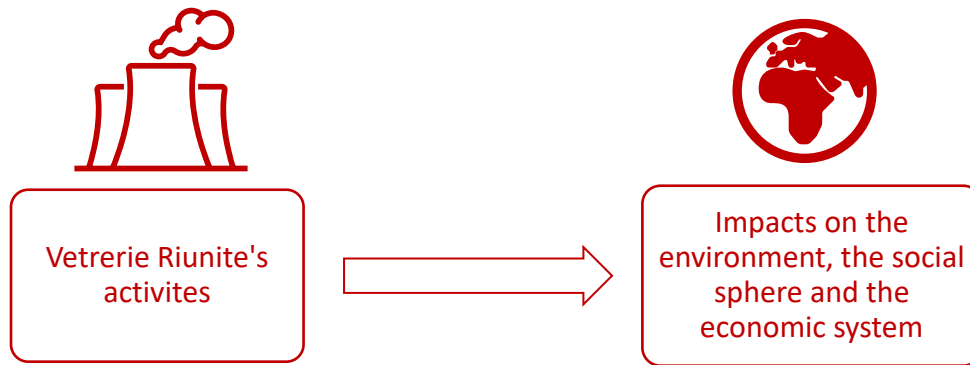
Vetrerie Riunite's glass is certified according to REACH 1907/2006/EC due to the absence of pollutants within its chemical composition. This characteristic allows it to be totally recyclable, as demonstrated by the UNI-EN 12457-2 certification, and suitable for the preparation of food and drinks.

The Management System adopted is in accordance with ISO 9001 (see paragraph 3.3). In addition, Vetrerie Riunite obtained the ISO 14001 certification in 2022.

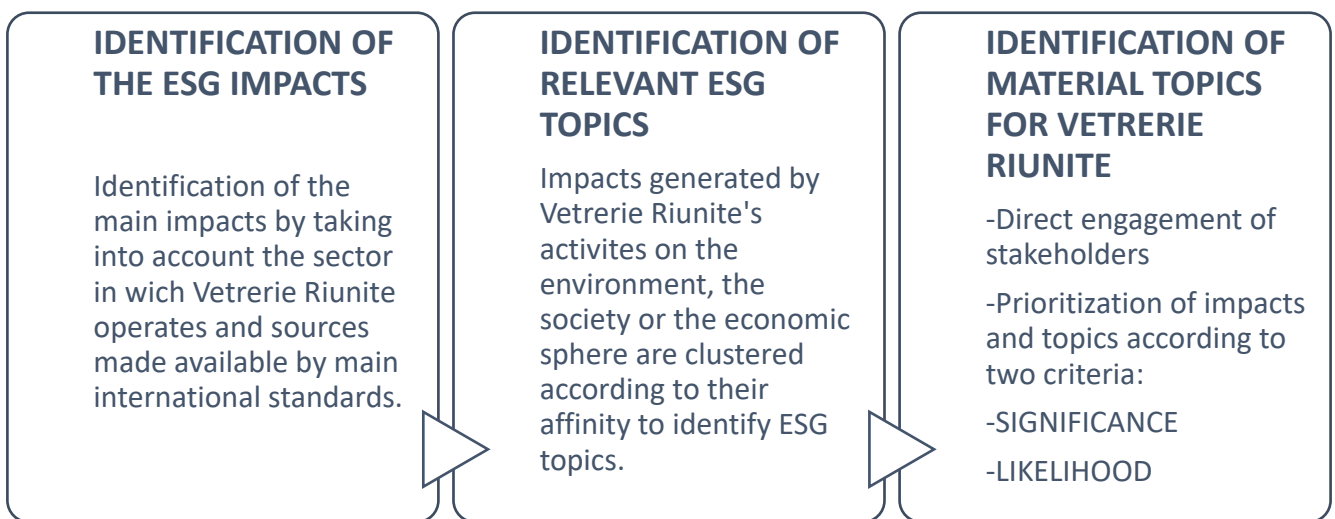
### 1.4. Materiality analysis

The main assumption behind the ESG (Environmental, Social, Governance) reporting is that a company must provide an account and the relevant metrics of those topics which are considered *material*.

Such topics are those environmental, social or economics themes whose impacts (which can be either positive or negative) are **relevant** and **likely** at the eyes of the organization and of its main stakeholders. This logic, showed in the image below, is called "impact materiality".



In accordance with the latest update of the Standard GRI, the materiality analysis was carried out with the aim to understand Vetrerie Riunite's material impacts and topics. The methodology is structured as follow:



During the reporting period, with the aim to **identify the main impacts** that are generated or might be generated by Vetrerie Riunite's activities, a structured process was put in place. The first step of such activity was developed according to the following phases:

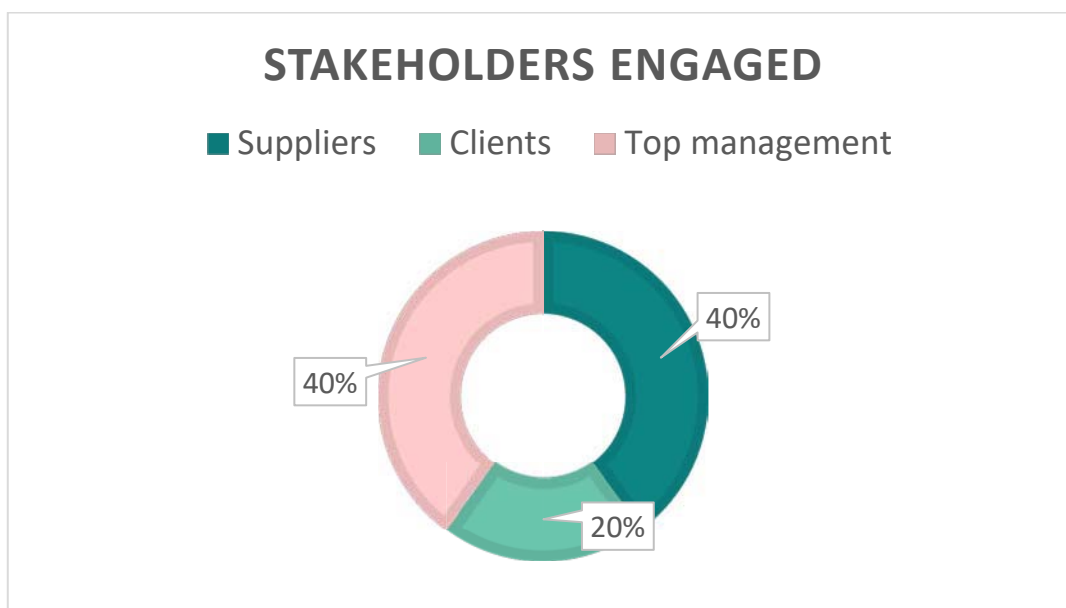
- Identification of the main impacts associated to the sector in which Vetrerie Riunite operates through a benchmark analysis. The sample considered consists of 9 competitors, peers and comparable.
- Evaluation of internal and public documents.
- Evaluation of international standards and frameworks.

At the end of this step, Vetrerie Riunite was able to obtain a list of actual or potential, positive or negative impacts. Subsequently they were grouped according to reciprocal affinity in order to obtain a limited list of ESG themes.

The third step required the engagement of the Vetrerie Riunite's top managers, suppliers, clients and employees. ESG themes, and their related impacts identified in such a way, were evaluated by these main stakeholders according to two criteria.

- The top management, on the base of its experience and knowledge of the sector, expressed an opinion regarding the likelihood of each impact.
- The external stakeholders (employees, suppliers and clients) provided a quantitative judgment on the relevance of each theme.

The survey was carried out through an online questionnaire. The topics under analysis were subject to an evaluation scale, consisting of the minimum value of "1" (not relevant/unlikely), and the maximum value of "5" (extremely relevant/extremely likely).



The final score, summarizing the relevance and the likelihood of each ESG topic, was obtained by multiplying the evaluation of the top management from one side, and the one expressed by external stakeholders from the other.

The final output of this analysis is the list of material topics for Vetrerie Riunite, as reported in the table below.

### Management of material topics for Vetrerie Riunite

Material topics	Positive or negative impacts	Policies and actions	Related GRI disclosure
<b>GOVERNANCE</b>			
<b>Ethics and integrity in business conduct</b>	-Availability of financial resources for the benefit of the company and the economic ecosystem in which it operates (e.g. sector, reference territories, etc.).  -Alignment with regulations and reporting standards on business ethics and integrity.	Organisation Model 231 Code of Ethics	GRI 205-2, 3 GRI 206-1
<b>Fight against corruption</b>	- Greater protection of legality and prevention of unlawful behaviour.	Organisation Model 231 Code of Ethics	GRI 205-2, 3 GRI 206-1
<b>Sustainable development and responsible growth</b>	-Contribution to the achievement of the Sustainable Development Goals (SDGs) of the UN 2030	Sustainability Report	GRI 201-1 GRI 204-1

	<p>Agenda, with positive impacts on the environmental, social and economic spheres.</p> <p>-Availability of financial resources to benefit the economic system in which Vetrerie Riunite operates (e.g., target sector, geographic district, etc.), with important effect, e.g., on employment rates at the local level.</p> <p>-Well-being and prosperity of key stakeholders with whom Vetrerie Riunite interacts (e.g., employees, local communities, business partners, etc.).</p>	Initiatives in support of the local communities (see paragraph 1.5)	
<b>SOCIAL RESPONSIBILITY</b>			
<b>Respect for Human Rights and protection of workers</b>	-Protection of the fundamental rights of company personnel and of all collaborators with whom the company interfaces.	Code of Ethics Compliance with Italian Law 2008/81	GRI 202-3, GRI 401-2, 401-3 GRI 404-2, 404-3.
<b>Health and Safety of employees and collaborators</b>	- Protection of the health and safety of employees and all individuals whose operations are under the direct control of the Company (e.g. external collaborators, trainees, etc.).	Code of Ethics Compliance with Italian Law 2008/81	GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10.
<b>PRODUCT RESPONSIBILITY</b>			
<b>Clients satisfaction</b>	<p>-Offering products and services to meet customers' needs.</p> <p>-Strengthening the brand and increasing the company's reputation.</p>	Process of stakeholders engagement	GRI 416-2 GRI 417-3 GRI 418-1
<b>Product safety and quality</b>	<p>-Production of products distinguished by quality and characteristics of durability.</p> <p>-Production of products that ensure the safety of the customer and end consumer, absence of defects and toxic substances.</p>	Non-compliance procedure Management of external complaints	GRI 416-2 GRI 417-3 GRI 418-1
<b>Sustainable supply chain</b>	-Management of environmental and social impacts throughout the supply chain (e.g. greenhouse gas emissions, energy and water consumption, responsible selection of materials, health and safety of workers, protection of human rights, appropriate remuneration policies, etc.).	ISO 9901 Supplier Assessment Non-compliance procedure	GRI 204-1, GRI 308-1, GRI 409-1 GRI 414-1



	<p>-Availability of products/services with sustainability features.</p> <p>-Possibility to affect positively the entire supply chain.</p>		
<b>ENVIRONMENTAL RESPONSIBILITY</b>			
<b>Climate change and energy efficiency</b>	<p>-Increase in CO<sub>2</sub> emission due to productive processes</p> <p>-Economic savings</p> <p>-Reduction of risks related to extreme weather events (e.g. floods, flooding, hurricanes, desertification, etc.)</p>	Carbon Disclosure Project ISO 14001	GRI 302-1 GRI 305-1, 305,2
<b>Waste management</b>	<p>-Greater protection of the environment and preservation of natural resources.</p> <p>-Health and well-being of local communities through correct and responsible waste management.</p> <p>-Awareness on proper waste management, disposal, reuse and recycling practices.</p> <p>-Compliance with laws and regulations on proper waste management.</p>	ISO 14001	GRI 306-3, 306-4, 306-5
<b>Consumption of material resources</b>	<p>-Protection of the environment and preservation of natural resources.</p> <p>-Economic savings.</p> <p>-Customer health and safety, in terms of the absence of production defects and toxic materials/substances in the products offered by the company.</p>	ISO 14001	GRI 301-1

While positive impacts are embraced and the organisation is committed to avoid or mitigate possible negative impacts as stated in the Code of Ethics.

Even though there is continuity with respect to the previous materiality analysis, few changes occurred. The following topics, which were no relevant in 2021, were highlighted as material in the 2022 analysis:

- Sustainable supply chain
- Consumption of raw material
- Waste management

“Equal opportunity & Diversity management” and “R&D and innovation” resulted not to be material anymore. Vetrerie Riunite considers the themes of high importance, therefore the effort to improve and monitor such areas will continue. Eventually, the topic “Health and safety at work in response to the COVID-19 emergency” was clustered into “Health and Safety of employees and collaborators”.

## 1.5. Dialogue with stakeholders

Working for maintaining a constant, solid and transparent relationship with stakeholders is a fundamental condition for the correct development of business activities, representing the responsibility that Vetrerie Riunite places towards the social context which it interacts with. The company recognizes as stakeholder all those subjects (e.g. institutions, organizations, groups or individuals) who can, more or less directly and to different degrees, influence or be influenced by its activities. Since the needs and priorities, expressed by the different types of stakeholders, can be extremely different and heterogeneous, the correct understanding of such topics by Vetrerie Riunite is an aspect of primary importance, for:

- managing in advance the emergence of potential critical issues;
- defining the actions to be implemented in response to the interests identified;
- identifying the most effective communication and engagement channels for interacting with the various parties to be involved.

To meet the expectations of its stakeholders in a timely manner, Vetrerie Riunite adopts a proactive approach, promoting a constant dialogue and the mutual sharing of needs and requirements. The company promotes these initiatives, aware that the opportunities for discussion represent an opportunity for growth and enrichment for all those involved. For the draft of this Sustainability Report, Vetrerie Riunite conducted an internal stakeholder mapping analysis which saw the involvement of the same Working Group subsequently involved in carrying out the materiality analysis.

The commitment to progressively develop a corporate culture focused on creating shared value for stakeholder is evident considering the numerous channels of dialogue adopted by Vetrerie Riunite to interact effectively with its various interlocutors. The system of communication and comparison approaches and tools put in place by the company allow it to maintain constant interaction between the parties and constantly monitor the topics directly or indirectly related to ESG aspects. Moreover, a whistleblowing procedure has been activated in accordance with Decree 231/2001. Traditional communication channels, such as mail, website, complain forms and social networks are also constantly monitored.

Stakeholder category	How the stakeholders are engaged	Frequency of the engagement
Customers	<ul style="list-style-type: none"> <li>• Surveys</li> <li>• telephone interviews</li> <li>• one to one meetings</li> <li>• focus groups</li> <li>• public meetings</li> <li>• corporate advisory panels</li> <li>• written communications</li> </ul>	Every day
Suppliers/ Business partners		Every day
Shareholders/Investors/ Equity partners/Public entities		Every day
Banks/Insurance companies		Every day
Public Institutions		On request

<p>Community (e.g. Trade unions, Local Community, Opinion leaders, Universities and Scientific Community)</p>	<ul style="list-style-type: none"> <li>• <i>Trade Unions</i>: one to one meeting or written communications</li> <li>• <i>Universities</i>: phone calls, written communications</li> <li>• <i>Monteverde (local)</i>: one to one meeting</li> </ul>	<ul style="list-style-type: none"> <li>• <i>TradeUnions</i>: weekly or monthly depending on the topic to be discussed</li> <li>• Universities: yearly</li> <li>• Monteverde: yearly</li> </ul>
<p>Environment (e.g. Environmental Groups, Organizations for environmental protection, CSR or Sustainability Organizations etc.)</p>	<ul style="list-style-type: none"> <li>• Institutional communications</li> <li>• Compliance with laws</li> </ul>	<p>On request</p>

*External initiatives and membership of associations*

In terms of associations, Vetrerie Riunite maintains a long-term relationship with Confindustria, Assovetro, CUOA, SSV, Camera di Commercio Italo-Cinese and Fondazione Italia-Cina.

**Monteverde Onlus**

Vetrerie Riunite has been collaborating for several years with the Monteverde Onlus Cooperative, which provides assistance to people with disabilities throughout the East Veronese area and beyond, through various activities, such as rehabilitation and craft workshops with the creation of favours, handmade paper and various objects (Fucina della Solidarietà), day centres and services to minors and families.

In 2016, Vetrerie Riunite donated a cycle ergometer to enable people with total absence or partial ability to mobilise their lower limbs to exercise every day.

In 2017 it was possible to purchase, also thanks to a donation from Vetrerie Riunite, a minibus equipped to transport people with disabilities and to support workshops for the production of solidarity gifts.

In 2018, the “Anch’io mi diverto” project for children with disabilities was supported as well as the workshops for the production of solidarity gifts.

In the last few years, the production of solidarity gifts to be given to staff and employees at Christmas has always continued, with the exception of 2020, due to the COVID-19 pandemic and lockdown, which made the management of the activity more complex.

This continuous collaboration is very important for Vetrerie Riunite in order to involve the local community in social activities and promote the integration of fragile people into society.

We are convinced that inclusive territories are also territories in which companies are able to stay, interact, produce and create value more effectively, Vetrerie Riunite plays its part with great enthusiasm and involvement by supporting Monteverde and its activities.

## 2. Governance, Ethics and Transparency

A photograph showing two people in business attire (purple and white shirts) leaning over a wooden desk. They are looking at and pointing to various documents, including a pie chart and a calculator. The scene is brightly lit, suggesting a professional office environment.

### Highlights

- 33% of women on the Board of Directors
- *D.Lgs. 231/2001*
- *Whistleblowing policy*
- *Risk analysis*

## 2. Governance, ethics and transparency

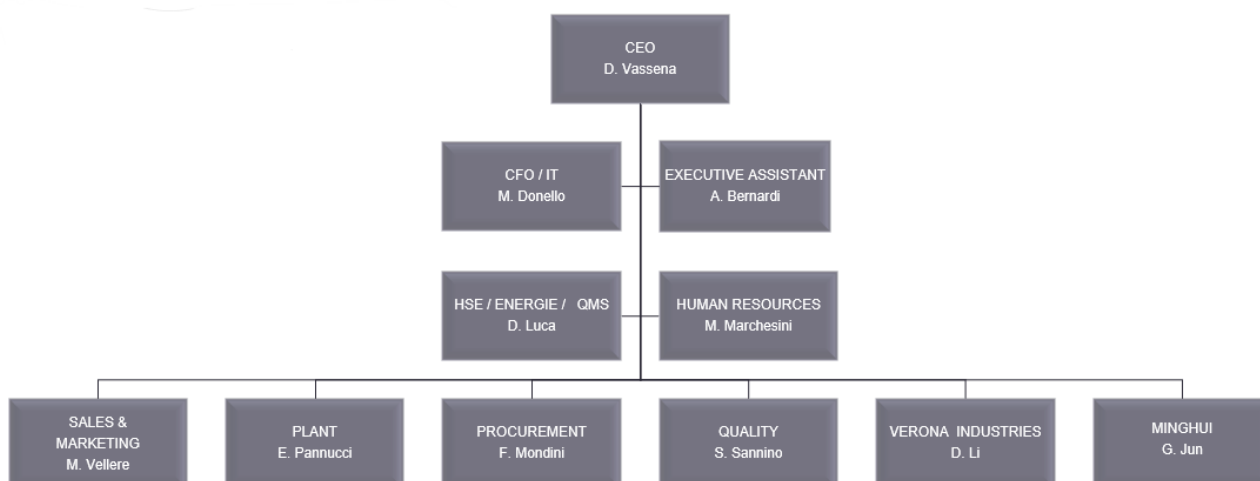
### 2.1. Governance and organizational structure

The company shall be managed by a single director or by a board of directors composed of a minimum of three to a maximum of twelve members appointed by the ordinary Shareholders' Meeting. In the case of a board of directors, at the time of appointment, the meeting will designate the Chairman of the Board of Directors. Otherwise, the Board of Directors will take care of this. The single Director or the members of the Board of Directors shall hold office for a maximum of three years and may be re-elected. The single Director or the members of the Board of Directors expire on the date of the Shareholders' Meeting convened for the approval of the financial statements relating to the last exercise of their office. If the majority of the directors is absent for resignation or other reason, the entire Board of Directors shall be deemed to have lapsed and the meeting shall be convened, without delay, for the appointment of all directors.

Vetriere Riunite S.p.A. is owned by a single shareholder, Vortex Holdings S.r.l.<sup>2</sup> Vetriere Riunite is managed by a Board of Directors that consists of 3 members, of which 2 men and 1 woman, and 67% are in the 30-50 age group; there aren't any employees who belong to the protected categories.

NAME	SURNAME	ROLE
<i>Luca Matteo</i>	<i>Villa</i>	<i>Chairman</i>
<i>Davide</i>	<i>Vassena</i>	<i>CEO</i>
<i>Marisa</i>	<i>Donello</i>	<i>CFO</i>

Vetriere Riunite's Organization Chart<sup>3</sup>



In compliance with the provisions of the law, Vetriere Riunite is subject to the control of an audit firm, a board of auditors and a supervisory body, contributing to the supervision of the main ESG issues.

<sup>2</sup> Since 2019 VR Group is part of Sun Capital Partners, a private equity firm.

<sup>3</sup> The Plant Manager became operational in January 2023

## 2.2. Governance of sustainability

Recognizing the increasing importance of the organization's impacts on the economy, the environment and society, Vetrerie Riunite has begun to consider possible actions to enhance the governance of sustainability issues<sup>4</sup>. Since the first Sustainability Report, which was published in 2021, ESG disclosures have been supervised personally by each director<sup>5</sup> for what concerns his/her areas of responsibility. Indeed, the Sustainability Report is the main tool through which each function reports back to the highest governance body, yearly. At the end of the reporting period, the Board of Directors and the chief officers opened a discussion table to evaluate possible actions to strengthen the governance of sustainability and to increase responsibilities of key persons through a more structured engagement of the highest governance body.

Moreover, the knowledge of the governance bodies and directors on issues related to ESG impacts is nourished through constant relationships with consultants and experts in the field.

## 2.3. Business integrity, transparency and the fight against corruption

As stated in the Code of Ethics, the Company must avoid and prevent exposure to conflicts of interest, corruption, lack of business integrity and bribery by pursuing solid principles of good conduct.

Conflict of interest should be understood as any situation, occasion, or relationship in which, even if only potentially, personal interests of the Recipient involved in the transaction or of other related persons (family members, friends, acquaintances, etc.) or organizations of which one is a director or executive, could undermine the duty of impartiality. Therefore, values such as transparency, trust and integrity must be respected in every single situation.

Concerning corruption, the Code of Ethics requires that the Recipients undertake to implement all the necessary measures to prevent and avoid corruption phenomena. Therefore, he/her must not violate the obligations and duties inherent to their office. In the conduct of negotiations or business, therefore, Recipients not only must pursue the advantage for the Group, forgetting their own interest, but must not accept any kind of promise of personal benefit (money, goods, services, etc.). Likewise, the Recipients, in conducting negotiations or business, must not for any reason seek to unlawfully influence the decisions of others, not even by indulging them in any requests.

In light of the company's desire to operate in a transparent and correct way, also to protect its reputation and its shareholders, directors and employees, Vetrerie Riunite S.p.A. decided it was appropriate, in line with its company philosophy, to adopt and implement an Organisation, Management and Control Model system in compliance with D.Lgs. 231/2001 and subsequently keep it constantly up to date. The purpose of the Model is also to raise awareness among all Recipients, in order to guide their conduct based on the principles of correctness and transparency, at the same time as avoiding and preventing any risk of them committing crimes in relation to the company's activities.

This Model was adopted by the Board of Directors of Vetrerie Riunite S.p.A. through a resolution passed on 28th May 2018; while the latest revision was carried out in 2022.

The management system has no certification, but it is audited annually by the supervisory body. The mechanisms adopted for the management of complaints are periodic audits by the supervisory body.

Anti-corruption policies have been communicated to all members of government bodies and to all employees, while no training has been provided to government bodies, nor to employees or business partners.

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<sup>4</sup> For the moment Vetrerie Riunite has been embracing two main commitments toward a more sustainable conduct: the preparation of the Sustainability Report and the participation to the Carbon Disclosure Project.

<sup>5</sup> Currently, there is not a structured account of the performances of the highest governance body and the directors in overseeing the management of the organization's ESG impacts.

Vetriere Riunite did not report any legal action pending or concluded during the reporting period regarding anti-competitive behaviour and violations of antitrust and monopoly practices in which the organization has been identified as a participant.

## 2.4. Risk analysis and management

Based on the provisions of the Decree and the instructions provided by the Guidelines, Vetriere Riunite S.p.A. has mapped its risks, identifying the areas within its company that are particularly at risk of some of the Predicate Offences being committed.

First of all, Vetriere Riunite S.p.A. analysed the basic elements of the Predicate Offences, with the aim of identifying and defining the actual conduct which, within the company, could commit the crimes in question. Vetriere Riunite S.p.A. then analysed the company, in order to identify the areas and departments that were most at risk. These risk areas were identified with the help of an external consultant who is an expert in (Italian) Legislative Decree no. 231/01 and who was hired specifically for this purpose, and by analysing both the company Vetriere Riunite S.p.A. based on interviews with Directors and Heads of Processes and a sample of documents out of those used to run company activities.

Lastly, Vetriere Riunite S.p.A., within the “at-risk” areas identified during the initial assessment, drafted the procedures and protocols that it believed suitable to ensure the Model would be appropriate and efficient in relation to the provisions of the Decree. The results of this risk mapping activity will be described in detail in each Special Section, which will also explain the procedures and measures implemented by Vetriere Riunite S.p.A. to prevent, or in any case reduce to a minimum, the risk of the Predicate Offences being committed. Model 231 was revised in March 2022 following a regulatory update.



# 3. Economic Responsibility

A low-angle photograph of an industrial facility, likely a refinery or chemical plant. The image shows a complex network of large, silver, insulated pipes and metal walkways. A prominent feature is a large, curved pipe that curves from the left towards the center. The sky is a clear, pale blue. The overall scene conveys a sense of industrial scale and complexity.

## Highlights

- Economic value generated:  
88.195.889€
- Economic value distributed:  
74.942.997€
- *78% of total budget is spent on purchases on local suppliers*

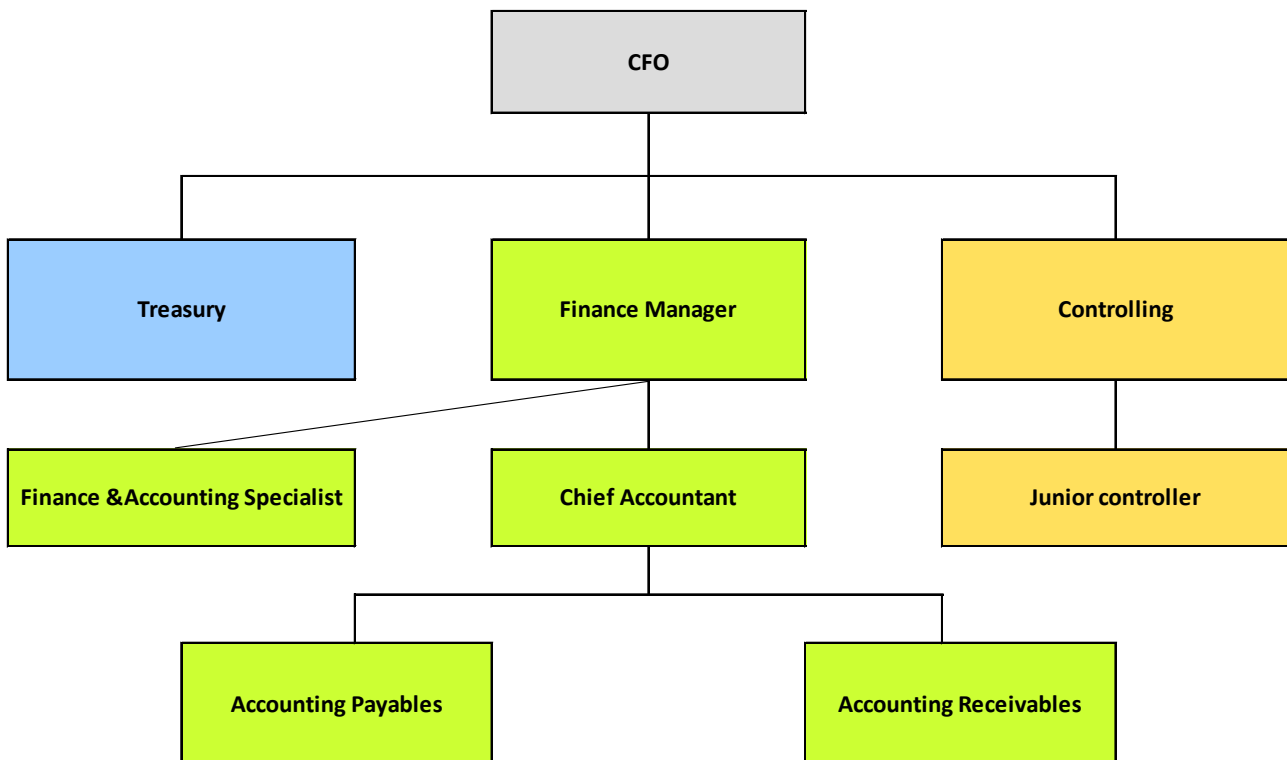


## 3. Economic responsibility

### 3.1 Creation and distribution of economic value

The Administration Financial and Controlling department (AFC) oversees the economics management of the entire company.

The AFC is organized as follows:



There are three main divisions reporting to the CFO: *Treasury*, which is internally managed with the support of an external company consultant; *Controlling*, which in turn is divided into two sub-categories, financial and industrial controlling; and *Finance*. The latter is divided into three other divisions. Within the AFC area there is a precise definition of activities and a diversification of responsibilities between the different strategic areas.

The company policy ensures career and professional development. New talents are taken into consideration for managerial positions and to grow with the company along the years. Growing steps for strategic positions are defined since the beginning.

Concerning working tools, the AFC is supported by IT Systems AS400 for accounting, Microsoft Power BI for sales and profitability analysis and instant information access, DocFinance for treasury management, and Microsoft Excel supporting tools for specific computation and analysis.

In addition, regarding taxes, the company is currently assisted, by a Tax Advisor who manages all the fiscal obligations.

The information and reporting system is organized on reports, according to different levels of detail and time frame. In this process all the AFC professionals are involved, following a company's calendar of

deadlines and best practices that has been consolidated during the years and updated when required. Here, the main company reports:

### ***Weekly Report***

*Weekly flash:* It is handed within every Tuesday and it contains the main sales and orders data, production KPIs, accounting receivables and payables, cash flows, inventories and treasury management indicators, EBITDA and Sales forecasts for the current month and the next 2 months.

### ***Monthly Financial Report (MFR)***

Flash MFR: Within the 10th of each month the AFC prepares a report consisting in Profit & Loss (monthly and year to date), Balance sheet and Cash Flow. In this task, the AFC gathers all the information needed from the other functions.

Final MFR: Within the 14th of each month, on the base of the Monthly Fast closing, the AFC prepares the MFR according to SUN Capital group standards with more details and info than the previous one.

### ***Budget / Forecast Report***

Budget Report: by the end of each year the budget for the following year is approved. All business areas are involved in the budget process with the use of specific tools developed internally to adequately support planning. The budget process is developed over a 3-month time horizon from September to December.

Forecast Report: Two forecasts are carried out every year: in July the forecast 6+6 and in November the forecast 10+2. Management is strongly committed to planning and the economic and financial implications of each strategic decision are always examined

### ***Business Plan***

Every year the company updates the five-years Business plan of the Group.

### ***Annual Statutory Financial Report***

Annual Statutory and consolidated Financial Report. Within the 30th of April, the company performs and approves all the documents required. The AFC coordinates the activities of all the Entities of the Group, auditors and Statutory auditors to ensure full compliance to the law and to the best practices.

The AFC supports the Directors and investors providing reports on demand and specific analysis. As staff function, AFC relates with every function concerning Economics matters.

In order to ensure the compliance with law and best practices, the AFC cooperates on a daily base with lawyers and tax consultants, as well as professionals of the investors.

### ***Risk analysis:***

The AFC manages all risks related to its activities, that can be affected also by others' activities.

To ensure greater objectivity in data analysis, as well as diversification, the AFC department also keeps partnerships with external professional organisations. The main risks on which the department is committed to ensure compliance and coverage are:

- ***Fiscal risks:*** the company cooperates constantly with a primary chartered accountants' partnership to be aligned on every tax law and best practice ongoing.
- ***Law compliance risks:*** the company set a stable cooperation with a primary lawyer's partnership.

- **Financial Reports issues:** the Financial Reports are audited by an external audit firm, with which the company cooperates during the whole year to ensure the compliance with International Accounting Standard and the truly reporting of the relevant events.
- **Breach of Law and Statutory provisions:** to ensure the respect of statutory and law provisions, the company has appointed, by law, a Statutory auditor committee composed by three independent chartered accountants. The committee supervises the main company management and figures along the year and, at the end, issues a certification.
- **Breach of Management best practices:** the company has adopted some operative procedures and best practices for the management of working flows. As well as different power of attorney at different levels of the management in order to ensure segregation of duties and quick operation.
- **Liabilities actions towards Management and Directors:** to cover the risk coming from a legal action against management responsibilities, the company undersigned a D&O (Director and Officers) insurance coverage with a primary Insurance firm.

Vetriere Riunite has never paid any kind of monetary political contribution.

Vetriere Riunite hasn't received any significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area.

The representation of the **economic value generated and distributed** allows, through the reclassification of some items in the Vetriere Riunite income statement, to better highlight the company's ability to generate wealth for some of its main stakeholders, while respecting the cost-effectiveness of management and the expectations of the same interlocutors. The following table shows how most of the economic value generated by Vetriere Riunite in 2021 has been used to remunerate the socio-economic system with which the company interacts, with reference to some of its main stakeholders:

- personnel: in the form of costs for wages and salaries, social security contributions, benefits, directors' fees, etc.;
- Public Administration: costs incurred for the payment of income taxes (IRES and IRAP) and other taxes for the period;
- lenders: interest recognized as remuneration of the credit capital;
- suppliers: costs related to the purchase of goods and services necessary for the performance of company activities.

<b>Direct economic value generated and distributed (EVG&amp;D) - euro</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Revenues	77,829,839	76,288,006	81,254,749
Financial income	105,459	757,055	4,111,466
Other income/expense	2,072,998	4,008,270	2,829,674
<b>Total economic value generated</b>	<b>80,008,296</b>	<b>81,053,332</b>	<b>88,195,889</b>
Operating costs	48,375,726	44,926,722	49,486,094
Remuneration of staff	19,219,240	20,370,356	20,992,844
Credit and risk capital	4,503,762	3,830,204	4,167,554
Taxes and duties	342,207	452,766	154,933
Donations of membership contributions	165,543	116,436	141,572
<b>Total economic value distributed</b>	<b>72,606,477</b>	<b>69,696,484</b>	<b>74,942,997</b>
<b>Economic value retained by the company</b>	<b>7,401,819</b>	<b>11,356,848</b>	<b>13,252,892</b>

Vetriere Riunite adopts a management approach aimed at maximizing the economic profitability for generating a virtuous cycle and consolidate the creation of value for the benefit of the sustainable development of the territory.

Despite the geopolitical and energy troubles that emerged in the first half of 2022, Vetriere Riunite did not suffer in terms of revenues. Its turnover increased compared to 2021, at +7%. Extraordinary Financial and other income for 6 million allows the company to increase the total economic value generated to the amount of more than EUR 88 million.

Operating expenses, which include changes in inventories and exclude depreciations and capital gains/losses, increased by over 10%.

The share of funds distributed to employee stakeholders increased, as the remuneration of staff rose to over EUR 20.9 million, marking an almost 3% increase compared to 2021.

Credit and risk capital is made up of financial charges incurred by the company: this expenditure increased by 9% compared to the previous year.

The value of Taxes and duties includes only current taxes and not deferred taxes, while the item Donations of membership contributions includes the company's share of employee welfare, such as tickets restaurant and other extras.

The total economic value distributed by Vetriere Riunite to its stakeholders therefore also did not change much compared to the previous year, increasing by 8%.

On the other hand, the economic value retained by Vetriere Riunite increased, from about 11.3 million euros in 2021 to over 13.2 million euros in 2022, marking a +17% increase.

Due to the inflationary period that is continuing in 2023 the availability of these additional resources will be relevant for Vetriere Riunite to enable its full operation and to guarantee the stability of its business to all its stakeholders.

The table below reports the financial assistance received by Vetriere Riunite from the Italian government.

Financial assistance received - euro	2020	2021	2022
Tax relief and tax credits	84,946	2,698,824	9,770,515
Investments grants, research and development grants, and other relevant types of grant	42,290	24,000	524,627
Other financial benefits received or receivable from any government for any operation	-	98,264	-

The value of *tax relief and tax credits* significantly increased in 2022 compared to 2021; the amount indicated for the year 2022, mainly consists in tax credits received by Vetriere Riunite addressed to companies with a high consumption of electricity and natural gas in order to partially compensate the costs increase during the year.

The value of *Investments grants and other relevant types of grants*, increased as well in 2022; the amount is mainly composed of tax credits for investments in capital goods and an additional tax credit for investments in Research and Development.

The other financial benefits received or receivable from any government for any operation decreased in 2022 compared with 2021; in the previous period in fact the company obtained an interest subsidy concerning the participation of Italian companies in joint ventures abroad.

The site of Vetriere Riunite is subject to the EU ETS Directive, which provides for the allocation of free CO<sub>2</sub> quotas for the sectors included in the Carbon Leakage List. In phase IV of the EU ETS (2020-2030) the free allowances will be reduced and the company estimates a deficit during the first sub-period (2021-2025) included in a range of 15,000 - 20,000 allowances per year, considering a price fluctuating from 70 to 80 euros.

The company's strategy consists in buying CO<sub>2</sub> allowances at the lowest possible price and investing in

technology to reduce CO<sub>2</sub> emissions. In 2022, n. 13,000 CO<sub>2</sub> quotas were bought to complete the deficit and carry out 2022 compliance correctly. From an economic point of view, the 13,000 quotas were purchased in several segments for an average price of € 77.37/ ton for a total of € 1,005,810. Vetrerie Riunite operates in an energy-intensive industry that is very sensitive to changes in pricing regulations. Furthermore, in Italy the cost of energy is higher than the European average. Therefore, a change in regulation, that involves a change in the cost of energy, has a direct impact on the company's business. The financial implication of this cost variation is very high and has a large impact on Vetrerie Riunite's operating costs. The process is under the responsibility of its Energy Manager who follows the evolution of the national legislation relating to energy-intensive companies (Article 39 DL Development 83/12). He also takes part in the meetings hosted by Assovetro to participate in the discussion and define all the necessary actions that the State could undertake to support the energy-intensive companies.

### 3.2. R&D e innovation

Since its foundation, Vetrerie Riunite considers innovation to be a key driver in its sector, both in terms of consolidating and developing its market share and in terms of reducing costs and increasing production efficiency.

The approach to innovation has led Vetrerie Riunite to become a world leader in the production of pressed technical glass. In the last twenty years, thanks to the particular attention to the technical needs of customers and the continuous search for improvement, Vetrerie Riunite took the world leadership in the production of portholes for washing machines.

Believing in this attitude and willing to maintain its leadership position in the production of technical pressed glass, Vetrerie Riunite has strengthened its R&D division. Over the years the personnel mainly dedicated to the development of new products and has been trained by technicians specialized in the study of the characteristics of glass and production processes.

The staff is composed of:

- Claudio Cervato, R&D Manager, who reports to CEO and is directly in contact with customers who help him understand the market needs. This is the starting point for Vetrerie Riunite to develop new items and to improve products' features.

In 2022, Vetrerie Riunite spent € 349,995 on R&D projects, dedicating a total of 4,522 man-hours to the scope.

Vetrerie Riunite, in the last three years, has been researching to improve core product, and to acquire know-how for the development of new innovative tools as well.

Vetrerie Riunite's Research and Development projects hardly have a life cycle within a single fiscal year, instead, their development could take a longer period. During 2021, the company developed **22 different R&D projects**, mainly focused on *product*, *process* and *management* development.

With the aim to enhance innovation in particular regarding health and safety of end consumers, and to pursue the latest novelties, even from the scientific world, some projects were launched in collaboration with prestigious entities, such as:

- The materials' research division of UNI Trento,
- Stazione Sperimentale del Vetro di Murano
- Politecnico di Milano.

- **6,8 J impact strength**

This project is in continuous development and it is a great opportunity for the product, with the possible result of obtaining very resistant glass in the event of an accidental impact. 6.8J is the value set by the American market to define an accident that can create damage.

The European market only requires 0.5 J, hence less impact-resistant products.

In order to enter the American market, this 6.8J value must be respected; this requirement is officially active from the end of 2021.

The ultimate goal of this project is to meet the needs of the global market, since in Europe, the focus is more on product performances than on safety compared to the American market.

The experimental program started in 2021 with a preliminary study of the shapes, the thicknesses and the parameters of tempering process. The analysis of data, carried out in collaboration with an external partner, led to the identification of the weak points of each product. Therefore, starting from the designing phase, we are able to guide the customer towards more performing geometries.

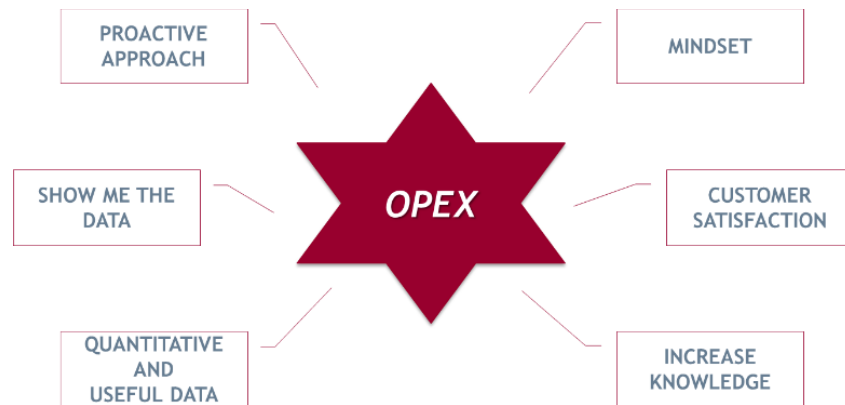
- **Automatic Vision**

This is one of the most interesting projects in terms of competitiveness and product quality, as it allows 100% product quality to be guaranteed with lower labour costs thanks to automation. In other markets, this method of quality control is already in operation; in the glass sector instead, there are more difficulties due to the non-symmetrical shapes of these items.

The objective of the project is to realize a prototype machine, able to detect, classify and reject non-compliant articles in the production line. After a deep study the company can detect in the laboratory its products' principal defects (optical detection).

By 2023, the first production line with this model should be launched.

Most of these projects arise from the growing demand for product reliability with the goal of "zero defects"; the in-depth analysis of the individual defects to determine the causes that generated them by applying the OPEX (Operational Excellence)<sup>6</sup> method, for example reduce the waste due to the bubbles defect.



- **Decoration**

The project is aimed at creating patterns on glass to hide typical moulding defects (bubbles).

In this way, the company can discard fewer pieces, reduce waste and costs and be more sustainable. This project has already been patented and the aim is to apply it to some products.

- **Overmoulding**

Identifying in the door assembly of the washing machine a supply chain complexity that involves the involvement of various suppliers, Vetrerie Riunite thought of creating a unique piece co-printed. Using the

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<sup>6</sup> OPEX: a course organized by one of our major customers, focused how to reduce suppliers' ppm waste. It requires suppliers to optimize their processes by reducing waste, adopting the OPEX (Operational Excellence) methodological approach.

know-how of its companies both in the glass and plastic sector (Borromini), it has developed a system that allows the glass and accessories such as lock and hinge to be added to the plastic frame. This system is being patented.

- **Study of new Packaging**

Being studied and prototyped in 2021, a new packaging that allows to optimize spaces and to reduce the amount of cardboard, is now under development. It allows to:

- simplify glass packaging/glazing operation, and to enhance automation,
- increase the stability of the pallet during transport and the loading capacity in terms of parts loaded on containers/trucks.

This project could also lead to greater cost efficiency, as smaller and lighter packaging would reduce transport costs, which are a major expense for Vetriere Riunite.

Efforts will also be made to meet the increasing demand from customers to create packaging that is reusable, with a view to further implement circularity.

- **Material Planning**

Concerning the efficiency of the management of the production process, the objective of the project is to develop a software to automatize the production schedule. Vetriere Riunite is creating a customized software adding all the constraints and specificities of its process/plant. The activity was set up in 2021 and it is now under development. The software would allow production scheduling to be optimised in terms of glass consumption and quantity of good in stock.

- **Compressed air reduction**

The improvement of the production process, which has always been marked by an increase in productivity, has been aimed at reducing the waste of energy during the forming phase of the product. In collaboration with Politecnico di Milano, the analysis of the thermal transition of the moulds during the production process has tried to study the intelligent optimization of the cooling in order to reduce the waste of compressed air with a consequent saving of electricity. In fact, a lot of air is used to cool the moulds and the presence of so many compressors drive up the cost of energy. The search for an alternative cooling method would be a major saving in both economic and environmental terms.

- **Automatic swabbing**

The place where the production process takes place is not extremely favourable to workers, due to the heat and processes that represent risks. Automations are therefore being studied with the aim to reduce the heaviness of certain operations for the workers, so as to avoid accidents of all kinds. This process automation therefore means greater safety for employees who result to be less exposed to certain risky production processes.

### **3.3. Responsible management of the supply chain**

Vetriere Riunite has a special business area for purchasing and supply chain management. This division is headed by the purchasing manager, who oversees office management, raw materials, and other services. One person oversees consumer materials management, another employee is in charge of invoices and documents control management and, finally, one person is responsible for packaging and transport management.

Our packaging protects products from damage during the transport, therefore we do not use it as vehicle for the brand or other marketing purposes. During the last years, the packaging has been reduced by

removing unnecessary components and using recycled materials for the cardboard of the boxes, wood of the pallet etc.

Vetriere Riunite relies on different means of transport (by sea, by road and by air).

Significant changes along the supply chain have not been detected during the reporting period.

Each year Vetriere Riunite makes a Supplier assessment based on ISO 9001 standards; it is structured as follows:

- evaluation based on the criteria that were previously established for selecting a supplier (technical, managerial, financial, ethical);
- selection based on the company's own specifications or those of the supplier, depending on necessity;
- recurring control of the supplier's skills and the quality of supplies.

Suppliers are assessed according to: production Capacity, quality, performance and support, price.

Every year a purchasing budget is defined based on production forecasts.

Complaints, often delivered by emails, are promptly managed through the evaluation of samples and pictures of damaged product. On the contrary, suppliers are subjected to a non-compliance procedure.

Purchases by Product Category - euro	2020	2021	2022	Var. % 2021-2022
Raw Materials	€ 7,600,000	€ 9,000,000	€ 10,700,000	+18.9%
Packaging	€ 3,700,000	€ 4,500,000	€ 6,600,000	+46.7%
Transport	€ 3,760,000	€ 5,000,000	€ 4,100,000	-18.0%
Services	€ 4,500,000	€ 5,500,000	€ 4,457,000	-19.0%
Energy	€ 10,600,000	€ 15,300,000	€ 22,985,000	+50.2%
<b>TOTAL</b>	<b>€ 30,460,000</b>	<b>€ 39,300,000</b>	<b>€ 48,842,000</b>	<b>+24.3%</b>

Vetriere Riunite belongs to a business that is highly energy intensive and dependent on raw material costs; despite these critical issues and the very significant increase in average operating costs the company's production is still sustainable. This testifies Vetriere Riunite's great stability and resilience, despite the uncertain geopolitical situation and unstable prices around the world.

For "local procurement" Vetriere Riunite refers to the suppliers with headquarters in the north of Italy. With the term "significant location of operations" the company refers to the Vetriere Riunite's production site near Verona.

For Vetriere Riunite it is extremely important to establish long-lasting relationships with its suppliers: the selection of high-quality technical materials and components is essential for the business. For this reason, the suppliers are chosen carefully and the relationships which have been built over the years are characterized by high loyalty and reliability.

The total budget allocated to purchases is equal to €48,842,000, of which 78% is spent on purchases on local suppliers.

Regarding operations and suppliers, all companies inside the perimeter are currently performing operations only in countries that are supporting the freedom of association and collective bargaining. Following the evaluation process, it resulted that no supplier were in areas at risk of compromising the freedom of association and collective bargaining.

Moreover, Vetriere Riunite S.p.A. does not have operations and suppliers that are considered at significant risk for incidents of child labour and compulsory labour.



The total number of suppliers evaluated by considering either social or environmental criteria is not available. However, Vetrerie Riunite is considering the possibility to introduce some criteria for the evaluation of suppliers according to their sustainability performance.

The main risks associated with the supply chain of Vetrerie Riunite are the following:

- **Inadequate needs *analysis***

Without a proper procurement software it can be easy both to develop a wrong purchasing strategy and make bad negotiating contracts with suppliers. A procurement software makes it easier both to develop smarter purchasing strategies and negotiate mutually beneficial contracts with suppliers.

- **Poor supply chain management**

This identifies a situation in which rules are absent or not respected, purchasing is not backed up by a proper price-quality research and a formal approval, while there is an inadequate best price-quality research. Furthermore, there are not detailed requests, purchasing approvals, double-checked documents linking purchase orders to invoices and shipping documents.

- **Fraud and Corruption**

Can happen if the company does not have complete commercial information and document cross-checking is not made.

- **Different suppliers quotes**

The company asks for several quotations before deciding which is the best supplier.

- **Loss of important suppliers**

Can happen if the company doesn't build a good relationship with important suppliers or does not have a formal contract. It can be a very big problem if the company has not second suppliers to rely on: in this cases, indeed, diversification plays a crucial role.



# 4. Social Responsibility



## Highlights

- 99,7% of employees have a permanent contract
- 97,4% of employees have a full-time contract
- *681 training hours*

## 4. Social Responsibility

Vetriere Riunite encourages the professional development of its resources through multidisciplinary training courses. Due to Covid emergency, in 2021, the training plan had been limited, but in 2022 training was resumed with a full erogation of technical training for the factory's employees. In addition, during the year, Vetriere Riunite prepared a training plan for all the company's workers including technical training as well as cross-cutting training.

The assessment of each resource's development in terms of compensation is conducted annually during the budget process where, in agreement with the area manager, career advancement plans for the following year are discussed and, when conditions allow it, approved. Moreover, the personnel budget is checked regularly with the Financial Department, in order to understand possible variances. For certain resources, referred to as "strategic", the professional growth plans are biennial/triennial.

A consolidated text with all the company rules addressed to employees is under development. Additionally, some specific procedures, mentioned also in the O.M. 231, are present concerning hiring process, expense claims, gifts and company car usage.

The Organisation Model 231 has been implemented by Vetriere Riunite since May 2018. As part of the O.M., an Code of Ethics was issued as well as the Whistleblowing procedure. Both these documents are published on the company's website. At the end of 2021 Vetriere Riunite started the review of the O.M. in order to comply with the last update of the law and its revision was officially implemented in March 2022. In detail, the Organisation Model 231 (part B) describes those risks related to human resources, the risk assessment process and the precautionary measures taken.

During the reporting period complaints regarding management were not recorded. Management procedures require that any problem relating to the employment relationship is reported to the HR office (payroll inconsistencies), to the union or to the supervisors (working environment and safety) or directly to the Group HR Director . Complaints can be sent, also in anonymous way, to Organismo di Vigilanza, through a dedicated e-mail address.

The body dedicated to manage corruption cases, if any, is the Organismo di Vigilanza made by 2 external consultants and the Group HR Director.

In 2022, Organismo di Vigilanza attended 8 meetings/audits to check the processes' compliance.

The HR department has set specific targets:

- *Covid 19*: the pandemic continues to be a risk for the company, both with regard to the health and safety of workers and the risk of not guaranteeing business continuity for Vetriere Riunite's stakeholders, in the event of a cluster in the plant, whose production process cannot work without people. The method and resources used in order to achieve this goal are: masks distribution, free Covid-19 tests for employees, internal rules in addition to the government policy, encouraging smart working.
- *Organization*: Vetriere Riunite has the goal to align the organisation to the new market challenges; in order to achieve this target the organization was reviewed in 2022. The outcome of this process results in the identification of new positions and competencies needed by the market, in addition an updated recruiting plan was set in place.

## 4.1. Staff composition

Vetriere Riunite's human resources in 2022 total 313 people, of whom 32 are women and 280 are men. 312 of them are employees with a permanent contract while just 1 worker has a fixed-term contract. Moreover, the company relies on 57 temporary workers with an outsourcing contract, also called "contratto di somministrazione" in Italy. The decrease in temporary workers compared to 2021 can be attributed to a reduction in production lines. Specifically, the conflict in Ukraine, along with the subsequent rise in raw material costs and transportation expenses, resulted in a decline in customer orders.

Total number of employees by employment contract and by gender <sup>7</sup>	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Permanent	38	265	303	35	292	327	32	280	312
Fixed-term	0	0	0	0	0	0	0	1	1
<b>Total</b>	<b>38</b>	<b>265</b>	<b>303</b>	<b>35</b>	<b>292</b>	<b>327</b>	<b>32</b>	<b>281</b>	<b>313</b>

Total number of employees by employment type and by gender	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Full-time	29	264	293	27	291	318	25	280	305
Part-time	9	1	10	8	1	9	7	1	8
<b>Total</b>	<b>38</b>	<b>265</b>	<b>303</b>	<b>35</b>	<b>292</b>	<b>327</b>	<b>32</b>	<b>281</b>	<b>313</b>

Total number of non-employees by employment contract and by gender	2020		2021		2022	
	Women	Men	Women	Men	Women	Men
Temporary (outsourcing contracts)	1	64	1	82	1	56
<b>Total non-employees</b>	<b>65</b>		<b>83</b>		<b>57</b>	

All of Vetriere Riunite's employees and non-employees come from the Veneto region, where the company is located; in addition, 97% of employees have a full-time contract. Therefore, Vetriere Riunite contributes positively to the employment levels, also ensuring job stability. Furthermore, all employees are covered by a national collective labour agreement.

Vetriere Riunite counts 3 executives and 7 middle managers among its employees. All of Vetriere Riunite's executives, come from the Veneto region and were therefore recruited from the local community.

Most of the employees are represented by the professional figure of blue collar, equal to 80%, while 17% are represented by white collar workers. The majority of blue collars are men (240), which explains why 90% of Vetriere Riunite's employees are male. Among white collars, however, the distribution of men and women is more balanced, comprising 22 women and 32 men.

<sup>7</sup> For FY 2022, a new methodology has been taken into account to calculate all human resources data, in which outsourcing contracts are not included among employees but are considered to be not employees. In light of the new methodology, data for FY 2020 and 2021 were also recalculated for the principle of consistency required by the GRI.

Total number of employees by category and gender	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Executives	0	4	4	1	3	4	1	2	3
Middle Managers	1	10	11	0	9	9	0	7	7
White collars	23	29	52	22	33	55	22	32	54
Blue collars	14	222	236	12	247	259	9	240	249
<b>Total</b>	<b>38</b>	<b>265</b>	<b>303</b>	<b>35</b>	<b>292</b>	<b>327</b>	<b>32</b>	<b>281</b>	<b>313</b>

In 2022, most employees were between 30 and 50 years old (50%), while the remaining 16% and 34% are under 30 and over 50 years old, respectively. In addition, the company employs 13 people belonging to minority or vulnerable groups.

Total number of employees by category and age group	2020				2021				2022			
	<30 years old	30-50 years old	>50 years old	Total	<30 years old	30-50 years old	>50 years old	Total	<30 years old	30-50 years old	>50 years old	Total
Executives	0	0	4	4	0	1	3	4	0	1	2	3
Middle Managers	0	4	7	11	0	4	5	9	0	3	4	7
White collars	3	27	22	52	1	31	23	55	2	29	23	54
Blue collars	40	115	81	236	49	130	80	259	49	124	76	249
<b>Total</b>	<b>43</b>	<b>146</b>	<b>114</b>	<b>303</b>	<b>50</b>	<b>166</b>	<b>111</b>	<b>327</b>	<b>51</b>	<b>157</b>	<b>105</b>	<b>313</b>

In 2022, the rate of new employee hire equals 8%, while the turnover rate is 13%.

Total number of new employee hires and turnover	2022								
	Women				Men				Tot
	< 30 years old	30-50 years old	> 50 years old	Total Women	< 30 years old	30-50 years old	> 50 years old	Total Men	
Number of employees	2	16	14	32	49	141	91	281	313
Number of new hires	0	2	0	2	11	11	2	24	26
Number of employees turnover	1	1	2	4	7	14	15	36	40
Rate of new employee hire	0%	13%	0%	6%	22%	8%	2%	9%	8%
Turnover rate	50%	6%	14%	13%	14%	10%	16%	13%	13%

Total number of new employee hires and turnover	2021								
	Women				Men				Tot
	< 30 years old	30-50 years old	> 50 years old	Total Women	< 30 years old	30-50 years old	> 50 years old	Total Men	
Number of employees	2	18	15	35	34	151	107	292	327
Number of new hires	2	3	1	6	18	32	4	54	208
Number of employees turnover	1	3	4	8	4	15	5	24	166
Rate of new employee hire	100%	17%	7%	17%	53%	21%	4%	18%	18%
Turnover rate	50%	17%	27%	23%	12%	10%	5%	8%	10%

Total number of new employee hires and turnover	2020								
	Women				Men				Tot
	< 30 years old	30-50 years old	> 50 years old	Total Women	< 30 years old	30-50 years old	> 50 years old	Total Men	
Number of employees	0	16	22	38	20	135	110	265	303
Number of new hires	0	1	1	2	2	6	2	10	12
Number of employees turnover	0	2	4	6	3	8	15	26	32
Rate of new employee hire	0%	6%	5%	5%	10%	4%	2%	4%	4%
Turnover rate	0%	13%	18%	16%	15%	6%	14%	10%	11%

Some benefits are provided to full-time employees such as fuel and grocery vouchers, or two extra days of parental leave, in addition to the period that is guaranteed by Italian Law. Finally, some employees with strategic roles are eligible to obtain stock ownership.

In 2022, among Vetrerie Riunite's employees 13 men and 1 woman took parental leave; both the rate of return to work and the rate of retention are equal to 100%.

Furthermore, during 2022, Vetrerie Riunite did not have any kind of discrimination incident.

### Remuneration

As stated in the company's statute, the remuneration of the Board of Directors is determined by the shareholder's meeting.

The ratio between the annual salary of the highest-paid employee and the median salary of all the other employees equals to 6.85.

On the contrary, the ratio of the percentage increase in the compensation for highest-paid individual to the median percentage increase of employees' annual compensation is equal to - 8.28.

In fact, during the reporting period, the salary of the highest-paid person was reduced while the median compensation of the other employees increased.

Vetrerie Riunite also adopts a Management By Objectives (MBO) scheme, covering some of its employees. This scheme provides that objectives are allocated based on two components: a first element is tied to the company's financial performance and the second one is linked to the attainment of individual role-specific objectives.

The financial component carries more weight for frontline staff compared to other employees and it is determined in order to be aligned with budget targets.

In addition, during the first quarter of the reporting year, managers and employees collaborate to establish individual objectives, typically in the range of 2 to 3 goals for each employee. These objectives are then formalized through an assignment letter and progress is monitored by means of periodic follow-up meetings.

In February of the following year, after the reporting year is concluded, a performance review meeting is convened to assess goal achievement and to share results.



## 4.2. Training and talents development

In 2022, a total of 681 hours of training were provided among all employees, an increase of more than 77% compared to 2021, highlighting the return of a complete training plan following the challenges posed by the covid pandemic. Among all the company's employee categories, blue collars received the largest share of training hours (582.5 hours) together with white collars (95.5 hours). In fact, these groups constitute the two largest employee categories within Vetrerie Riunite.

The two tables below detail all training-related data, broken down by gender and employment category:

Training hours	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Executives	0	0	0	0	0	0	0	3	3
Middle Managers	23	78	101	0	49	49	0	0	0
White collars	45	106	151	40	192.5	232.5	25.5	70	95.5
Blue collars	0	51	51	4	98	102	42	540.5	582.5
<b>Total training hours</b>	<b>68</b>	<b>235</b>	<b>303</b>	<b>44</b>	<b>339.5</b>	<b>383.5</b>	<b>67.5</b>	<b>613.5</b>	<b>681</b>

Average training hours	2020	2021	2022
Average hours of training for the entire labour force	1.00	1.17	2.18
Average hours of training per female employees	1.80	1.25	2.11
Average hours of training per male employees	0.88	1.16	2.18
Average hours of training per Executives	0.00	0.00	1.00
Average hours of training per Middle managers	9.18	5.44	0.00
Average hours of training per White collars	2.90	4.23	1.77
Average hours of training per Blue collars	0.22	0.39	2.34

Specifically, the topics of the courses provided to employees during 2022 are as follows:

- Model 231 and Code of Ethics;
- Appropriate verification of regulatory compliance of industrial plants;
- Specific theoretical and practical training (for example, training for operators of industrial forklifts, press users, etc.);
- Course for the qualification of Internal Auditor ISO14001:2015;
- Training on software used by employees during their jobs.

In addition, during the year 2022, 19% of the women and 6% of the men received regular performance and career development reviews, 6 and 16 people respectively. Thus, a total of 22 persons, corresponding to 7% of the employees, have been assessed in this respect. During this year the assessment process mainly involved officers and middle managers, thus focusing on top management figures.



Percentage of employees receiving regular performance and career development reviews <sup>8</sup>	2020				2021				2022			
	Number of women who received review	%	Number of men who received review	%	Number of women who received review	%	Number of men who received review	%	Number of women who received review	%	Number of men who received review	%
Executives	0	-	0	-	0	-	0	-	1	100%	2	100%
Middle Managers	0	-	0	-	0	-	2	22%	0	-	5	71%
White collars	3	13%	9	31%	3	14%	14	42%	5	23%	9	28%
Blue collars	1	7%	35	16%	1	8%	58	23%	0	-	0	-
<b>Total</b>	<b>4</b>	<b>11%</b>	<b>44</b>	<b>17%</b>	<b>4</b>	<b>11%</b>	<b>74</b>	<b>25%</b>	<b>6</b>	<b>19%</b>	<b>16</b>	<b>6%</b>

### 4.3. Occupational health and safety

Vetriere Riunite has adopted an occupational health and safety management system due both to legal requirements and on the basis of a defined risk management system. All the requirements are present in d.lgs 81/2008, d.lgs 231/2001 and SGSL Uni Inail September 2001. The management system has no certification, but it is audited annually by the supervisory body. There aren't any worker, activity or workplace not covered from the system. The factory produces glass items for domestic appliances. There are workers and maintainers who operate in production departments, and employees in administration, commercial and technical departments. The Health and Safety system covers all the production, maintenance and clerical activities. The work programs for the following year are presented at the end of the current year to the management and report the budgets, training programs and consultancy planned for the following year. The internal resources dedicated to health and safety are the RSPD and the delegated employer. Also the CEO, the general manager and union representatives are involved in decisions relating to improvement programs. There is an internal procedure for recording accidents, near misses, and reports by operators. The procedure includes the study and analysis of the event with the aim of introducing solutions that reduce its repeatability to a minimum. A large number of initiatives adopted, and improvement programs are active, such as a more detailed machine risk assessment than the current one to introduce any adjustments, or a packaging modification study to facilitate the packaging activity.

The processes used to identify any hazards at work are mainly internal Audits, external Audits (by supervisory body) and specific advice activities. The Organization guarantees the quality of these processes by Auditor's certified skills, in compliance with current regulations. All non-conformities and opportunities for improvement are reported on specific reports which are the starting point for continuous improvement.

Employees can report any health and safety hazards through trade union representatives or directly to the health and safety department. Moreover, in case of danger to health and safety, employees can always contact their superior who will decide the ways and methods for evacuating the department. There are currently in force procedures and instructions for the safe evacuation of personnel.

A procedure (called 6.4/4-0/1) for analysing accidents at work, including root cause research, is currently in place. At the end of the analysis, this is discussed with the management to approve the proposed improvement solutions.

<sup>8</sup> As no woman belonged to the Executive category in 2020 and to the Middle Managers category in 2021 and 2022 it was not possible to compute a percentage to cover these cases.

To contribute to the identification and elimination of hazards and the minimization of risks a competent physician was appointed. He regularly carries out periodic and pre-employment visits to company employees. The medical examination service is provided during working hours at the company clinic.

Employees can consult and actively participate in the development and implementation of the safety management system through the trade union representatives. Currently three people are appointed within the trade union representatives who perform the role of workers' safety managers. They meet with the management twice a year (According to the law, 1 periodic meeting is sufficient) and their task is to report any critical issues relating to health and safety. They are also consulted to discuss improvement proposals.

The company scrupulously adheres to the regulations in force relating to training on safety at work. Both the training required by law and specific internal training courses relating to new procedures, new machinery, etc. are carried out.

Type of training	2020		2021		2022	
	Hours	Participants	Hours	Participants	Hours	Participants
General training	160	10	2,624	164	1,360	85
Specific training, of which:	468	45	70	14	555.5	59
<i>Forklifts</i>	96	8	0	0	64	6
<i>PLE</i>	260	26	0	0	0	0
<i>PEI (Persona Idonea: suitable person), PES (Persona Esperta: expert person), PAV (Persona Avvisata: forewarned person)</i>	48	3	0	0	0	0
<i>Responsible</i>	64	8	0	0	0	0
<i>Firefighting</i>	0	0	70	14	80	10
<i>First aid</i>	0	0	0	0	384	37
<i>Escavator</i>	0	0	0	0	10	1
<i>Radioactivity</i>	0	0	0	0	17.5	5
<b>Total</b>	<b>628</b>	<b>55</b>	<b>2,694</b>	<b>178</b>	<b>1,915.5</b>	<b>144</b>

The General training refers to courses required by law in accordance with the State-Regions agreement, while others programmes are considered as specific training. In particular, "firefighting" is a course for fire emergency personnel and "First aid" course is important in case of injury or illness of employees.

There are no written policies relating to safety and health in business relationships with customers and suppliers. However, many strategic production choices (for example the speed of the machines) are constrained by the non-worsening of the safety and health conditions of the workplaces.

The organization has implemented an occupational health and safety management system based on recognized requirements and/or standards or guidelines; **100% of employees and workers who are not employees**, but whose work and workplace is controlled by the organization, are covered by the health and safety management system.

All workers are informed by the trade union representatives regarding the health and safety improvements envisaged for their specific department and all the information reported was taken from internal official records used by the company for statistical purposes.

In 2022, Vetrerie Riunite recorded a total of 17 accidents, 15 among employees and 2 among non-employees. None of these injuries were fatal and only one was classified as serious (high-consequences). Most of the injuries occurred during 2022 were linked with the use of machinery and lifting loads.

Work-related injuries for employees	2020	2021	2022
Number of high-consequence work-related injuries (excluding fatalities)	4	1	1
Rate of high-consequence work-related injuries (excluding fatalities)	8.33	2.01	2.03
Number of recordable work-related injuries	12	20	9
Rate of recordable work-related injuries	24.99	40.28	18.17
Number of hours worked	480,219	496,484	495,327

Near miss for employees	2020	2021	2022
Number of near miss	10	8	12

Work-related injuries for not - employees	2020	2021	2022
Number of high-consequence work-related injuries (excluding fatalities)	0	0	1
Rate of high-consequence work-related injuries (excluding fatalities)	-	-	9.31
Number of recordable work-related injuries	4	5	6
Rate of recordable work-related injuries	38.30	36.45	55.86
Number of hours worked	104,435	137,182	107,415

Near miss for not - employees	2020	2021	2022
Number of near miss	2	3	2

The total number of hours worked by all workers amounted to 495,327 making the *rate of high-consequence work-related injuries (excluding fatalities)* 2.02 and the *rate of recordable work-related injuries* 18.17<sup>9</sup>.

It is noteworthy that Vetrerie Riunite's production activity takes place in an environment that is hostile to humans, where there are high-temperature furnaces and machinery that present risks, however it is positive that the number of serious accidents is almost zero.

In general, the most frequent types of injuries are: tripping or slipping, light burns, material in the eye, light crushing.

The main risks about the efficient management and enhancement of people are:

- failure to revise the classification in relation to the duties actually carried out;
- recognition of disproportionate remuneration in relation to the duties actually carried out.

The measures to mitigate the risks are the annual verification through the budget process; regarding the organisational model implemented by the Society, the main risks are the failure to apply the organisational model.

All risks relating to the glass manufacturing business were determined by the risk assessment and reported in the risk assessment document. One of the risks that has generated the most serious consequences is the cut. The cut risk was initially determined by the risk assessment. As production changed, it was necessary to change the risk assessment and adopt new personal protective equipment to reduce the risk. Another risk that has caused rare but important consequences is the risk coming from production machines. Over the years, procedures have been adopted to reduce the risk of injury related to the use of production machines. Vetrerie Riunite is currently studying a glass control system that allows to eliminate the manual

<sup>9</sup> This value, following the GRI standard, is given by the number recordable workplace injuries divided by the total of hours worked, the result multiplied by 1 million.

handling of loads and an automatic lubricant system for the production machines to reduce the risk of crushing and burns near the machines.

Episodes of burns could happen, for which new flame-resistant garments will be introduced.

All workers are informed by the trade union representatives regarding the health and safety improvements envisaged for their specific department and all the information reported was taken from internal official records used by the company for statistical purposes.

During the reporting period and at the beginning of 2023 protection barriers were put in place to reduce the risk of crushing during production processes. Moreover, Vetrerie Riunite increased the number of coolers placed in the production areas with the aim to improve and control the severe heat.

With regards to **work-related ill health for all employees and workers who are not employees**, the number of fatalities of work-related ill health and the number of cases of recordable work-related ill health result equal to zero in 2021 and in the previous two years reported.

The risks associated with occupational diseases were all determined by the risk assessment activity and reported in the risk assessment document. The risks that have caused the most serious problems in the past concern the manual handling of loads on which we are currently studying a system to reduce this risk, the noise for which the company has modified and improved the PPE in use and the microclimate for which there is this year a further technical improvement of the cooling system of the production departments.

The **objectives** that Vetrerie Riunite sets for 2022 are the followings:

- *less than 12 injuries over the 2022* by the mean of the improvement of the behavioural performances of the operators through the training of the supervisors and with the increase in technical factors to replace procedural factors;
- *update ATEX assessment* by identifying improvements to reduce ATEX risk.

#### 4.4. Relationship with the local community

Vetrerie Riunite has launched projects related to the environmental and health and safety aspects; in particular:

- Environmental projects:
  - a. The project aims to establish the gap that exists between the concept of "formal" environmental respect intended as a set of authorizations and obligations required by current legislation and "substantial" environmental respect, that is the rules and behaviours that lead to an environmentally sustainable workplace.
  - b. The aim of the project is to improve the dust filtration system leaking out from furnaces.
- Health and safety projects:
  - a. The purpose of the project is to establish the gap that exists between the concept of "formal" security understood as a set of authorizations and obligations required by current legislation and "substantial" security or the rules and behaviours that lead to an environment safe working.
  - b. The purpose of the project is to check the status of the company's electrical system to ensure that there are no malfunctions that could compromise safety.

# 5. Product Responsibility

A close-up photograph of a green knitted glove being tested in a petri dish. The glove is held by a dark, cylindrical object, and a fine mist of water is being sprayed onto its surface. The petri dish is filled with a grey, fibrous material, likely a filter or a sample being tested. The background is dark, and the lighting is focused on the glove and the mist.

## Highlights

- Constant monitoring of the needs and requirements of its customers
- No incidents of non-compliance with regulations and self-regulatory codes regarding the health and safety impacts of products

## 5. Product responsibility

### 5.1. Product quality and made in Italy

Vetriere Riunite collaborates with a list of major customers, such as LG, Arcelik, Candy, Bosh, Whirlpool, Miele, Electrolux and others. They represent the historical clients of the company; therefore, Vetriere Riunite has a long-standing customer relationship.

The relationship with customers is always managed directly with the respective customer purchasing offices, in general communicating directly with the head offices but, where necessary, also with the national plants. In particular situations, Vetriere Riunite resorts to agents because, thanks to their knowledge of the customer, mastery of the language and local customs, they can facilitate relationships.

Between the principles of Vetriere Riunite is the respect of the timetable of supplying, also when the demand far exceeds the offer; the home glass business was sold in January 2021, to focus more on the porthole business. This has allowed Vetriere Riunite to carry out a more pointed bargaining with the customers.

The Vetriere Riunite sales office is organized in:

- Customer relations (external relations) office which interfaces customers with the company, fixes sales prices, defines supply contracts, agrees on annual volumes and payment methods and in general on all generic issues relating to customer service. This office consists of area managers or key accounts (two at this time).
- Order management office that manages the logistics related to supplies and therefore:
  - receives and manages orders by entering them into the IT system
  - interfaces with production to define delivery times and volumes
  - coordinates shipments by interfacing with shippers
  - manages external warehouses.

This office is managed by a manager assisted by 4 assistants.

- Sales office collaborates directly with the company's R&D in the part that sees the process of technically defining new products.
- Sales office is directly involved also in defining the quality standard with the customers in direct contact with the quality department.

The sales office also has the task of formulating business plans, annual sales budgets, and perform market studies in order to provide the strategic direction of the company with the appropriate tools to plan investments, to organize the production and, in general, to predict the market trends.

Vetriere Riunite has performed specific initiatives for its customers, namely:

1. Its trade policy is not tied to particular countries or markets since almost all customers are multinational enterprises that have their own plants in different continents or areas. Thanks to the acquisition of the majority share (70%) of Minghui, a Chinese company, Vetriere Riunite is now able to split the market in two and offer to multinational customers the possibility to be served from two production plants located in the East and in the West, improving the level of service by offering a better logistic but also a redundancy program in case of trouble in one of the plants.
2. Commercially, as a supplier of components, the company follows the trends that its customers indicate or ask to follow. At the moment, the initiatives that are being asked of it and that are therefore being followed are:
  - a. to study of components that meet the new safety regulations and withstand shocks up to 6.8 Joules, as better explained in the R&D section;
  - b. to supply recyclable components;

- c. to supply components that meet the reparability criteria.

Overall, during 2022 markets slowed down with respect to the previous years, which was characterized by a strong demand of goods. Moreover, several factors made the economic landscape even harder: one of them is the worsening of the geopolitical situation in Europe due to the conflict in Ukraine. In addition, the increase of energy costs, especially for natural gas, affected the price of all the commodities. Markets were affected by such factors severely and all players and operators had to manage unexpected and unprecedented situations without a clear vision for the future.

Vetriere Riunite, being an energy-intensive company, had to manage all these factors with the aim to guarantee the supply and the quality of products, despite the difficulties. Hence, the continuity of the supply was made possible thanks to the engagement of stakeholders. During 2022 base costs and prices were affected by a level of inflation without precedents.

Thanks to cautious purchasing policies with regard to energy and raw materials, along with the engagement of clients, with which supply conditions were renegotiated, Vetriere Riunite managed to guarantee its economic sustainability.

Every corporate function underwent stress tests, due to necessity to keep stakeholders continuously informed about the company, its capacity to recover raw materials and energy, and the opportunities to adapt supply chain policies.

During the reporting period, Vetriere Riunite did not report any incidents of non-compliance with regulations and self-regulatory codes regarding the health and safety impacts of products.

Vetriere Riunite has not had any incidents of non-compliance concerning marketing communications.

Vetriere Riunite also did not file any legal actions for anti-competitive behaviour, antitrust and monopolistic practices.

## 5.2. Relevance of circular economy in terms of recycling and reuse of glass

Vetriere Riunite has always taken care of the environment: 100% of the internal wasted glass is directly recycled in production. Vetriere Riunite produces only high-quality Soda-lime glass comparable to borosilicate glass (i.e. Pyrex).

While Borosilicate glass, is a special waste, soda-lime glass can be easily recycled in the bins for glass disposal and eventually be used for production of bottles.

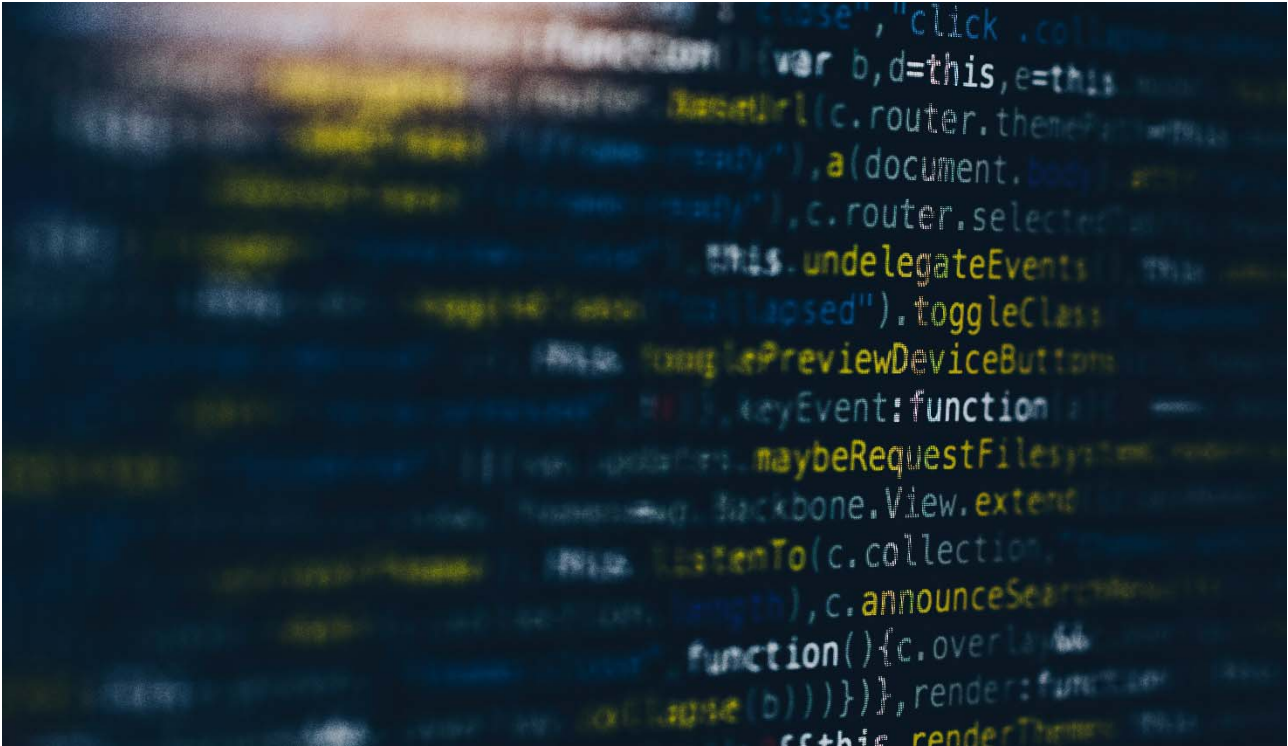
## 5.3. Customer satisfaction

Vetriere Riunite has managed to develop a constant monitoring of the needs and requirements of its customers by working with them in a "just-in-time" perspective. Through co-design activities, Vetriere Riunite is now able to proactively contribute to the product development phase. The projects are analysed in order to achieve maximum optimization, both from a functional and cost point of view. Being by the side of customers allows the organization to create highly complex and technological items. This has allowed the establishment of lasting and solid collaborations, based on the professionalism of the services offered to its partners.

In 2022 Vetriere Riunite did not report any compliance incidents with regulations and voluntary codes resulting in a fine or a warning.

#### 5.4. Customer privacy and data protection

During the reporting period, Vetrerie Riunite did not received substantiated complaints concerning breaches of customer privacy from outside parties or regulatory bodies. Moreover, the company did not report any leak, theft or loss of customer data.





# 6. Environmental Responsibility



## Highlights

- Achievement of the ISO 14001 environmental certification
- New packaging policy for 2022
- Environmental policy

## 6. Environmental responsibility

As stated in the Environmental Policy, Vetrerie Riunite is aware of the impacts that its own activity has on the environment and the resulting responsibilities. For this reason, it undertakes to manage production processes in a sustainable and responsible way, in compliance with the law, improving its performance and involving its staff, both company employees and the staff of external companies that operate in Vetrerie Riunite, in specific training and awareness initiatives. To achieve these commitments, the company has adopted an Environmental Management System, which was recognised the ISO 14001 certification on the 6<sup>th</sup> of December 2022. This system integrates the company's Quality, Safety and Environmental System and proposes a continuous improvement of its environmental performance affecting the whole life cycle of the products; indeed, procedures and instructions are undertaken in order to control those activities associated with significant environmental aspects.

In this context, the Environment Function acts as a reference point, overseeing and coordinating all forms of reporting related to management of environmental aspects. The company values are therefore reflected in actions aimed at ensuring the highest standards of environmental responsibility and compliance with environmental regulations. The key element of Vetrerie Riunite's activities is adhering to regulatory standards. As a "glass manufacturing plant with a melting capacity of over 20 tons per day" the company falls under the scope of the Integrated Environmental Authorization (A.I.A.), as stipulated in Legislative Decree 152/06. In accordance with A.I.A. requirements, Vetrerie Riunite is required to comply with a Monitoring and Control Plan that precisely outlines the parameters, analytical methods, and sampling points for the most significant environmental factors.

In compliance with the values that have always distinguished the company, Vetrerie Riunite favors solutions and innovations that involve reductions in energy and water consumption, as well as in the production of harmful emissions. In innovating the process, great attention is paid to production optimization and to mitigate the environmental impacts production implies. Over the years, this commitment has led the company to adopt some measures aimed at reducing the main environmental impacts, including:

- the installation of energy-saving ovens, which guarantee a direct reduction in methane and electricity consumption, therefore indirectly reducing the associated CO<sub>2</sub> emissions;
- the installation of special systems for water recycling;
- the recycling of all glass waste from production;
- the adoption of forming machines equipped with electronic movement mechanisms, which make them more precise and reduce consumption with respect to mechanical ones.

In 2022, with a view to reducing Vetrerie Riunite's environmental impact, some targets were set to be achieved by the end of the year, including:

- Reduction of energy consumption for the melting of 1 Kg of glass for furnaces;
- Reduction of water consumption by 30% by upgrading closed circuits;
- Reintroduction of abatement dust from exhaust systems back into furnaces as raw material, therefore turning dust emissions into a new input of the production process;
- Conclusion of an agreement with a waste disposer with the aim of allocating 80 tons of landfill waste for recovery and recycling;

All these objectives were achieved within the set timeframe.

Moreover, Vetrerie Riunite is evaluating some future projects concerning the installation of photovoltaic system on the plant's roofs and the environmental improvement of the galvanizing room obtained by replacing the wet air filtration system and by installing a new air exchange system.

The progress of the objectives that the company planned to achieve during the last reporting year, with a view to reducing its environmental impact, is illustrated below:

Objectives	Results expected	Methods and resources used for achieving the objectives	State of progress
ISO 14001 environmental certification	Further improvement of the management system	System review activities with a consultancy and audit firm for certification by TUV Italia	ACHIEVED
Reduction of dust emissions	Improving dust emission containment	Installation of new dust suppression equipment	ACHIEVED
Unify packaging of the finished product	Reducing and optimising the consumption and use of packaging	Implementation of packaging production and distribution system in packaging lines	ACHIEVED
Reducing the use of compressed air	Electricity savings	Replacing the use of compressed air with ventilated air	IN PROGRESS

## 6.1. Management of materials

To make and package its products, Vetrerie Riunite starts from natural and synthetic materials that include:

- Raw materials, the basis of the composition of the batch;
- Packaging material, consisting of cardboard packaging.

*100%  
of the packaging  
materials are  
renewable*

The control and selection of raw materials are crucial actions in ensuring the high quality of Vetrerie Riunite's products. The quality of glass, which originates from amorphous powders present in nature (quartz sand) and comes to life through fire, depends on how the components are selected and mixed.

Most of the materials, essential for manufacturing glass products, are commonly defined as "non-renewable", meaning that they do not regenerate within a short period of time. Given the company's commitment to reduce its environmental impacts, attention is paid to the management and reuse of scraps within the production process. Adhering to stringent quality standards in terms of transparency and brightness only white scrap is returned to the melting furnaces. In particular, in 2022, the share of white cullet in the total amount of glass produced was 30.6%, while 100% of white cullet was reused within the production process.

Furthermore, in 2022, Vetrerie Riunite introduced a new packaging production and distribution system for its packaging lines that makes it possible to unify packaging of the finished products. Indeed, to optimise the use of packaging materials, the Group carried out a rationalization of the box models, reducing the number from approximately 30 existing models to just 3 or 4 for the new boxes. The project makes it possible to centralize the box forming process and distribute them with an automatic supply line to the production lines.

The project, that took place in 2022, makes it possible to reduce packaging. In particular, it allows to obtain substantial reductions in both pallets and cardboard boxes. The estimates provide also interesting reductions in the number of shipments due to the greater compaction of loads.

In addition, it must be noted that the firm relies only on renewable packaging materials.

The total weight of the materials used to produce and package the organization's primary products is reported below, divided by non-renewable materials and renewable materials:

Total materials used to produce and package the products offered	2020	2021	2022
<i>Raw material (tons)</i>			
<i>Non-renewable material</i>	74,862	82,894	71,773
<i>Renewable material</i>	35,136	35,852	31,714
<i>Materials needed in the production process (tons)</i>			
<i>Non-renewable material</i>	86	73	62
<i>Materials needed in the production process (litres)</i>			
<i>Non-renewable material</i>	638	757	1,031
<i>Packaging materials (tons)</i>			
<i>Renewable material</i>	3,172	4,828	4,325

## 6.2. Use and management of water resources

Vetriere Riunite's water withdrawal is mainly related to the industrial process and, to a marginal extent, to normal consumption related to employees' needs.

Water for civil use comes from the aqueduct, while the water needed for the production process comes from a dedicated well. Since 2012, Vetriere Riunite has been in possession of an Integrated Environmental Authorization (AIA), that was updated in 2022, and to obtain this authorization the water together with the air, earth and noise are subject to periodic checks carried out by Vetriere Riunite itself, by the bodies delegated to control (ARPAV, Province of VR, Municipality of Colognola ai Colli) and by the audits of the customers themselves. Since 2019, the company has also been a member of the CDP (Carbon Disclosure Project), an independent body that provides companies and countries with a system to measure, manage and share information on climate change and the security of water withdrawal impacts.

Vetriere Riunite's risk assessment covers the facility's direct operations, but it does not contain a specific assessment of the water risk of the supply chain. Water risks, assessed with reference to various risk factors that can create substantial changes in the business, are the following:

- floods and natural disasters with consequent damage to production plants;
- lack of water availability resulting in the impossibility of continuing the production activities.

These risks have a direct impact on the ability to produce glass. The impact of the above risks can cause material changes in the business, operations and revenues of the company. The impact is directly proportional to the days of production stop (each day is equivalent to a reduction in revenues of 0.3%). Other regulatory risks are considered negligible as they should not cause material change in our business.

The water discharges have as their sole destination the public sewage managed by the AcqueVeronesi company. There are 4 discharges:

- 2 discharges of water assimilated to domestic use (bathrooms, changing rooms, showers, etc.);
- 1 discharge of treated water in a chemical-physical purification plant suitable for the treatment of water from galvanic plants;
- 1 discharge of rainwater and industrial cooling water.

As a result of their use in cooling operations, the wastewater deriving from production activities contains traces of lubricating oils so that there are de-oiling and sediment separator systems. The discharges of the water coming from the purifier and those coming from the cooling water are subjected to periodic analyses provided for the AIA self-control protocols and by controls by external bodies. The standards are defined in the Integrated Environmental Authorisation control protocol.

## Water resources

Water is an indispensable natural resource in the glass production process, used mainly for the cooling of products and plants. To limit withdrawals, the Group favors closed industrial circuits and, when this is not possible, the waters are carefully treated before being reintroduced into the environment. Vetrerie Riunite is committed to a sustainable and compatible use of water, resorting as much as possible to recycling and recovery actions and the use of adequate wastewater treatment and disposal systems. In addition, with a view to prevention, the company carries out frequent monitoring of its own water discharges at established intervals.

## Water drains

Water discharges have a single destination: discharges into the Municipal Public Sewer. Following their use in cooling operations, the wastewater deriving from production activities contains traces of lubricating oils, these waste waters are previously treated by a chemical-physical purification plant followed by a passage on sand filters.

## Water withdrawals

Water withdrawal is mainly connected to industrial activities and, to a lesser extent, to a series of support actions, such as the canteen and civil utilities. The water withdrawn from the aqueduct is used exclusively for civilian uses, while the water from wells is used for industrial purposes. The latter primarily serves the purpose of cooling glass and thermally stressed machinery, as well as cleaning molds and mechanical components. Whenever feasible, water recovery systems are employed, such as a closed-circuit cooling system, utilizing evaporative towers to cool the water and reducing the amount of water withdrawn from the well.

In 2022, the water withdrawal by the organization is equal to 557 megalitres, with a reduction of 6.1% compared to the previous year.

Water withdrawal (in megaliters):	2020	2021	2022
	All areas	All areas	All areas
Underground water <sup>10</sup>	634	593	557 <sup>11</sup>

## 6.3. Energy efficiency

Glass manufacturing is by its very nature an energy-intensive process, mainly due to the very high temperatures with which the vitrifiable mixture is melted inside the ovens constantly in operation, to the production of compressed air and to the annealing and tempering operations. For this reason, over the years, all possible efforts have been made to make industrial plants technologically advanced and to optimize the management of existing plants in order to reduce their energy consumption. Pursuant to Law 10/91, Vetrerie Riunite has appointed an Energy Manager, who guarantees maximum attention to the topic through a precise series of actions such as analysis, monitoring and optimization of energy consumption. Furthermore, each year an energy audit is carried out with the construction of the Annual Energy Budget with the aim of analysing the main sources of energy consumption and identifying potential actions to improve their use. The main sources used are natural gas and electricity. The company also uses diesel for forklifts and company cars and GPL for its productive processes.

<sup>10</sup> The 99% of water withdrawal is from the two wells. Water is discarded after being used in the productive process as refrigerator. The quantity of water used for sanitary purposes is minimal: for the reporting period this share is equal to 0.5 megaliters and it is withdrawn from the local aqueduct. Wells and aqueduct are located in the province of Verona which is not considered an area subjected to water stress (the ratio of total water demand to available renewable surface and groundwater supplies ranges between 20-10%, therefore the water stress level is considered low-medium). Source: [Aqueduct Water Risk Atlas \(wri.org\)](https://www.wri.org/).

<sup>11</sup> Water is drawn from 2 water supply wells. The quantity of water is certified by the reading of fiscal meters positioned at each well.

The main energy consumptions for Vetrerie Riunite are reported. It is important to notice that the company does not self-produce electric energy, although the board is evaluating the possibility to develop such solutions. Data in the following tables are gathered by invoices and measurement reports.

In 2022, the consumption of electricity is equal to 232,318 Gigajoule, 8.46% less than in 2021. The total consumption of natural gas is equal to 22,608,774 Smc, while the total other fuel consumption from non-renewable sources is equal to 204,288 litres; in 2022, in total 816,683 Gigajoule of fuel were consumed, with a 11.10% reduction with respect to 2021.

The reduction in consumption, compared to 2021, for the purchase of electricity, natural gas and other fuel, can be attributed to a decrease in Vetrerie Riunite's production; in fact, in 2022, the surge in raw material costs and transportation expenses caused by the conflict in Ukraine led to a decline in customer orders with respect to 2021, therefore leading to a lower energy consumption.

However, it must be noted that Vetrerie Riunite is increasing its reliance on electricity since the percentage of purchased electricity to the total amount of energy consumed, which in 2022 equals 22.15%, grew compared to 2021 (when it was equal to 21.65%).

Fuel consumption within the organization from non-renewable sources	Use	2020	2021	2022
Natural Gas (smc)	<i>Heating</i>	23,123,574	25,458,519	22,608,774
GPL (litres)	<i>Productive process</i>	137,350	201,830	170,165
Diesel (litres)	<i>Productive process</i>	3,200	5,475	4,123
Diesel (litres)	<i>Company vehicles</i>	21,000	30,000	30,000
<i>Total Non- Renewable Sources (smc)</i>		<i>23,123,574</i>	<i>25,458,519</i>	<i>22,608,774</i>
<i>Total Non- Renewable Sources (litres)</i>		<i>161,550</i>	<i>237,350</i>	<i>204,288</i>

Fuel consumption within the organization from non-renewable sources in GJ	Use	2020 (GJoule)	2021 (GJoule)	2022 (GJoule)
Natural Gas	<i>Heating</i>	828,009	912,431	811,312
GPL	<i>Productive process</i>	3,339	4,912	4,141
Diesel	<i>Productive process</i>	116	199	148
Diesel	<i>Company vehicles</i>	756	1,084	1,082
<i>Total GJ</i>		<i>832,220</i>	<i>918,626</i>	<i>816,683</i>

Consumption of electricity	2020 (kwh)	2021 (kwh)	2022 (kwh)	2020 (GJoule)	2021 (GJoule)	2022 (GJoule)
Electricity purchased from non-renewable resources	61,987,659	70,494,393	64,532,825	223,156	253,780	232,318
<b>Total electricity purchased and consumed</b>	<b>61,987,659</b>	<b>70,494,393</b>	<b>64,532,825</b>	<b>223,156</b>	<b>253,780</b>	<b>232,318</b>

The main actions related to savings during the reporting periods mainly refer to electricity and methane. The basis for calculating the variations in energy consumptions is made by referring to the calendar years 2019 e 2020 and 2021. The amount of energy savings of ongoing projects in 2022, approved by GSE, resulted in 75,328 GJ of natural gas savings and 30,268 GJ of electricity savings.

- Refurbishment of Oven 4 by replacing the old Unit Melter type oven with an End Port type oven with an increase in the max extracted from 100 ton/day to 175 ton/day. In the same way as what was achieved in 2017 on the Oven 2, the investment was also made with a view to energy saving: on the F2 in 2017 a saving of 22% was certified in the year 2018 on 2016 (52.459 Gjoulles) while on the F4 it is necessary to compare the year 2018 with 2020 which in the Covid period is not very significant (provides a -13% equal to -26.618 Gjoulle) (FY 2019);
- Replacement of all external lighting with LED lamps. The amount of energy saved per year is around 43.000 Kwh/year corresponding to 155 Gjoulles) (FY 2019).
- The energy-saving diagnostic analysis of the compressed air production room was reworked leading to the rebuilding of the compressed air distribution loop and an increase in the pipe diameter. This intervention resulted in the uniformity of the compressed air pressure, which had given several production problems, and an increased compensating capacity of the circuit. New expansion tanks were also installed.
- It was carried out a study for the installation on the roofs of photovoltaic panels for self-production of electricity (FY 2020).

#### 6.4. Emissions reduction

The glass industry faces a significant environmental challenge related to emissions released into the air. This issue arises from the necessity of employing melting furnaces and other combustion processes in the glass production, which result in the generation of both greenhouse gas emissions (GHG) and other harmful pollutants into the atmosphere. The company continues, as in previous years, to participate to the CDP (Carbon Disclosure Project) questionnaires. The CDP is an independent body that provides businesses and nations with a framework for quantifying, controlling, and exchanging data concerning climate change. Submitting data to the CDP not only helps Vetriere Riunite adhere to legislative regulations but also enables them to take an additional step. Indeed, by recognizing and addressing the most relevant environmental risks affecting its business, the company can discover new opportunities for managing these risks, for instance by continually seeking the most advanced technological solutions available.

The GHG emissions for Vetriere Riunite during the years 2020-2021-2022 are reported in the tables below.

GHG EMISSIONS SCOPE 1 <sup>12</sup>	2020	2021	2022
Natural gas	55,523 ton CO <sub>2</sub> eq.	61,447 ton CO <sub>2</sub> eq.	55,192 ton CO <sub>2</sub> eq.
Diesel for productive processes			
Other sources			

<sup>12</sup> Source: *Comunicazione delle emissioni annuali per impianti stazionari* (reference year 2020, 2021, 2022). The total ton CO<sub>2</sub> eq is certified by Bureau Veritas in order to comply with the ETS Directive. Data referring to FY 2020 and 2021 were updated according this new methodology in order to respect the principle of comparability.

In 2022, Vetrerie Riunite experienced a significant reduction in its Scope 1 emissions with respect to 2021. In fact, during the last fiscal year the Scope 1 emissions of the company declined by 10.2%. Besides those emissions mainly derived from the consume of natural gas, which is used in productive processes, Vetrerie Riunite produces GHG emissions from the use of company cars, as the following table reports.

GHG EMISSIONS SCOPE 1	2020	2021	2022
Diesel for company vehicles	56 ton CO <sub>2</sub> eq.	81 ton CO <sub>2</sub> eq.	81 ton CO <sub>2</sub> eq.

In 2022, the total GHG emissions (scope 1 and scope 2) for Vetrerie Riunite were 84,693 tCO<sub>2</sub>e, using a market-based method, or 74,100 tCO<sub>2</sub>e by applying the location-based approach.

In 2021, Vetrerie Riunite bought a new air conditioning system in the company's production site; the investment led to a 98.5% reduction of CO<sub>2</sub> emissions related to this consumption.

EMISSIONS SCOPE 2 - 2020 <sup>13</sup>		Total GJ	Total GHG emissions (Ton CO <sub>2</sub> eq.) - Location Based	Total GHG emissions (Ton CO <sub>2</sub> eq.) - Market Based
Electricity	<i>Non-renewable</i>	223,156	15,807	28,426

EMISSIONS SCOPE 2 - 2021 <sup>14</sup>		Total GJ	Total GHG emissions (Ton CO <sub>2</sub> eq.) - Location Based	Total GHG emissions (Ton CO <sub>2</sub> eq.) - Market Based
Electricity	<i>Non-renewable</i>	253,780	18,046	32,186

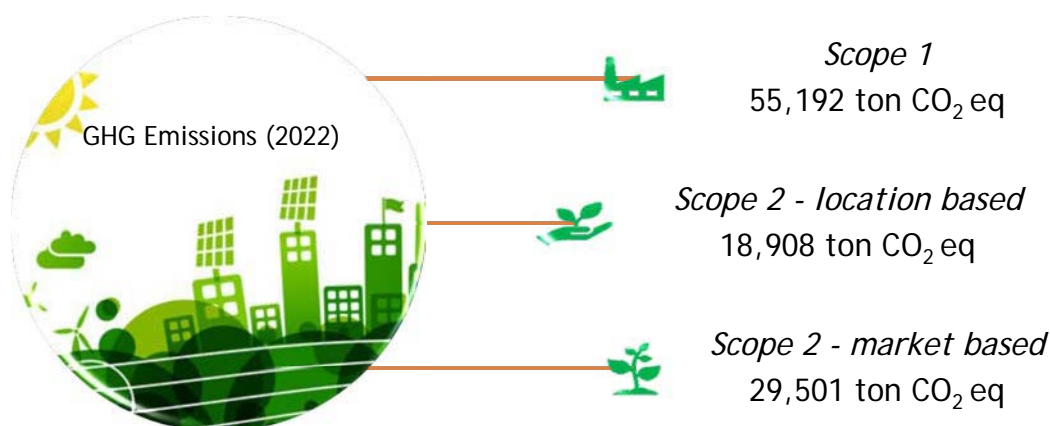
EMISSIONS SCOPE 2 - 2022 <sup>15</sup>		Total GJ	Total GHG emissions (Ton CO <sub>2</sub> eq.) - Location Based	Total GHG emissions (Ton CO <sub>2</sub> eq.) - Market Based
Electricity	<i>Non-renewable</i>	232,318	18,908	29,501

<sup>13</sup> In light of a major update of the emissions factors used, the company's scope 2 emissions data (location-based and market-based methods) were recalculated and made consistent for fiscal years 2020, 2021 and 2022. The table therefore shows the updated data. Source of factors: ISPRA (Location Based approach) and European Residual Mixes "AIB" Agg. 31.05.2021. (Market-based approach).

<sup>14</sup> In light of a major update of the emissions factors used, the company's scope 2 emissions data (location-based and market-based methods) were recalculated and made consistent for fiscal years 2020, 2021 and 2022. The table therefore shows the updated data. Source of factors: ISPRA (Location Based approach) and European Residual Mixes "AIB" Agg. 31.05.2022. (Market-based approach).

<sup>15</sup> Source of factors: ISPRA (Location-Based approach) and European Residual Mixes "AIB" Agg. 01.06.2023. (Market-based approach).





## 6.5. Waste management

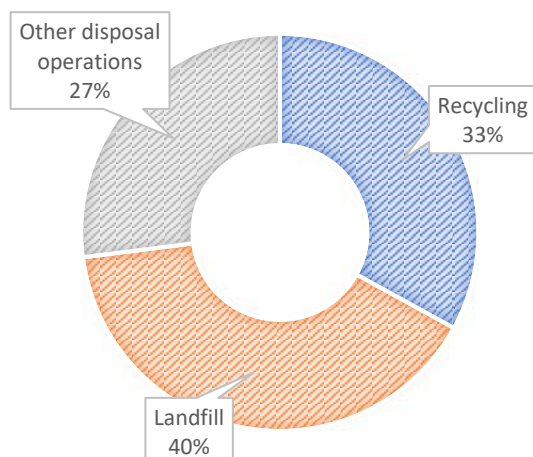
The company is committed to minimizing the production of waste and investing to find new methods to increase their recovery. For this reason, the volume of waste produced is precisely monitored in compliance with regulatory obligations and related storage requirements.

Disposal Methods - 2020	Weight of hazardous waste (tons)	Weight of non-hazardous waste (tons)	Total	% total
Recycling	6.9	277.3	284.2	28%
Recovery, including energy recovery	6.3	438.3	444.6	43%
Landfill	174.1	122.2	296.2	29%
<b>TOTAL</b>	<b>187.3</b>	<b>837.8</b>	<b>1,025.0</b>	<b>100%</b>

Disposal Methods - 2021	Weight of hazardous waste (tons)	Weight of non-hazardous waste (tons)	Total	% total
Recycling	7.6	384.7	392.3	36%
Landfill	280.4	423.0	703.4	64%
<b>TOTAL</b>	<b>288.0</b>	<b>807.7</b>	<b>1,095.7</b>	<b>100%</b>

Disposal Methods - 2022	Weight of hazardous waste (tons)	Weight of non-hazardous waste (tons)	Total	% total
Recycling	6.5	401.4	407.9	33%
Landfill	405.2	76.9	482.1	40%
Other disposal operations	0	322.6	322.6	27%
<b>TOTAL</b>	<b>411.7</b>	<b>800.9</b>	<b>1,212.6</b>	<b>100%</b>

## DISPOSAL METHOD



Types of waste	2020		2021		2022	
	Weight of hazardous waste (tons)	Weight of non-hazardous waste (tons)	Weight of hazardous waste (tons)	Weight of non-hazardous waste (tons)	Weight of hazardous waste (tons)	Weight of non-hazardous waste (tons)
Plastics		14.6		16.7		16.8
Carton packaging		156.7		197.1		168.2
Metal		5.9		40.4		94.6
Light bulbs	0.5					
Used oil	6.4		7.6		6.5	
Contaminated fabrics and containers	13.6		11.2		4.2	
Oil filters			1.0		1.0	
Contaminated packaging	0.4		0.9		1.0	
waste generated by the purification process			267.3		399.0	
Glass				7.5		
Wood		100.0		110.2		97.3
Sludge from water treatment						322.6
Other	166.0	561.0		435.9		101.4
<b>TOTAL</b>	<b>186.9</b>	<b>838.2</b>	<b>288.0</b>	<b>807.8</b>	<b>411.7</b>	<b>800.9</b>

From 2021 to 2022, there was an increase in the weight of hazardous waste, mainly related to the waste generated by the purification process. In contrast, the weight of non-hazardous waste slightly decreased. In total, the weight of waste produced in 2021 increased compared to 2020, from 1,095.7 tonnes to 1,212.6,

with an increase of 10.7%. All waste is managed outside the site of Vetrerie Riunite, where it is recycled, landfilled, or treated with other disposal operations.

The total of 1,212.6 tonnes of waste is subdivided in 800.9 tonnes of non-hazardous and 411.7 tonnes of hazardous waste. Of the non-hazardous waste, 50.1% was recycled and of the hazardous waste 1.5%. Among those sent for disposal are vitrifiable mixes, solid waste from treatment fumes, aqueous washing solutions, sludges and oils from oil/water separation products, packaging containing residues of hazardous substances, insulation materials containing or contaminated with hazardous substances.

The disposal of the waste is defined by the organisation, with direct confirmation of the disposal by the contractor in charge, in Italy it is the MUD procedure.

The waste produced essentially derives from the production process. With the aim of reducing the amount of waste, the company is committed to reusing "white" waste glass and reintroducing it into the production cycle as a raw material. The company is also registered with CO.NA.I - National Packaging Consortium. Waste management is regulated by specific procedures with the aim of:

- defining the guidelines for the subdivision, classification, temporary storage and disposal of waste in compliance with the laws, and regulations;
- identifying those responsible for the various stages of waste disposal (from production to final storage), including in the tasks the information to the authorities required by current legislation;
- specifying the procedures for managing the documentation.

In order to prevent waste generation and manage the impacts caused by the waste generated, Vetrerie Riunite has planned the following initiatives:

- a project to reduce the number of packages containing the finished product has been implemented in 2022; since this activity also impacts the end customer, a dialogue is being held to have all customers accept single-packaging. This project will reduce unused packaging to practically zero as it will be used for other customers;
- a new type of packaging has been implemented and patented under the name VR-BOX, while an LCA assessment is also being conducted to measure its environmental impact and increased sustainability;
- the project to replace chromium with a substance with less hazardous characteristics has been initiated as of 2021;
- procurement policies have been defined from suppliers that follow waste prevention and management criteria;
- a project is being developed to reuse waste dust, including suction of the weighing room and purification of fumes coming out of the furnaces with an electro-filter.

The process adopted by Vetrerie Riunite for collecting and monitoring waste data consists of having the documentation managed by the logistics office. In this way, quantities, loading/unloading register, the return bill from the disposer and MUD documentation are centralised in the same office and the situation can be checked at any time.

## GRI Content Index

<b>Statement of use</b>	Vetriere Riunite SpA has reported the information cited in this GRI content index for the period 1/01/2022 - 31/12/2022 in accordance with the GRI Standards
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Material Topics</b>	Listed in section 1.5

GRI Standard	Disclosure	Location / Note	Omissions		
			REQUIREMENT OMITTED	REASON	EXPLANATION
GRI 2 - General disclosures 2021	2-1 Organizational details	Methodological Note			
	2-2 Entities included in the organization's sustainability reporting	Methodological Note			
	2-3 Reporting period, frequency and contact point	Methodological Note			
	2-4 Restatements of information	Methodological Note			
	2-5 External assurance	Methodological Note			
	2-6 Activities, value chain and other business relationships	Chapter 1			
	2-7 Employees	Chapter 4			
	2-8 Workers who are not employees	Chapter 4			
	2-9 Governance structure and composition	Chapter 2			
	2-10 Nomination and selection of the highest governance body	Chapter 2			
	2-11 Chair of the highest governance body	Chapter 2			
	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter 1			
	2-13 Delegation of responsibility for managing impacts	Chapter 1			
	2-14 Role of the highest governance body in sustainability reporting	Methodological Note			
	2-15 Conflicts of interest	Chapter 2			
	2-16 Communication of critical concerns	Chapter 2			
	2-17 Collective knowledge of the highest governance body	Chapter 17			
	2-18 Evaluation of the performance of the highest governance body	Chapter 2			
	2-19 Remuneration policies	Chapter 4			
	2-20 Process to determine remuneration	Chapter 4			
	2-21 Annual total compensation ratio	Chapter 4			
	2-22 Statement on sustainable development strategy	Message to stakeholders			
	2-23 Policy commitments	Chapter 2			
	2-24 Embedding policy commitments	Chapter 2			
	2-25 Processes to remediate negative impacts	Chapter 1			
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 2			
	2-27 Compliance with laws and regulations	Chapter 2			
	2-28 Membership associations	Chapter 1			
	2-29 Approach to stakeholder engagement	Chapter 1			
	2-30 Collective bargaining agreements	Chapter 4			
GRI 3 - Material Topics 2021	3-1 Process to determine material topics	Chapter 1			
	3-2 List of material topics	Chapter 1			
	3-3 Management of material topics	Chapter 1			
GRI 201 - Economic performance 2016	201-1 Direct economic value generated and distributed	Chapter 3			
	202- 3 Defined benefit plan obligations and other retirement plans	Obligations undertaken as laid down by law			
	202-4 Financial assistance received from government	Chapter 3			

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<b>Material Topics</b>	Listed in section 1.5

GRI Standard	Disclosure	Location / Note	Omissions		
			REQUIREMENT OMITTED	REASON	EXPLANATION
GRI 202 - Market Presence 2016	202-2 Proportion of senior management hired from the local community	Chapter 4			
GRI 204 - Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Chapter 3			
GRI 205 - Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Chapter 4			
	205-3 Confirmed incidents of corruption and actions taken	Chapter 2			
GRI 206 - Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Chapter 2			
GRI 301 - Materials 2016	301-1 Materials used by weight or volume	Chapter 6			
GRI 302 - Energy 2016	302-1 Energy consumption within the organization	Chapter 6			
	302-4 Reduction of energy consumption	Chapter 6			
GRI 303 - Water and Effluents 2018	303-1 Interactions with water as a shared resource	Chapter 6			
	303-2 Management of water discharge-related impacts	Chapter 6			
	303-3 Water withdrawal	Chapter 6			
GRI 305 - Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Chapter 6			
	305-2 Energy indirect (Scope 2) GHG emissions	Chapter 6			
GRI 306 - Waste 2020	306-1 Management of significant waste-related impacts	Chapter 6			
	306-2 Waste generated	Chapter 6			
	306-3 Waste diverted from disposal	Chapter 6			
	306-4 Waste directed to disposal	Chapter 6			
GRI 308 - Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	Chapter 3			
GRI 401 - Employment 2016	401-1 New employee hires and employee turnover	Chapter 4			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Chapter 4			
	401-3 Parental leave	Chapter 4			
GRI 402 - Labor - Management relations 2016	402-1 Minimum notice periods regarding operational changes	Four weeks			
GRI 403 - Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Chapter 4			
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 4			
	403-3 Occupational health services	Chapter 4			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Chapter 4			
	403-5 Worker training on occupational health and safety	Chapter 4			
	403-6 Promotion of worker health	Chapter 4			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Chapter 4			
	403-8 Workers covered by an occupational health and safety management system	Chapter 4			
	403-9 Work-related injuries	Chapter 4			
	403-10 Work-related ill health	Chapter 4			
	404-1 Average hours of training per year per employee	Chapter 4			

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GRI Standard	Disclosure	Location / Note	Omissions		
			REQUIREMENT OMITTED	REASON	EXPLANATION
GRI 404 - Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Chapter 4			
	404-3 Percentage of employees receiving regular performance and career development reviews	Chapter 4			
GRI 405 - Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	Chapter 4			
GRI 406 - Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Chapter 4			
GRI 407 - Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None			
GRI 408 - Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	None			
GRI 409 - Forced and Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None			
GRI 413 - Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Chapter 1			
GRI 414 - Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Chapter 3			
GRI 415 - Politics 2016	415-1 Political contributions	Chapter 3			
GRI 416 - Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Chapter 5			
GRI 417 - Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	Chapter 5			
GRI 418 - Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter 5			