

VERESCENCE



SUSTAINABILITY REPORT
2021-2022

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EDITORIAL



THOMAS RIOU
Chief Executive Officer

FOR MORE THAN TWO YEARS NOW, WE HAVE BEEN CONFRONTED WITH MULTIPLE SHOCKS. AFTER THE SUDDEN STOP OF THE ECONOMY LINKED TO THE COVID-19 EPIDEMIC, THE EXTREMELY STRONG RECOVERY HAS LED TO A DISORGANIZATION OF THE GLOBAL SUPPLY CHAIN AND VERY HIGH INFLATION. A PHENOMENON FURTHER ACCELERATED BY THE WAR IN UKRAINE. IN ADDITION, THE EFFECTS OF GLOBAL WARMING ARE BECOMING INCREASINGLY NOTICEABLE. AWARENESS OF ENVIRONMENTAL ISSUES IS GROWING AND MOST COUNTRIES ARE MAKING DECISIONS THAT ARE MOVING IN THE RIGHT DIRECTION. BUT AS A RESPONSIBLE COMPANY, WE KNOW WE CAN MAKE HEADWAY FASTER.

In a highly disrupted environment, we must adapt our business while maintaining our values and strategic direction. For more than two years now, we have greatly improved the resilience of our business model by reducing our costs, improving our agility and our capacity to deliver, strengthening our client portfolio, and rebalancing our presence in all market segments. But above all, we have all worked hard to make our ambition – to become the global reference in the sustainable beauty industry – a more tangible reality every day.

This fifth sustainability report illustrates our further progress, our convictions, and our ambitions. To list just a few initiatives:

- Our decarbonization roadmap was validated by the Science Based Targets initiative last February. In 2034, we will have reduced our CO₂ emissions by more than 40% compared to 2019 and we are building an achievable horizon of carbon neutrality in 2050. This roadmap includes very concrete projects on all of the scopes 1, 2 & 3. We are also proud of our CDP A rating for "Water Security" & CDP A- for "Climate Change,"



Our commitment is total to fundamentally change our environmental impact and that of the beauty market.

which allow us to strengthen our action plans for progress.

- Our subsidiary in South Korea, Verescence Pacific, was able to integrate very quickly into our group and allows us to provide many major customers with a short supply chain that has less impact on the environment. This presence in Asia also allows us to better understand the transformation aspirations and habits of Asian markets in order to offer them new eco-design approaches.

- We have successfully launched our new post-consumer recycled (PCR) glass composition, Infinite Glass 20. Our PCR glass compositions represent 75% of our production in Europe and will soon be a reality in the US and South Korea. We are proud to have been a forerunner and to have now defined this new global standard.

- Our water action plan, which aims to move towards the "dry plant" concept – in other words, to optimize our recycling of industrial water in order to limit our water consumption – has made significant progress.

- Finally, recognizing that progress is only possible if our entire extended ecosystem is progressing, a large number of initiatives with all our stakeholders are underway.

We are fortunate to be the leader in a very dynamic market, but with that comes the important responsibility of being able to lower our ecosystem footprint while significantly increasing our capabilities. Moreover, we are seeing very rapid changes in consumer habits and must therefore further integrate the weak signals and trends that will profoundly change our business in the next fifteen years. That's why we are continuing to strengthen our organizations and our investments in innovation.

Finally, my comments would not be complete if I did not mention the Verescence teams who have met all the challenges of the last few years while continuing to increase our leadership. The women and men of Verescence are our greatest asset and our number one priority. The initiatives presented in this report show how they are working every day to ensure the sustainability of our company. I thank them for it.

WHO WE ARE

THE WORLD LEADER IN LUXURY BOTTLES

FOR MORE THAN 120 YEARS, WE HAVE BEEN MANUFACTURING AND DECORATING HIGH-END GLASS BOTTLES AND JARS FOR THE BIGGEST BRANDS IN THE PERFUME AND COSMETICS INDUSTRY. AT THE CUTTING EDGE OF INNOVATION, OUR SEVEN PLANTS IN FRANCE, SPAIN, THE UNITED STATES AND SOUTH KOREA ALLOW US TO PRODUCE AS CLOSE AS POSSIBLE TO OUR CUSTOMERS. PASSIONATE ABOUT OUR BUSINESS, WE PUSH BEYOND THE LIMITS OF OUR HISTORICAL KNOW-HOW TO PROVIDE HIGH-QUALITY, INNOVATIVE AND ENVIRONMENTALLY-FRIENDLY SOLUTIONS.

VERESCENCE IN NUMBERS



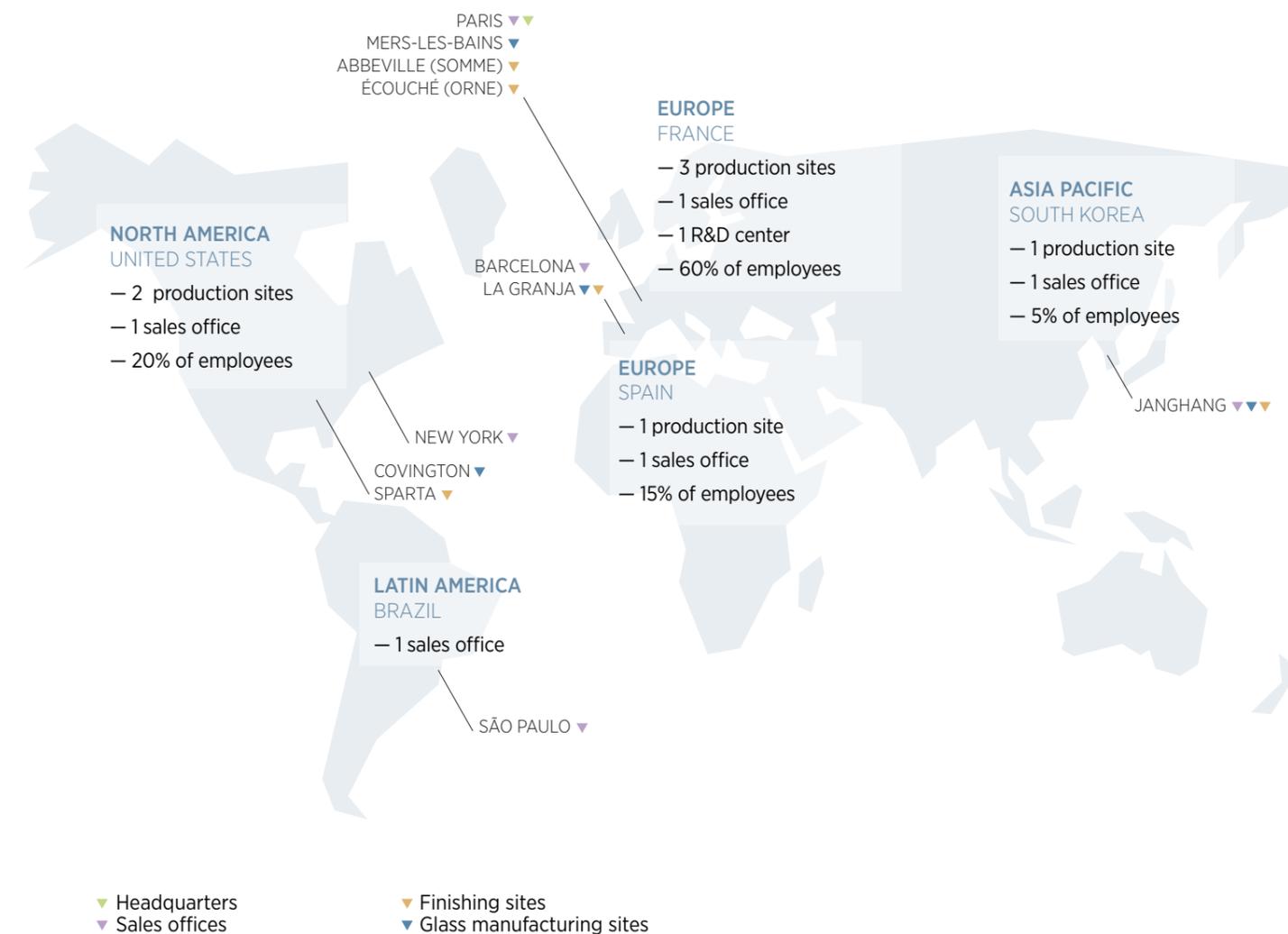
OUR BUSINESS ACTIVITIES

FRAGRANCE & BEAUTY

Developing bottles and jars that meet the requirements of the biggest names in the world of beauty thanks to our mastery of the glass and finishing trades. More than 300 products developed each year.

INSULATORS

Designing and manufacturing glass insulators for high voltage power lines. More than 100 million insulators manufactured by Verescence La Granja Insulators are installed in more than 100 countries.



CSR STRATEGY IN 3 PILLARS

OUR CSR APPROACH IS BASED ON THREE FUNDAMENTAL PILLARS: "PEOPLE FIRST", "ACT FOR SOCIETY" AND "ECO SOLUTIONS". FULLY INTEGRATED INTO OUR OVERALL STRATEGY, IT IS PART OF A PROJECT SHARED WITH ALL OF OUR STAKEHOLDERS AND SETS CONCRETE COMMITMENTS. IN PARALLEL WITH THE ACHIEVEMENT OF THE 2022 OBJECTIVES INITIATED IN 2018, THE GROUP IS WORKING ON NEW CHALLENGES FOR 2025.



PEOPLE
FIRST

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

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



ACT FOR
SOCIETY

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

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



ECO
SOLUTIONS

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

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



VERESCENCE AND THE SUSTAINABLE DEVELOPMENT GOALS OF THE UNITED NATIONS
THE "GLASS MADE TO LAST" PROGRAM
CONTRIBUTES TO 15 OF THE 17
SUSTAINABLE DEVELOPMENT GOALS (SDGs)
SET BY THE UNITED NATIONS FOR 2030.

GOVERNANCE AND SUSTAINABLE PERFORMANCE SYSTEM



Alain THORRÉ
Director CSR, Quality & Continuous Improvement
VERESCENCE

CSR issues impact all of Verescence's departments and sites. Governance has been in place for several years to define Verescence's CSR strategy and its deployment at all sites, in all processes, and at all levels of the organization.

The Verescence Sustainable Performance System allows us to measure performance and establish improvement targets and associated action plans. In the same way as financial and industrial performance, CSR performance is measured, objectives are set and action plans and investments are implemented to achieve these.

As such, a focus has been placed on the energy consumption, CO2 emissions and water requirement of each site. To better measure and optimize our consumption, numerous meters (water, gas, electricity) have been deployed, a technical energy management system has been set up at Mers-les-Bains as a pilot site, and we are gradually incorporating the requirements of ISO 50001* (certification of the Mers-les-Bains site in 2019 and La Granja in 2021).

*Energy management certification

OUR ESG* RATINGS

ECOVADIS

The methodology of this rating organization, whose ranking is a global standard for CSR, is based on 4 themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement.

With a score of 83/100, the Verescence Group has improved its overall score by 4 points compared to 2020 and is in the select circle of the top 1% of the best performing companies, a position we have held since 2018.

Our three French sites, our two North American sites and our Spanish site have also maintained their Platinum medals in 2022 with a score of 83/100, while our South Korean subsidiary Verescence Pacific has obtained the gold medal for its very first assessment just over a year after joining the Group.



CDP

Considered the gold standard in environmental reporting, CDP is an international not-for-profit charity that maintains one of the world's most comprehensive environmental databases and evaluates how companies are acting to reduce their environmental impact across their value chains.

In 2021, Verescence was recognized for its leadership in sustainable development by CDP, with an "A" rating for water security and an "A-" for its fight against climate change.

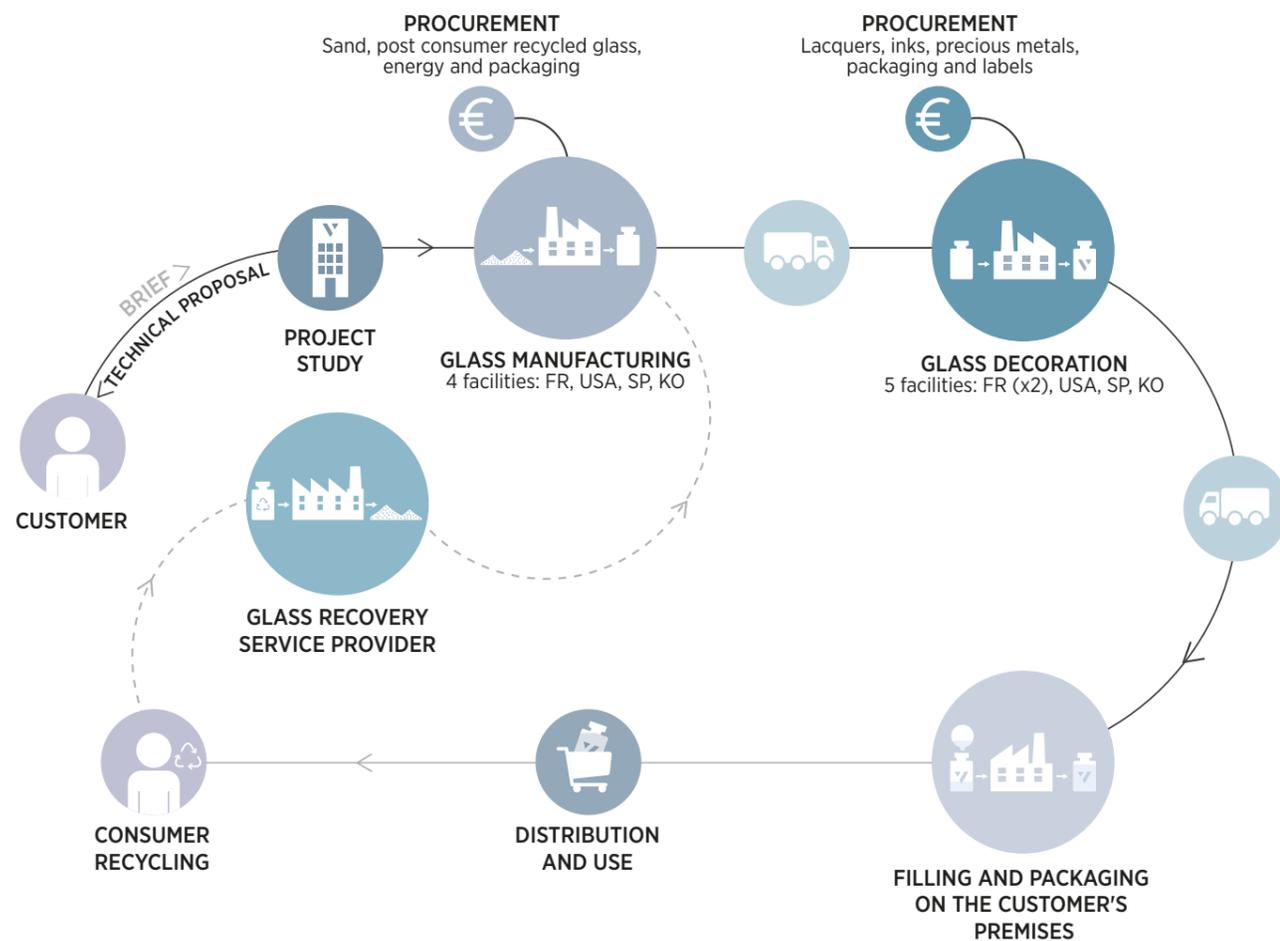
Verescence is also one of the companies that have obtained an A ranking (leadership level) in the CDP Supplier Engagement Rating (SER), in recognition of its actions to measure and reduce climate risk within its supply chain.



*Environmental, social and governance criteria

VALUE CHAIN

AT VERESCENCE, WE ARE CONVINCED THAT OUR EMPLOYEES AND PARTNERS MAKE ALL THE DIFFERENCE: THEY ARE THE ESSENTIAL RESOURCES FOR PERFECTING OUR CUSTOMERS' PRODUCTS.



RESOURCES

FINANCIAL CAPITAL
€350 M of revenue

HUMAN CAPITAL
2,328 employees

INTELLECTUAL CAPITAL
278 employee hires
61 active patents and patent applications

INDUSTRIAL CAPITAL
7 industrial sites

ENVIRONMENTAL CAPITAL
Quantity of glass drawn: **153,155 tons**
Total energy: **785,413 MWh**
Water withdrawn: **402,089 m³**

RELATIONAL CAPITAL
96.5% local purchases
2,452 suppliers
113 partners listed on the CSRI* panel
€173 M of purchases

VALUE CREATION

FINANCIAL IMPACT
+ 9% sales growth

HUMAN IMPACT
TF1 = **4.10**
40% female hiring
100% of our employees benefit from health insurance and a life insurance policy

INTELLECTUAL IMPACT
57% of employees trained

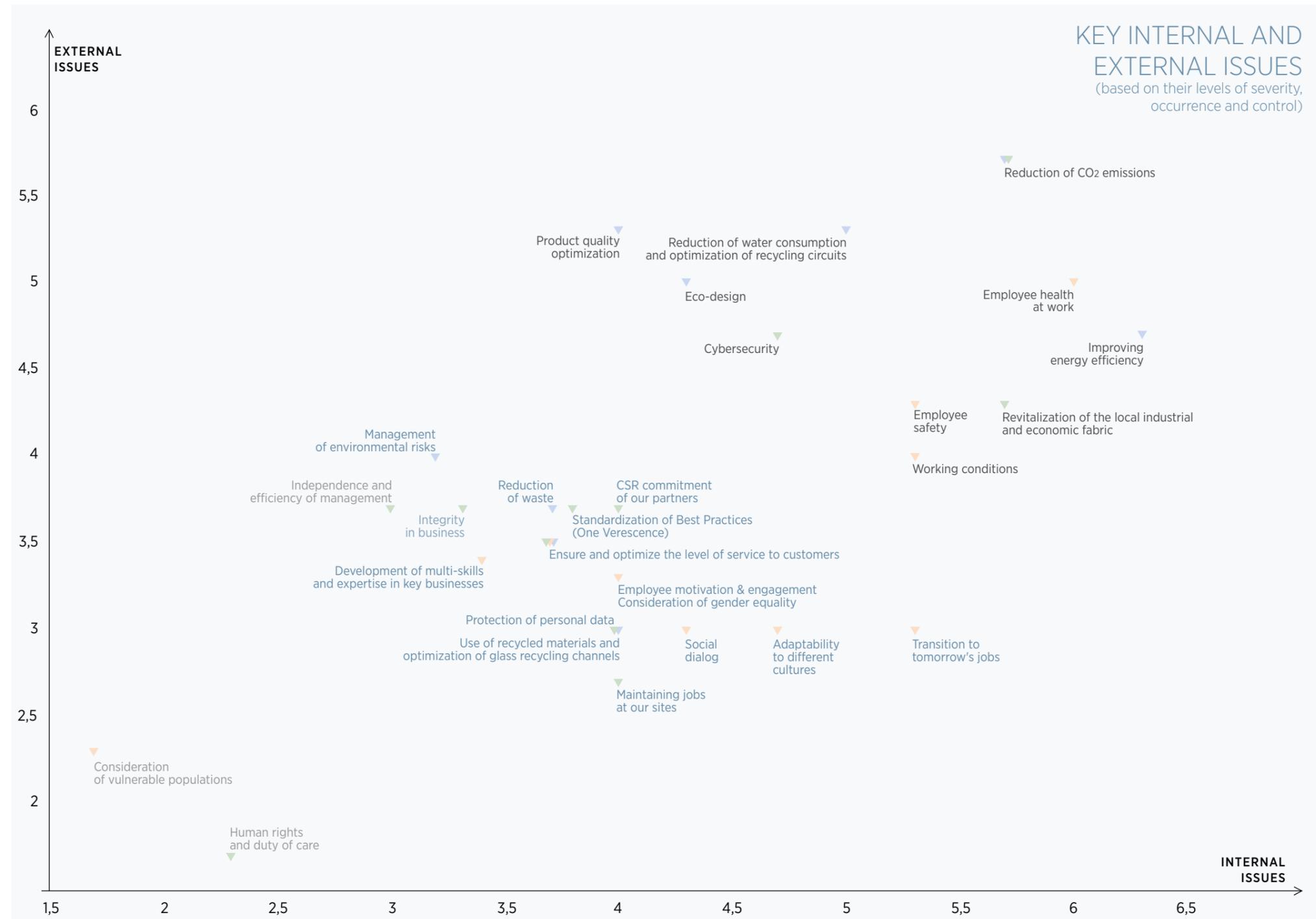
INDUSTRIAL IMPACT
Glass: maintaining performance with a strong increase in production capacity
Decoration:
Lacquering productivity: + 4.3%
Other decoration productivity: + 1%
Changeover time reduction: - 12%

ENVIRONMENTAL IMPACT
- **4,797 tons** of CO2 emissions between 2020 and 2021 (Scope 1 and Scope 2**)
Hydro Lacquer vs. Solvent: **89%**
Waste recycling rate: **89.9%**
CO2 emissions (Scope 1 and 2**): **1.12 tCO2e/tg**
NOx emissions: **1.66 kg/tg**
SOx emissions: **0.64 kg/tg**
Fine particle emissions: **0.06 kg/tg**

RELATIONAL IMPACT
0.79% customer complaints
OTIF (On Time, In Full) = **95%**

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

OUR CSR CHALLENGES



METHODOLOGY NOTE

The risk management system implemented by the Verescence Group is based on the identification and consideration of the main factors likely to have a significant impact on its activities, its financial situation and its image.

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

PEOPLE FIRST

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

Our success and performance are based above all on the women and men who make up Verescence and the attention we pay to their well-being and development. Driven by our values - Passion, Excellence, Respect, Courage - and our corporate culture, we focus our efforts on four priorities for action where we can make a difference: safety, quality of life at work, talent development, and diversity. We have made significant progress in each of these areas in 2021-2022.

2021 IN KEY FIGURES



SAFETY

4.1 TF1 INDEX FOR THE GROUP
2022 OBJECTIVE: <2



WELL-BEING AT WORK AND RECOGNITION

9.3% SHARE OF INVESTMENTS DEDICATED TO IMPROVE WORKING CONDITIONS AND EHS INITIATIVES
2022 OBJECTIVE: 2%



DIVERSITY

33% OF WOMEN IN THE GROUP

29.7% OF WOMEN MANAGERS
2022 OBJECTIVE: >35%

40% OF FEMALE RECRUITS
2022 OBJECTIVE: 50%

90 GENDER EQUALITY INDEX*



SKILLS AND CAREERS

19,734 HOURS OF TRAINING AT OUR GLASS AND FINISHING SCHOOLS

57% OF EMPLOYEES TRAINED
2022 OBJECTIVE: 70%

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

HEALTH & SAFETY

A NEW LOGISTICS CENTER FOR THE LA GRANJA SITE

This new logistics center, positioned outside the production areas, is now the only loading and unloading point in the plant and also includes a waste management area.

Operational since May 2022, this €600,000+ project is accompanied by significant improvements:

- Reduced risk of accidents by reducing truck traffic in our plant by 90%
- Reduced CO₂ emissions by replacing 25% of our conventional diesel forklift fleet with electric forklifts
- Construction of new, quality work spaces for our shipping departments and also for the drivers of our transport providers.



COBOTS TO IMPROVE WORKING CONDITIONS

The Verescence Group has firm goals for reducing the risk of accidents and improving working conditions.

Within these goals in mind, we sought to develop the use of collaborative robots in all our plants.



After a successful first trial in our decoration plant in Spain, we decided to deploy this technology worldwide to limit manual loading operations on our production lines as well as to free up time for our operators in order to improve performance. This program concerns the Verescence Orne and Verescence Some sites in France, as well as our Korean and American sites.



AUTOMATION OF THE INSULATOR ASSEMBLY LINE IN LA GRANJA



As part of our CSR policy, we have invested €600,000 in six automatic robots to reduce the repetitive and non-ergonomic tasks of our employees and free up our employees to manage the performance of the insulator assembly line.

PREVENTING FIRE HAZARDS

In our industry, fire is one of the biggest risks.



We have been working for several years on technologies to rapidly extinguish any fires in our forming machines.

In 2021, the Mers-les-Bains plant was chosen as a pilot site to test a prototype deluge fire protection system. This technology will soon be deployed on all our machines.

WELL-BEING AT WORK & RECOGNITION

NEW OFFICES IN PARIS AND NEW YORK



The consistency of our CSR strategy is brought to light in our new headquarters in Paris, in Puteaux-La Défense. This participatory project was an excellent opportunity to create a comfortable and inspiring work environment that optimizes well-being at work, while increasing efficiency and teamwork.

“**Designed to accommodate hybrid work patterns, this modular space comprises numerous meeting rooms, spaces for sharing and relaxation, and finally a large garden with a micro urban farm.**”

This same philosophy was used to set up our new New York offices, located in the heart of Manhattan and close to our main clients.

VERESCENCE SOMME RENOVATES ITS COMMON SPACES

After much work in the last few years to improve the production areas on our Verescence Somme site, we wanted to provide our employees with high-standard locker rooms.

“**After seven months of work, this project will be completed by mid-2022 and will enhance the quality of life at work for everyone.**”

Next steps to come: the renovation of the break and dining areas.



CSR DAY 2021

Held during the COVID-19 pandemic in a hybrid format, the 2021 edition focused on local initiatives presented to all of our employees in the form of videos.

“**Among the topics covered: eco-design and technical management of energy and waste management.**”

This day of mobilization around Verescence's three CSR pillars was also punctuated by demonstrations at various stands, including fire extinguisher and first aid training and tree planting activities.



SKILLS AND CAREERS

LEAN SPECIALIST TRAINING



Sustainable performance improvement requires the rigorous application of methods and tools that have proven themselves over the years in many companies. This approach has been in place at Verescence for over ten years.

“ To make further progress in this field, we decided in early 2021 to increase the number of our employees capable of carrying out continuous improvement projects independently.

A four-level training program (White / Yellow / Green / Black Lean Specialist) is being deployed with the objective of training 10% of our employees, i.e., more than 300 people. By the end of 2021, 145 people had already been trained.

VERESCENCE DEMONSTRATES A STRONG COMMITMENT TO JUNIOR TALENTS

Driven by our desire to attract the Group’s future talent and to help junior people start their professional careers, Verescence works with engineering schools (ENSIL-ENSCI, UTC, INSA, ICAM, HEI) and technical schools (Lycée du Vimeu in the Somme and Lycée Anguier in Seine-Maritime), hosting an average of more than 40 trainees and 20 work-study students each year at all its French sites.

“ Our international scope also allows us to offer several V.I.E* options within our subsidiaries each year.

*Volontariat International en Entreprise (Volunteer for International Experience)

OUR JUNIOR TALENTS TALK ABOUT THEIR EXPERIENCE



Antoine
Industrial management controller on a V.I.E internship
VERESCENCE NORTH AMERICA

I graduated with a Master’s degree in Finance and Information Systems in the aeronautics sector, and wanted to continue in the international industrial sector. After my first experience as a commercial controller at the Verescence head office, I was eager to develop my skills as an industrial controller on a V.I.E. internship within the Covington, US plant. Since April 2022, I’ve been involved in the financial reporting and monitoring of KPIs for the management of the plant, as well as in the development of dashboards on a business intelligence tool. Working closely with operations in a sector as complex as the glass industry has been an excellent opportunity and a source of motivation for me.



Evane
Continuous Improvement Apprentice
VERESCENCE ORNE

As part of a Master’s degree in Operational Management Innovation and Customer Experience at CESI Caen, I joined the Verescence Orne teams in October 2021. The projects offered by the company were what motivated me, as they were perfectly aligned with my professional ambitions. As an apprentice in continuous improvement, I am required to manage projects across our different pillars and to support the company in its digital transformation, especially with deploying the new MES (Manufacturing Execution System) software, training our employees, etc.



Clothilde
CSR Work-Study Intern
VERESCENCE FRANCE

As part of my CSR master’s degree in environmental management, I wanted to work for a company with an ambitious CSR approach. The sustainability objectives of Verescence fit perfectly with what I was looking for. Since September 2021, I’ve been in charge of supporting the Janghang site (South Korea), recently integrated into the Group, in its deployment of the CSR standard as well as in its extra-financial reporting. I also contribute to Verescence’s reflection on the reduction of its climatic and environmental impact. Working in a company that is committed to the climate challenge is a real source of motivation.



Romain
Quality and Continuous Improvement Engineer on a V.I.E internship
VERESCENCE NORTH AMERICA

As a child, I had the opportunity to live in the United States for a few years. Eager to gain further experience there, this time professional, I started looking for a V.I.E opportunity. Recruited in March 2020, I was finally able to join Verescence, after two years of pandemic, in hopes of developing my technical and managerial skills acquired during my first experience in the aeronautical industry and my General Engineering studies at Arts et Métiers. Reporting to Quality North America, I have the opportunity to work closely with both production sites (glass and decoration) in order to meet customer quality expectations.

SKILLS AND CAREERS

VERESCENCE TRAINING CENTER 'QUALIOP1' CERTIFIED



Since 2017, our Training Center in Mers-les-Bains was 'Datadock' approved, attesting to our ability to deliver training courses fully aligned with defined quality criteria.

In line with our values of high quality, business expertise and commitment to our trainees, we have adapted our quality system to comply with the national quality reference framework (RNQ).

We have been evaluated by a certified accrediting body (BCI France) on "Training actions" and our process was QUALIOP1 certified in January 2022.



CAREER PATHS TO PROMOTE EMPLOYEE DEVELOPMENT AND ADVANCEMENT

For the past few years, Verescence North America has successfully implemented career paths to promote employee development and advancement, and to attract and retain our talent.

These career paths allow us to improve the knowledge and skills of our employees so that they can not only master their current functions but also grow to take on new responsibilities.

It also significantly increases the company's performance with greater employee satisfaction, motivation and engagement. In 2021, Verescence North America offered a total of 11,668 hours of training to its employees.

OUR TALENTS TESTIFY

ERIC STARTED AS A PACKER AT VERESCENCE SOMME IN 2001. IN 2004, HE DECIDED TO SUPPORT VERESCENCE'S DEVELOPMENT IN THE UNITED STATES AS A DECORATION TECHNICIAN WHILE CONTINUING TO EXCHANGE AND TRAIN WITH THE FRENCH TEAMS. IN 2019, HE WAS PROMOTED TO TECHNICAL EXPERT IN SPARTA (GEORGIA) OF THE AUTONOMOUS PRODUCTION UNIT THAT COVERS THE LACQUERING, LABELING, FROSTING AND GLUING PROCESSES.



Eric
Technical expert in decoration
VERESCENCE SPARTA

If you compare the Sparta plant today with what it was in 2003, you can see how far we've come. I am very proud of our technological and pedagogical evolution over the last twenty years. But I'm even prouder to be part of the team that has led the transformation of this site for the past three years. It's a dream come true, after many years of effort. From my beginnings as a decorator at Verescence Somme to today, my passion has remained the same: learning new processes and passing them on. The successes we have achieved over the past three years continue to fuel this passion.

FOCUS ON THE PACKER-SORTER TRAINING MODULE

OBJECTIVE: teach sorting techniques to detect defects on glass bottles/jars

189

JOB SEEKERS AND TRAINED TEMPORARY WORKERS IN 2021

98%

OF TRAINEES SATISFIED WITH THEIR TRAINING

68%

OF TRAINEES IN 5X8 IMMERSION TO DEEPEN THEIR KNOWLEDGE

DIVERSITY

PROMOTING CULTURAL DIVERSITY THROUGH LANGUAGE TRAINING

Our multicultural work environment (France, Spain, United States, Brazil and South Korea) represents a powerful lever for innovation and creativity. Hence the introduction in 2021 of a comprehensive in-company language training program for ten employees of our new South Korean subsidiary who, as part of their duties, are required to communicate regularly with the Group's other production sites.

Every week, three hours of beginner and intermediate English classes are run in our offices, allowing for the progressive build-up of inter-site relations and exchanges.



FEMINIZATION OF INDUSTRY PROFESSIONS

The feminization of the industry's professions is also at the heart of our challenges.

Worldwide, women account for 33% of the Verescence workforce, including in highly operational areas such as production, quality, maintenance, etc.

We are working to attract female profiles and to show that it is possible to have a career in technical professions that have until now been occupied mainly by men, such as IS machine operator or maintenance engineer/technician.

PROFESSIONAL EQUALITY

Verescence pursues a proactive policy of professional equality between women and men at all its sites.

In France, this is reflected in a professional gender equality index that continued to rise in 2021, with particular attention paid to equal pay for equal work, access for women to management positions and coordination of return from maternity leave.

FOUR ENGINEERS FROM VERESCENCE LA GRANJA SHARE THEIR PASSION FOR THE INDUSTRY



Laura
Industrial Engineer
TECHNICAL MANAGER
FOR INSULATORS

Since I was a little girl, my favorite subjects have always been things like mathematics, physical sciences, chemistry, technical drawing, etc. So I didn't hesitate for a second when it came to choosing a major. During my studies, I was always sure that I was doing what I liked best and I never questioned this choice. It was when I entered the job market that the doubts appeared. When you see that most of your colleagues are men, you feel out of place. But I didn't let it get me down and I stepped up my efforts to reach my goals by giving my best. To all the girls who would like to pursue studies in STEM*, I would say: don't limit yourself. Don't be afraid, go for it and you will go far. The solution is within you.



Naipi
Industrial electronic engineering
and automation
ASSEMBLY PREPARATION
AND INSULATORS

I've always loved making things up and doing research. Then I became passionate about physics, technology and engineering, so much so that I now try to pass on that passion to the teenage girls who attend my classes by teaching them that they can accomplish anything they want if they really want to. Greater visibility and prominence must be given to women who have done outstanding work in science, so that girls can look to female role models and see that they are not hindered by any barriers. It doesn't matter if the field they choose to study is occupied by men on the face of it. From the inside, they will find that it's also filled with great women and excellent partners.



Elena,
Graduate in chemistry
QUALITY DIRECTOR

I always knew I wanted to pursue a career in science. I loved how scientific studies solve puzzles and help us better understand the world around us. I encourage all girls who don't know what to study to choose a science degree. Having such degrees will offer them a considerable number of job opportunities. In addition, they will be able to acquire skills that will be useful both in the workplace and in their daily lives. Work hard, fight for your dreams and don't let stereotypes keep you from participating in more technical projects.



Luna
Graduate in physics
HEAD OF
INTERNAL LOGISTICS

I like to understand the origin of phenomena, so it always seemed obvious to me to study in the field of physical sciences. Women have as much to contribute to science as men. The diversity of perspectives and skills they bring to a project helps increase productivity, retain talent and create a better work environment. We are well aware that it's easier for men to enter STEM* fields, so the apprehension of girls who would like to enter this field is quite understandable, but this fear can also motivate them to be better prepared and give them the strength and confidence to reach their goals, whatever they may be.

*Science, Technology, Engineering and Mathematics

ACT FOR SOCIETY

**LOCAL PRESENCE,
GLOBAL STRENGTH**

**PRESERVING EMPLOYMENT
AT OUR SITES**

**SUSTAINABLE
PROCUREMENT**

BUSINESS ETHICS

Our current times require us to act responsibly and to strengthen our commitment to all our stakeholders affected directly or indirectly by the health and economic crisis in order to build our collective resilience. As a corporate citizen, Verescence wishes to contribute positively to the territories in which we live, work and source our products, through the preservation of jobs, sustainable procurement and impeccable business ethics.

2021 IN KEY FIGURES



SUSTAINABLE PROCUREMENT

96.5% OF LOCAL PURCHASES
WE EXCEEDED OUR 2022 TARGET BY 1.5 POINTS

173 MILLION EUROS IN PURCHASES
FROM AN ECOSYSTEM OF 2,452 ACTIVE SUPPLIERS

98% OF THE 113 SUPPLIERS LISTED ON THE VERESCENCE CSR1 PANEL
HAVE SIGNED THE CSR CHARTER
2022 OBJECTIVE: 100%

80% OF ELECTRICITY CONSUMPTION IN SPAIN
FROM RENEWABLE SOURCES
2025 OBJECTIVE: 80% AT GROUP LEVEL



PRESERVING EMPLOYMENT AT OUR SITES

17 NEW PEOPLE ACCOMPANIED
BY VERESCENCE
IN QUALIFYING
TRAINING PATHS, I.E.
63 EMPLOYEES SINCE
THE PROGRAM SET UP
IN 2016



BUSINESS ETHICS

91% OF RISK-EXPOSED
EMPLOYEES TRAINED
ON CORRUPTION RISKS
2022 OBJECTIVE: 100%

695 EMPLOYEES TRAINED
ON CYBERSECURITY

RECOGNIZED AS A
"SUPPLIER ENGAGEMENT
LEADER 2021" BY
THE INTERNATIONAL
ORGANIZATION CDP



OFFICIAL
SPONSOR OF THE
INTERNATIONAL
YEAR OF GLASS



SUSTAINABLE PROCUREMENT

RENEWABLE ENERGY

Since January 1, 2022, 80% of our electricity consumed in Spain is of renewable origin guaranteed by a 10-year PPA¹ contract, which means a reduction of approximately 9,000 tons of CO₂ per year.

Our target, validated by the Science Based Targets initiative is to use 80% renewable electricity by 2025 (i.e. a decrease of 44,523 tons of CO₂ compared to the 2019 baseline).

After the PPA contract of our Spanish subsidiary, we are working as a priority in our countries that do not have very low-carbon electricity like in France: South Korea and the United States.

DECARBONIZATION OF OUR RAW MATERIALS

Soda ash, one of the main raw materials used in glass composition, accounts for 23% of CO₂ emissions in our Scope 3, far ahead of the others.

We want to increase the use of natural soda ash which is around 3 times less emissive than synthetic soda ash.

In addition, we are working with synthetic soda suppliers to validate the decarbonization plans they need to implement in the coming years.

INTRODUCTION OF DYNAMIC KPIS WITH OUR MAIN SUPPLIERS

As a committed company, we have understood for years that we need to work with our entire ecosystem to achieve concrete results and in particular to act on our Scope 3.

We wanted to work with our most impactful suppliers, called CSRI suppliers, as a priority. These cover 62% of our total purchases and 80% of our CO₂ emissions in Scopes 1, 2 and 3.

As part of the Verescence Sustainable Performance System, dynamic KPIS have been defined and put in place with our suppliers.

They aim to fully assess the CSR efforts of our CSRI suppliers committed to a charter that each of them has signed. The review of these dynamic KPIS enriches multi-year action plans involving our partners in a continuous improvement program periodically evaluated in the EcoVadis and CDP ratings.



Hervé SCHRICKE
Procurement Director
VERESCENCE

In a context of high inflation, we ensure fast and effective support in advance for our local suppliers who are mostly SMEs/VSEs, such as our sorting and decoration providers.

DYNAMIC KPIS: OUR SUPPLIERS TESTIFY

SOMOBRESLE MG GROUP Design, production and repair of tools for the industry



Since June 2021, Somobresle has been a certified Silver on the EcoVadis rating platform. As an SME, implementing a structured CSR approach and leading it takes time and energy. Building on the process initiated by Verescence and fully aligning ourselves with the follow-up measures really allowed us to move forward more quickly in our own process and to set up a certain number of indicators. These indicators are monitored during regular meetings with Verescence teams, allowing us to put our own approach into action and to share it with all our partners and suppliers.

TRANSPORTS JMS Transport and logistics



The decarbonization of our transport is part of a comprehensive approach to services offered to our customers, including Verescence. The development of the use of low-carbon alternative fuels should enable us to develop our offer and support our local, long-standing customers from 2022 onwards: combined with our systematic eco-driving training for our drivers, we believe that this is a concrete response to current environmental issues.

SA PARICHE . G Finishing



The steps taken by the Verescence Group allow us to set up and deploy our own CSR actions more quickly and in a structured manner, in a relevant and concrete way. The sharing and support offered should lead us to a global continuous progress approach.

IMPRIMERIE CARRÉ Printing and shaping



Our collaboration with Verescence as part of the CSR process boosts our motivation to find an alternative cardboard material, which will allow us to eliminate the plastic coating, thus improving recyclability, while preserving the technical characteristics of the brace.

¹A Power Purchase Agreement is a long-term contract for the supply of electricity from renewable sources signed between an energy supplier and an energy consumer

LOCAL PRESENCE, GLOBAL STRENGTH

VERESCENCE AT THE GREAT MADE IN FRANCE EXPO



To mark the second edition of the Grande Exposition du Fabriqué en France (Great Made in France Expo) held on July 3 and 4, 2021 at the Elysée Palace, Verescence was honored to be selected among 2,325 applications to present its unique know-how to visitors.

The event showcased 126 products made in France, including Bvlgari's beautiful Allegra bottles made by Verescence thanks to the synergy of the glass and finishing know-how of our three French production sites.

Following the exhibition, Verescence was selected to represent the Normandy region during the Big Tour organized by BPI during the summer of 2021 in order to further promote our business throughout France.

PPE DONATIONS TO SUPPORT THE ISLAND OF LA PALMA

Verescence La Granja wanted to express its solidarity with the people affected by the eruption of the Cumbre Vieja volcano on the island of La Palma (Canary Islands, Spain). As such, our site worked together with the Agrupación de Protección Civil de La Granja de San Ildefonso to collect and ship protective equipment (helmets, gloves, yellow vests and FFP2 masks) to facilitate the work of emergency teams deployed on the island.



2022: INTERNATIONAL YEAR OF GLASS



THE UNITED NATIONS HAS DECLARED 2022 THE "INTERNATIONAL YEAR OF GLASS". A HISTORIC YEAR FOR GLASSMAKERS TO RAISE THE PROFILE OF THIS UNIQUE MATERIAL WITH MANY ASSETS: NATURAL, INERT, AND INFINITELY RECYCLABLE WITHOUT ALTERING ITS PROPERTIES AND AESTHETIC. BY INVESTING MASSIVELY IN THE ENERGY TRANSITION, WE ARE COLLECTIVELY WORKING TO DECARBONIZE THE GLASS INDUSTRY AND MAKE IT MORE ATTRACTIVE TO YOUNGER GENERATIONS.

Verescence is participating in the celebration of the International Year of Glass at all of its sites around the world, notably by taking part in the various communication operations launched by glass federations (conferences, exhibitions, webinars, books, etc.) to raise awareness among the general public on our glass professions and the advantages of glass. We also want to celebrate the pride of our profession with our employees and their families. For example, several open days will be organized at our plants to allow our employees and their families to gage the progress made in terms of sustainable development and Industry 4.0. A year that we will be celebrating at all our sites with the same shared passion for glass.



Inaugural conferences held in France, the United States and Spain with the participation of Verescence General Managers



Creation of a calendar on the theme of the Year of Glass with drawings made by the children of the employees of our Spanish site

PRESERVING EMPLOYMENT AT OUR SITES

FROM STADIUM TO JOB



Since 2019, a new form of support and recruitment action is being tested by Pôle Emploi and the French National Sports Agency.

“From stadium to job” is an event centered on a day of sports “job dating”, combining a morning of sports activities, a friendly lunch where job seekers and recruiters are mixed anonymously, followed by recruitment interviews.

In early 2022, Verescence Somme was able to participate in this event which took place at the Paul Delique stadium in Abbeville and 14 applications were submitted.

TRAINING FOR JOB SEEKERS IN GLASS INDUSTRY PROFESSIONS

Within the framework of a revitalization agreement signed with the DREETS Normandy (regional directorate for the economy, employment, labor and solidarity), Verescence has committed itself to strong involvement in support of employment in the Le Tréport area by launching a specific training action on the knowledge of glass-related professions and expertise. The participants in this action are, as a priority, people who have difficulties in accessing employment due to their lack of qualification or professional network. A first session with 12 participants, facilitated by SEMAFOR and VISEO, was initiated on May 30, 2022. In total, more than 100 people will receive support by the end of 2023.



Xavier BREUVART
Director of Human Resources
VERESCENCE

Our common goal is for each participant to find a job in the glass industry in the Glass Valley, at Verescence or in other structures. Between May 2022 and October 2023, we aim to provide this training to around 100 participants. We are convinced that this action carried out by Verescence will be beneficial for our entire region and will allow the integration of the long-term unemployed.

INDUSTRY WEEK 2021: PROMOTING OUR PROFESSIONS AMONG JUNIOR PEOPLE

As an industrial company, we believe it is essential to contribute to the promotion of industrial jobs, especially among junior people, to make them aware of the innovations and exciting careers offered by this sector.

This is why Verescence participates in Industry Week every year to highlight its professions and transmit to young generations the passion for the beauty of its know-how and for its products.

To mark the 10th edition of Industry Week organized in November 2021, Verescence's three French plants opened their doors to showcase the glass and finishing professions to more than 100 students, teachers, job seekers and employment counselors from the Hauts-de-France and Normandy regions. An opportunity for them to talk with women and men who are passionate about their jobs, to discover our unique know-how and to understand how Verescence is implementing its CSR commitments to contribute positively to the decarbonization of the industry.



Hélène MARCHAND
General Manager France
VERESCENCE

We want to inspire future talent in French industry by showing that our company offers exciting careers, through training and internal and international mobility programs. Innovation is the driving force behind our development, and we invest massively each year in modernizing our production facilities, automating our lines and digitalizing them, with the improved skills of our employees at the heart of our concerns.

BUSINESS ETHICS

VERESCENCE PACIFIC: DEPLOYMENT OF GROUP STANDARDS AND POLICIES

2021 was marked by the integration of Verescence Pacific into the Governance and Compliance principles implemented at Group level, namely the application of the Group's "Limitations of Authority" (LoA) policy and the application of the "Verescence Compliance Pack" including the FCPA policy, the whistleblowing procedure, the code of ethics, and the third-party verification procedure.

All of these rules have been revised to take into account cultural differences while maintaining their integrity. Their application has been the subject of numerous information and explanation meetings with Korean employees.

A centralized IT validation process has been implemented for the creation of any new partner (customers or suppliers). This ensures a high level of internal control in order to comply with Group delegation rules and avoid the risk of fraud (fictitious clients, erroneous bank accounts, etc.).

CYBERSECURITY AWARENESS

As part of its digital transformation plan, Verescence has made cybersecurity a top priority. In 2021, we launched a new training campaign via weekly e-learning modules aimed at involving and empowering employees to deal with risks related to cyber attacks.

A short, fun and engaging format that trained 695 users on the best practices to adopt in business as well as in their daily lives.



Jean-Michel GORAND
Director of Information
Systems
VERESCENCE

While the automation of our processes and robotization allow us to improve our performance, they also inspire us to be more vigilant when it comes to the risks of cyber attacks. Beyond the technical solutions to protect our information systems from malicious intrusions, the involvement and training of our employees is our priority. Everyone must know the right habits and behaviors to adopt to protect themselves from cyber risks.



ECO SOLUTIONS

QUALITY OF SERVICE AND COMPETITIVENESS

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

INNOVATION AND ECO-DESIGN

In order to meet the challenges of the 21st century, we are committed to making our company more competitive while putting it at the service of an ambitious ecological transition. Our actions are aimed at minimizing our impact on the environment by producing better and smarter (Industry 4.0), setting direct and indirect CO2 emission reduction targets in line with the Paris Agreement and based on science, reducing waste to landfill, improving our water management, but also by being resourceful in creating eco-designed products for our customers.

2021 IN KEY FIGURES



INNOVATION AND ECO-DESIGN

+ 112% OF BOTTLES PRODUCED WITH PCR GLASS WORLDWIDE (VS. 2020)

5,035 TONS OF PCR GLASS USED IN OUR FURNACES

+ 18% OF COMMERCIAL OFFERS ACCOMPANIED BY A LIFE CYCLE ANALYSIS (VS. 2020)



OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

1.66 NOx EMISSIONS 15% BELOW REGULATORY THRESHOLDS
KG/TG*

89.9% OF WASTE RECYCLED 2022 OBJECTIVE: 95%

0.64 SOx EMISSIONS 49% BELOW REGULATORY THRESHOLDS
KG/TG*

97% OF RECYCLED WATER 2022 OBJECTIVE: 98%

- 53% WATER WITHDRAWALS BETWEEN 2016 AND 2021

0.06 FINE PARTICLE EMISSIONS 58% BELOW REGULATORY THRESHOLDS
KG/TG*

- 12% CO2 EMISSIONS (SCOPE 1 AND SCOPE 2**) BETWEEN 2016 AND 2021

THE SCIENCE BASED TARGETS INITIATIVE (SBTi) HAS APPROVED VERESCENCE'S DECARBONIZATION PLAN ON SCOPES 1 AND 2 BASED ON A SCENARIO OF LIMITING GLOBAL WARMING TO WELL BELOW 2°C



SCORE **A** WATER SECURITY

SCORE **A-** CLIMATE CHANGE

* tg = metric ton of glass **market-based method

QUALITY OF SERVICE AND COMPETITIVENESS

DIGITIZATION OF OUR OPERATIONS

The Verescence Group has decided to improve the management of the industrial performance of its sites by implementing a latest generation MES (Manufacturing Execution System) software solution that collects all the production data (quality, productivity and yield) in real time. In the search for greater efficiency, this digitalization of the process also allows us to move towards a fully paperless policy.

Initiated in early 2021 at the Verescence Orne site, the project will be rolled out at the Verescence Somme site in 2022, then in Spain and the US in order to harmonize all performance monitoring systems.

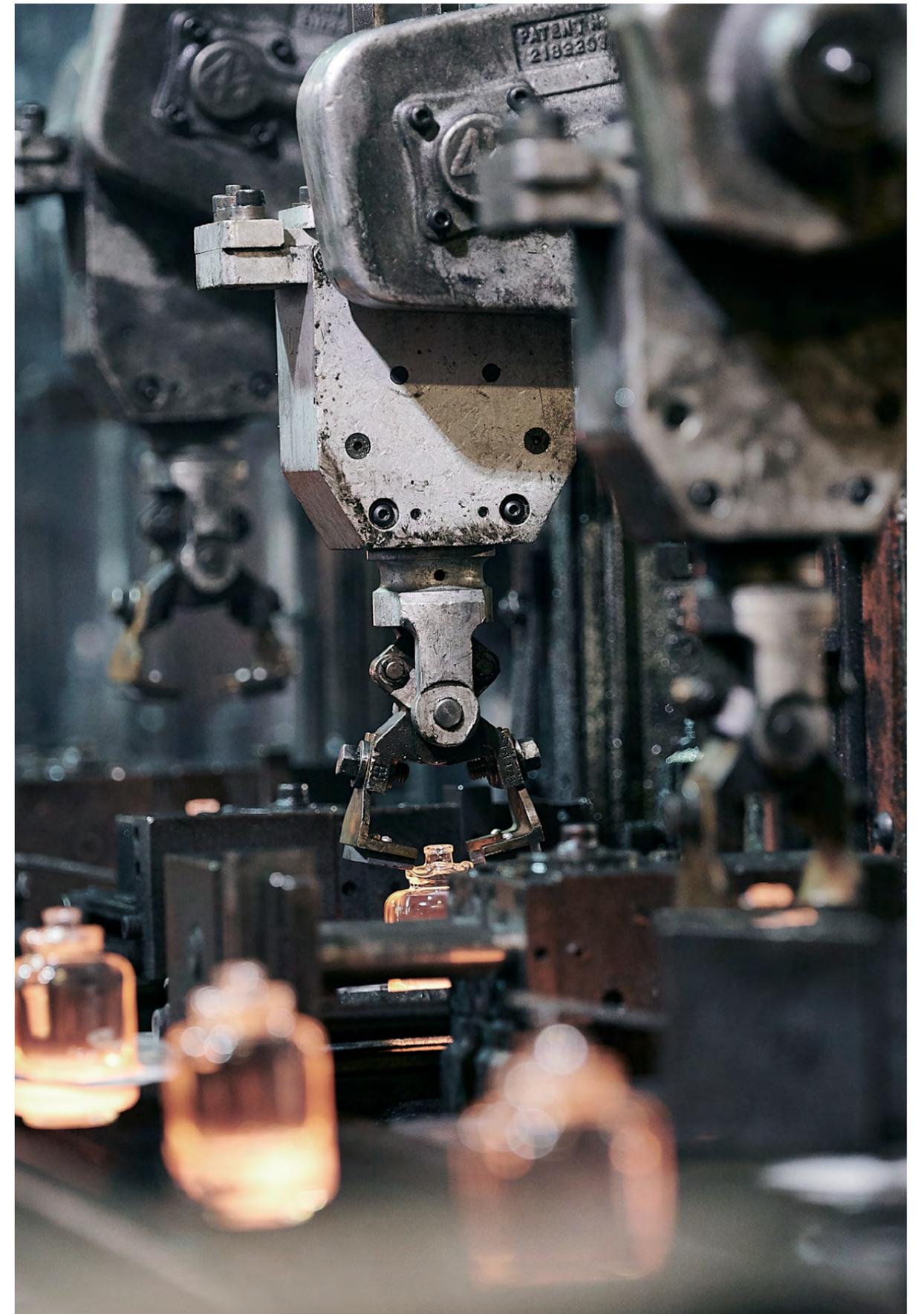
AGILESCENCE

Since the beginning of the health crisis, we have experienced unprecedented market fluctuations and supply chain disruptions. We have had to redirect our actions and in particular our Agilescence project, launched in 2019, in order to best adapt to these unforeseen events and optimize service to our customers.

Thus, the priority in 2021, one shared with our customers, was to anticipate the market recovery as best we could and to redeploy our production capacity.

This fundamental work required us to reopen lines (6 to 13 lines in our Mers-les-Bains plant) and a furnace (shut down in March 2020 and restarted in September 2021), to strengthen our teams by relaunching our recruitments and to organize dozens of training sessions for our new arrivals.

We are working to gain even greater agility through investments to expand capacity and a new Group-wide forecasting and planning tool for 2022-2023.



OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

TOWARDS THE ELECTRIFICATION OF OUR MELTING FURNACES

In line with its long-standing commitment to the climate, Verescence is an industrial partner in the VER-CANE (VERre CARbone NEutre) R&D project, supported by the French Agency for Ecological Transition (ADEME), which aims to identify the different energy sources capable of powering glass production in a sustainable way, including electricity.

Progressive electrification of our seven melting furnaces in France, in Spain, in the US and South Korea, is a key milestone in our decarbonization plan.



François BOIZARD
Technical Director
VERESCENCE

Furnace 1 at the Mers-les-Bains plant will be the Group's first furnace to use electric technology in 2025, reducing our CO2 emissions by 7,640 tons per year. Studies are underway and through this major technological investment, Verescence is continuing to implement the actions of its decarbonization plan.

WASTE

Since 2016, Verescence has rolled out a common waste management strategy across its sites. Thanks to a precise mapping of their waste by category, all the sites regularly share their initiatives aimed at reducing volumes, lowering treatment costs, and increasing recovery by finding innovative recycling channels.

In 2021, the Group reduced its overall waste management costs by 33%.

The pressing of paint sludge on the finishing sites, the sorting and compacting of PE films recycled directly by our partners in the plastics sector and the recovery of hydrocarbons contained in the washing water of our tools are all actions that have led to this excellent result.

WATER

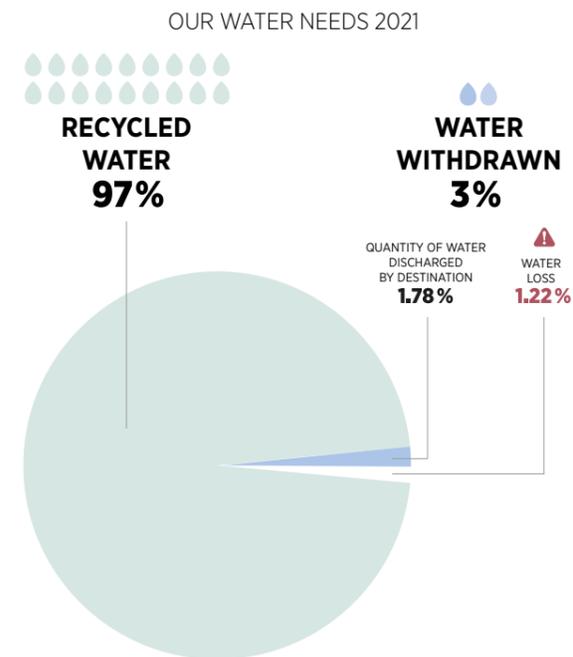
Verescence has made the reduction of its water footprint a strategic issue for all of its operational sites, with the objective of reaching the "Dry Plant" level in the next few years; a plant where 100% of the water used for industrial processes is purified and reused by other processes on the site.

To achieve this, all sites have mapped their water networks (industrial and domestic), and installed meters and other measuring devices at strategic locations to assess the volume of water required for each process, as well as the quantities of water

withdrawn, recycled, discharged and abnormally lost (leakage and evaporation).

In 2021, Verescence reduced its water withdrawals per ton of glass by 53% for the entire Group (vs. 2016).

This rigorous management of our water resources has been rewarded by CDP by placing Verescence on the prestigious A list of the most virtuous companies in this field.



ENERGY/CO2

With a decarbonization plan approved by the Science Based Targets Initiative (SBTi) based on a scenario of limiting global warming to well below 2°C (WB2C), Verescence is committed to reducing its greenhouse gas emissions on scopes 1 and 2 by 31% per ton of glass pulled by 2034 from a 2019 base year, which is equivalent to a 38.7% absolute reduction. To achieve this, Verescence will increase its annual supply of electricity from renewable sources by more than 80% in 2025 (vs. 2019) and will commit all of its sites to

rethinking their production tools to decarbonize their activities and drastically reduce their energy consumption. To that end, the sites are being equipped with measuring equipment capable of providing real-time information on the consumption of their processes and alerting them if the set thresholds are exceeded.

This rigorous energy management system, based on an ISO 50001-certified system, has already been deployed at two of our four glassmaking sites (Mers-les-Bains and La Granja). Since 2016, Verescence has reduced its total energy consumption by approximately 10% per ton of glass drawn, in particular thanks to the installation of LED lighting on our sites, to improvements in the insulation of our furnaces, to the oxygen enrichment of the combustion and to the technology of our burners.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

VERESCENCE FULLY SUPPORTS THE PARIS AGREEMENT ADOPTED ON DECEMBER 12, 2015 AT COP 21 AND ENTERED INTO FORCE ON NOVEMBER 4, 2016.

ITS OBJECTIVE IS TO LIMIT GLOBAL WARMING TO WELL BELOW 2°C, PREFERABLY 1.5°C, COMPARED TO PRE-INDUSTRIAL LEVELS.

TODAY, VERESCENCE IS COMMITTED TO REDOUBLING ITS EFFORTS TO CONVERGE ITS CLIMATE TRANSITION PLAN TOWARDS A 1.5°C TRAJECTORY.

INNOVATION AND ECO-DESIGN

INFINITE GLASS 20: VERESCENCE CREATES A NEW STANDARD FOR THE LUXURY BOTTLE MARKET

Luxury brands' product development practices are evolving towards greater eco-design.

As such, Verescence wants to change industry practices more quickly and has chosen to systematically integrate 20% of recycled glass from post-consumer recycling (PCR) in its furnaces worldwide.

Infinite Glass 20 is replacing extra flint glass and becomes the new standard for the Group. This makes it possible to meet consumer expectations in terms of sustainability, to meet the eco-design objectives of brands, and finally to reduce our energy consumption and greenhouse gas emissions while limiting our impact on natural resources. Launched in September 2021 on our largest French furnace (6 production lines) and on our perfumery furnace in Spain, Infinite Glass 20 will be deployed at the Covington site in the USA at the end of 2022, and at the Janghang site in South Korea in 2023.



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

PCR GLASS USAGE RATES IN THE MANUFACTURE OF INFINITE GLASS 20 AND INFINITE GLASS 40 SOLD RESPECTIVELY EXCEED 20% AND 40% (✓)*.



*Data verified with a reasonable level of assurance by KPMG

LIMITING THE ENVIRONMENTAL IMPACT OF PRODUCTS: OUR CONSULTING SERVICES

We support our customers in the eco-design of their products with several decision support tools developed by Verescence.

LCA TOOL

With the aim of always raising our customers' awareness of the overall environmental impact of their packaging, we offer them the opportunity to assess this impact using our Life Cycle Assessment (LCA) tool, developed in 2017 with the Evea organization.

This tool has been designed to precisely simulate the environmental impact of the production of a bottle on 8 key indicators.

List of indicators:

- CO2 emissions
- soil acidification
- photochemical oxidation of air
- marine eutrophication
- aquatic ecotoxicity
- depletion of mineral and energy resources
- water consumption

This analysis takes into account the steps from extraction of raw materials to delivery of the bottles to the customer, including finishing and transport. Thus, on the basis of several comparative scenarios in which we use hypotheses of reduced weight or incorporation of PCR glass, the customer can choose the option with the least impact on the environment. In 2021, we conducted 107 life cycle assessment studies as part of our commercial offerings, 18% more than in 2020.

RECYCLABILITY STUDY

Glass is a unique packaging material. Composed essentially of sand, soda and lime, it is an inert material that is perfectly healthy for the products it contains and for its environment. Glass is also a unique material that can be recycled an infinite number of times without any deterioration in its properties. However, some finishing processes can hinder the recyclability of glass to a greater or lesser extent, such as opaque lacquering or metallization. That's why, starting in 2019, Verescence has developed a product recyclability scale based on the type of finishing. This tool gives us a clear vision of the recyclability of the bottles at the end of their life so that we can better advise our clients upstream of a project, from the development stage.



3D MODELING

In 2021, Verescence developed a realistic rendering tool that allows us to digitally generate bottles as close as possible to reality and thus limit the industrial prototyping phases that generate scrap and emissions.



INNOVATION AND ECO-DESIGN

VERESCENCE UNVEILS ITS ECO-INNOVATIONS AT THE ÉDITION SPÉCIALE BY LUXE PACK TRADE SHOW

After several postponements due to the COVID-19 pandemic, Verescence participated in the second edition of the Édition Spéciale by LUXE PACK trade show, which took place on August 31 and September 1, 2021 at the Carreau du Temple in Paris. This show is dedicated to eco-designed packaging solutions for luxury markets. Our sales and marketing teams were there to share our latest eco-responsible innovations, such as:

- Our refillable glass jar with a glass refill and aluminum hanging system, offering a 100% recyclable solution
- Our expanded PCR glass offering with Infinite Glass 40 and Infinite Glass 20
- Our best-selling standard models now available up to 39% lighter for the same capacity

Another highlight of the show was the Verescence and Bvlgari conference, where the public was able to go behind the scenes of our collaboration on the Allegra bottle – a perfect example of where design and technology meet in a sustainable way.



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

IT BRINGS TOGETHER ALL OF OUR ECO-RESPONSIBLE OFFERS, INCLUDING INFINITE GLASS, LIGHTWEIGHT GLASS, REFILLABLE BOTTLES AND JARS, AS WELL AS OUR INNOVATIVE GLASS SOLUTIONS AND DECORATIONS SUCH AS INTERIOR SHAPES AND DECORATIONS.

- Reduce
- Reuse
- Recycle
- Replace
- Disrupt

A GIFT BOX THAT IS 100% RECYCLABLE AND REUSABLE

Verescence, Eviosys and Grown.Bio have pooled their expertise to develop an eco-responsible gift box concept.

The box includes the CARA bottles from the Verescence Collection which are made of 20% PCR glass. Equipped with a screw ring, they are refillable and can hold perfume, skincare or makeup, depending on the format. The bottles are placed in a metal box designed by Eviosys which, once emptied of its contents, can be reused, while the insert produced by the biotech Grown.Bio from mycelium is compostable.



Bérangère RAGUENET
Marketing and Communication
Director
VERESCENCE

This collaboration has allowed us to promote the most sustainable packaging options for our customers, as each component of the gift box is either recyclable, reusable, or compostable. We also believe that it can be a source of inspiration for brands in their quest for sustainability progress.

A REFILLABLE BOTTLE FOR LANCÔME ABSOLUE THE SERUM

Launched in 2021, Absolue The Serum from Lancôme (brand of the L'Oréal group) was designed using a sustainable approach. This is the first luxury skincare glass bottle with a glass refill system, a technology patented by Verescence. It includes a molded glass base (containing 40% PCR) designed to be kept by the consumer or recycled at the end of its life, and a removable refill in tubular glass which is also recyclable (Flacopharm). Beyond the particular attention paid to the glass distribution, the challenge was in the precision of the dimensions of the neck – designed with a wide opening – to accommodate the intermediate accessory allowing the refill to be hung inside the bottle. A technical feat that required the glass know-how of our Mers-les-Bains site and the gluing expertise of our Verescence Orne site.



APPENDICES

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CSR DASHBOARD & OBJECTIVES

VERESCENCE MONITORS ITS SUSTAINABLE DEVELOPMENT PERFORMANCE AND HAS SET AMBITIOUS OBJECTIVES FOR 2022.

THE DASHBOARD BELOW GIVES A BRIEF OVERVIEW OF THE GROUP'S PROGRESS WITH RESPECT TO EACH OF THE THREE PILLARS OF THE "GLASS MADE TO LAST" PROGRAM.

DETAILS OF THE FIGURES AND PROGRESS WITH RESPECT TO EACH COMMITMENT ARE GIVEN IN THE MAIN BODY OF THIS REPORT.

PILLAR	SDGs	THEME	KPI	UNIT	2020 RESULTS (√) ¹	2021 OBJECTIVES without Verescence Pacific	2021 RESULTS without Verescence Pacific	2021 RESULTS (√) ¹	2022 OBJECTIVES
PEOPLE FIRST	3, 4, 5	Health & Safety	Lost time accident frequency rate (TFI)	Rate	3.19	2.3	4.10	4.10	<2
		Well-being at work and recognition	Investments allocated to improving working conditions and EHS initiatives vs. Total Investments	%	3.1%	2%	9.81%	9.33%	2%
			Absenteeism rate	%	6.21%	4.5%	7.65%	7.34%	<4%
		Skills and careers	Number of trained employees vs. Number of employees	%	70%	>70%	56%	57%	>70%
			Rate of deployment of career mapping	%	70%	90%	70%	70%	100%
		Diversity	Percentage of female managers	%	29.73%	>35%	29.68%	29.68%	>35%
Percentage of female recruits	%		43.71%	50%	40%	40%	50%		
ACT FOR SOCIETY	8, 10, 11, 16, 17	Local presence, global strength	Local purchases vs. Purchasing volume	%	98%	95%	97%	96.5%	95%
		Preserving employment at our sites	Number of employees enrolled in training courses eligible to obtain a professional qualification certificate or to validate the foundations of professional know-how and skills	Cumulative number	46	50	63	63	55
		Sustainable procurement	Number of suppliers that have signed the CSR Charter vs. Number of suppliers listed on the Verescence CSR 1 panel (suppliers with a significant effect on Verescence's CSR impact)	%	96%	100%	98%	-	100%
		Business Ethics	High-risk employees trained and qualified on corruption risks vs. Total workforce	%	100%	100%	100% (√) ¹	91%	100%
ECO SOLUTIONS	6, 7, 9, 12, 13, 14, 15	Quality of service and competitiveness	On Time In Full delivery rate (OTIF)	%	94.80%	>96%	92.5%	95%	>97%
			Customer complaint rate	%	0.57%	0.70%	0.56% (√) ¹	0.79%	<0.5%
		Innovation and eco-design	Number of commercial offers issued and accompanied by an LCA	Number	91	115	107	107	115
			Annual change in the number of bottles made from post-consumer recycled glass (PCR)	%	+4.5%	+50%/year	+112%	+112%	+50%/year
		Optimizing the environmental impact of our processes	CO ₂ emissions (Scope 1: Direct GHG; Scope 2: Energy Indirect GHG)	t/tg	1.07 ²	1.02	1.02	1.12	1.10
			NO _x emissions for glass manufacturing sites	kg/tg	1.57	1.94	1.70	1.66	1.89
			SO _x emissions for glass manufacturing sites	kg/tg	0.52	1.28	0.65	0.64	1.25
			Fine particle emissions for glass manufacturing sites	kg/tg	0.06	0.137	0.05	0.06	0.134
			Water withdrawal per metric ton of glass	m ³ /tg	2.8	2.8	2.2	2.63	2.5
			Recycled water vs. Water needs	%	97%	97%	97%	97%	98%
Water consumption vs. Water needs	%	1.58%	1.3%	1.18%	1.2%	1.2%			
Total quantity of waste per ton of glass drawn	kg/tg	127	132	134	128	126			
Waste recycling rate	%	87%	95%	90.6%	89.9%	95%			

* tg = metric ton of glass

¹Data verified by KPMG for 2020 and 2021 ²Data reported in 2020: 1.09 with Scope 2 location-based

METHODOLOGY NOTE

ELEMENTS OF METHODOLOGY ON THE PUBLISHED INDICATORS

SCOPE

All entities consolidated by the Group.

EXCLUSION

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

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

	FREQUENCY	INDICATORS	UNIT	DEFINITIONS / CALCULATION
PEOPLE FIRST	Monthly	Lost time accident frequency rate (TFI)	Rate	Lost time accident frequency rate per 1 million hours worked [Sum of lost time accidents (ytd) / Number of hours worked (ytd)] * 1,000,000 Note The frequency rate takes into account VERESCENCE personnel and does not include temporary staff
	Annual	Investments allocated to improving working conditions and HSE initiatives vs. Total Investments	%	[Sum of Investments allocated to improving working conditions and HSE initiatives in K€ / Total CAPEX in K€]*100 Note The investments considered correspond to the budget validated for the year, whether or not the amounts are used in the year in question
	Monthly	Absenteeism rate	%	[Sum of hours of absence (TI) / Sum of theoretical hours worked] * 100 Note The Group's result is the weighted average of the absenteeism rates of the sites in terms of their respective workforce
	Annual	Number of trained employees vs. Number of employees	%	[Sum of employees who have completed training / Sum of employees]*100
	Annual	Rate of deployment of career mapping	%	[Sum of career maps carried out / Sum of career maps to be carried out]*100 Note A career map brings together all the production industries needed for the manufacture of bottles. Each map shows the career paths consisting in the definition of the pre-requisites in terms of qualification, the training methods and the stages to be validated in order to move from one job to another
	Annual	Percentage of female managers	%	[Number of female managers on permanent contracts / Sum of male + female managerial staff]*100 Note This indicator concerns the number of women with socio-professional status likely to be in charge of employees or justify a management position in the company
	Annual	Percentage of female recruits	%	[Sum of female recruits on permanent contracts / Sum of total male + female recruits]*100 Note This indicator only includes recruits on permanent contracts

	FREQUENCY	INDICATORS	UNIT	DEFINITIONS / CALCULATION
ACT FOR SOCIETY	Annual	Local purchases vs. Purchasing volume	%	[Sum of the purchasing turnover realized in the processing country (K€) / sum of the entity's total purchasing turnover (K€)]*100 Note A local purchase is defined by the location of the supplier and the performance of the service, or the source of the supplier's materials as follows:— France and Spain: processing countries + border countries — USA: USA only — Exceptional purchases are not included in this indicator — Exceptional purchases are excluded from this indicator
	Annual	Number of employees enrolled in training courses eligible to obtain a professional qualification certificate or to validate the foundations of professional know-how and skills	Cumulative number	Sum of employees enrolled in training courses eligible to obtain a professional qualification certificate or to validate the foundations of professional know-how and skills Note It is the number of enrolments in these training courses during the year which is considered and counted, whether or not a certificate is issued. Training courses equivalent to these French certificates are taken into account internationally. This number of registrations is accumulated year after year to reach or not the objective set at the deadline
	Annual	Number of suppliers that have signed the CSR Charter vs. Number of suppliers listed on the Verescence CSR 1 panel (suppliers with a significant effect on Verescence's CSR impact)	%	[Number of suppliers that have signed the CSR Charter / Number of suppliers listed on the Verescence CSR 1 panel]*100 Note The indicator for suppliers that have signed the Verescence CSR Charter includes the entire panel of Verescence Group suppliers excluding South Korea (currently being collected and consolidated for publication in the next sustainability report)
	Annual	High-risk employees trained and qualified on corruption risks vs. Total workforce	%	[Sum of the high-risk employees having successfully completed corruption risk training vs. overall number of the population at risk targeted by the training]*100 Note The following people, known as "high-risk employees", are eligible for this type of training: 1) All executive staff worldwide, including various departments (Excom, sales, purchasing, finance, etc.) 2) "Non-executive" populations are included, but are considered at risk given their function, namely the Accounting/Payroll, HR, R&D, Sales Assistants, Purchasing, and anyone in contact with third parties as part of their function 3) Any newcomer falling under 1) or 2) 4) Any employee entering 1), 2) and 3) having a computer and therefore an e-mail address 5) Any employee entering 1), 2), 3) and 4) excluding Verescence Pacific (exposed workforce being identified for a future training session)

	FREQUENCY	INDICATORS	UNIT	DEFINITIONS / CALCULATION
ECO SOLUTIONS	Monthly	Customer complaint rate	%	[Sum of customer complaints accepted / Sum of lots delivered]*100
	Monthly	On Time In Full delivery rate (OTIF)	%	Number of deliveries in time and quantity / Number of deliveries Note A delivery is considered as being "on time" if it is delivered on the date requested in the customer's order. Delivery in full means that there is no difference between the quantities requested and the quantities delivered (+/- thresholds agreed in each region with our customers)
	Annual	Annual change in the number of bottles made from post-consumer recycled glass (PCR)	%	[Sum of bottles produced with PCR glass year n - (n-1) / Sum of glass bottles produced year n - (n-1)] * 100 Note Verescence's PCR glass offer includes Verre Infini® 20 and Verre Infini® 40, incorporating 20% and 40% post-consumer recycled glass respectively (in 2021, France scope only)
	Annual	Minimum PCR glass content in "Infinite Glass 20" and "Infinite Glass 40" sold	%	[(Quantity of PCR glass delivered in year (n) (t) + Change in stock of PCR glass in year (n) vs. Year (n-1) (t)) / (Quantity of Infinite Glass considered good and sent to customers (t))]*100 Note Complies with the definition adopted by FEVE
	Annual	Number of commercial offers issued and accompanied by an LCA	Number	Sum of commercial offers issued with an LCA (life cycle analysis) whether they are lost, won, in progress or abandoned
	Monthly	CO ₂ emissions (Scope 1: Direct GHG; Scope 2: Energy Indirect GHG)	t/tg	Estimated quantity of CO ₂ emissions to produce one metric ton of glass Total quantity of estimated CO ₂ (t CO ₂) / Quantity of glass drawn (t) Note Source of emission factors: GHG Protocol (IEA emission factors of 2011 published in 2014, provided by WRI)
	Annual	Atmospheric emissions (Nox / Sox / fine particles) for glass manufacturing sites	kg/tg	Mass of atmospheric emissions (Nox, Sox or fine particles) in kg for glass manufacturing sites / Quantity of glass drawn (ton)
	Monthly	Waste recycling rate	%	Percentage of recycled, reused or recovered waste [Quantity of recycled, reused or recovered waste (t) / Total quantity of waste (t)]*100
	Monthly	Total quantity of waste per ton of glass drawn	kg/tg	Sum of hazardous waste and non-hazardous waste (kg) / Quantity of glass drawn (t)
	Monthly	Water withdrawal per metric ton of glass	m ³ /tg	Total water extraction at the site for one ton of glass drawn Total quantity of water (m ³) / Quantity of glass drawn (ton)
	Quarterly	Recycled water vs. Water needs	%	Total amount of water that we are able to recycle to meet water needs / Total amount of water that must be brought in to run processes (industrial needs) or to meet domestic needs. [Total recycled water / Total water needs]* 100
	Quarterly	Water consumption vs. Water needs	%	Total losses by leakage or evaporation (withdrawal - discharges) / Total quantity of water that must be supplied to operate the processes (industrial needs) or to meet domestic needs. [Total water consumption (withdrawals - discharges) / Total water needs]* 100

tg = metric ton of glass

CSR INITIATIVES 2021-2022

OUR CONTINUOUS IMPROVEMENT APPROACH IS BASED ON IMPLEMENTING THE VERESCENCE CSR POLICY AT EACH SITE AND SHARING BEST PRACTICES. THE INITIATIVES LISTED ARE NOT EXHAUSTIVE AND ARE CONSTANTLY CHANGING.

Period from 1/1/2021 to 4/30/2022.



2021-2022 INITIATIVES
STANDARDIZED AT
GROUP LEVEL AND
APPLIED AT ALL SITES

OBJECTIVES



HEALTH AND SAFETY

MANAGEMENT

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

WELL-BEING AT WORK AND RECOGNITION

MANAGEMENT

- Organization of expression groups at all sites. These help define and implement actions to improve working conditions and the organization of the activity within the units.
- Sharing of all our CSR initiatives carried out by each site on a collaborative platform structured around our CSR strategy.
- A performance bonus (including safety criteria) is included in the variable remuneration of managers and is awarded each year to ensure that all sites are involved in results improvement.
- Use of next-generation digital tools to enable our employees to carry out

their activities from home (widespread use of Teams, collaborative tools, etc.) and to enable the sites to continue to communicate with each other and with our partners via smart glasses.

RECOGNITION OF PERFORMANCE

- Group process for evaluating the performance of managers via 'People Success': 2 reviews during the year (goal setting and year-end review).

INTERNAL COMMUNICATION

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

SKILLS AND CAREERS

RESOURCE MANAGEMENT HUMAN RESOURCES AND CAREERS

- An HR policy is defined at the Group level and implemented at all

sites responsible for hiring their employees and managing their personnel.

- Internal and international mobility is encouraged when meeting new hiring needs.

EMPLOYEE TRAINING

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

DIVERSITY

MANAGEMENT

- The HR policy is consistent with the ethical charter included in the common provisions (notably the internal regulations in France).
- Encouragement of the feminization of technical and managerial fields in the recruitment and promotion phases.

2021-2022 INITIATIVES BY SITE

VERESCENCE MERS-LES-BAINS France

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Improvement of the tools and materials used for glass forming machines (IS machines), securing of our employees during at-risk operations.
- Reduction of the risk of accidents during lubrication via an automatic lubrication system (deployed on 100% of the machine fleet).
- Improvement of working conditions: refreshing bandanas, nonflammable sweatshirts, polar wool (cold end), installation of fans at all workstations (cold end and hot end), provision of saline water (hot and cold plan).
- New numerically controlled lathe for the molding shop: more automation and fewer manual adjustments.
- Installation of new industrial racks for the mold room: reduced carrying of heavy loads.
- Creation of an automatic packaging line (reduction of MSDs).
- Improvement of the fire defense system for the entire site for the amount of 500,000 euros.
- Installation of a fire detection system on the bagging machine with servo-controls.
- Renewal of the machine fleet IS: ergonomic improvement, enhanced safety.

EMPLOYEE TRAINING

- Training of 33 on-site firefighters on a real fire simulator, operational techniques and "breathing apparatus".
- Training of steering committee and CU/works council in IOP drills: 4 drills per team for our 65 firefighters.
- Training of an OHS trainer.
- Awareness intervention in case of chemical projection (IS/SGP workshops + molding shop).
- Awareness of the risks of fluoridic acid.

- Training in prevention plans and work permits.
- Training of new radiation protection officers.
- Training in the evacuation procedure of the administrative center.
- COVID officer training.
- Full review of the standard for IS machine operation.
- Safety training for new recruits (189 temporary workers, 38 new hires).

MONITORING

- Complete overhaul of the single document for the evaluation of professional risks, incorporating human prevention measures.
- Carrying out safety audits of production lines (using the GoAudits application).

WELL-BEING AT WORK AND RECOGNITION

- Specific working group on IS/SGP service on carrying heavy loads.
- Musculoskeletal disorders (MSD) working group with the cold end.
- Implementation of improved handling of the molds in the molding department.
- Expression groups in the cold end sector (139 people) and molding.
- Accompaniment by a social worker (60% FTE).

SOCIAL DIALOGUE

- Implementation of a job protection plan (68 positions): numerous discussions with the trade unions and elected officials.
- Negotiation of a new profit-sharing agreement for 2022-2024.
- Negotiation of a wage agreement.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Development of partnerships with *grandes écoles* (Lille School of Chemistry, Limoges School of Ceramics and Mechatronics, INSA, etc.) for internship programs.
- Organization of Industry Week to

- present the glass professions (more than 100 students).
- Focus on improving the skills of maintenance personnel (1,064 hours for 20 people).
- Creation of a cold end support position whose main role is to increase the skills of employees.
- Establishment of a cold end dojo to ensure continuous training of personnel and regular review of standards.
- Redesign of our internal training system by optimizing the operational training time on the job (Qualiopi certified).
- 58 employees trained in SPS (Sustainable Performance System): strengthening the methodological skills of our teams around a common One Verescence standard.
- Redesign of internal training modules (cold end line operator, glass controller, hot end operator).

DIVERSITY

- Professional Equality Index W/M 2021 (Verescence France: headquarters and plant in Mers-les-Bains): 91/100.
- Workstation adjustments and discussions with company doctor for temporarily or permanently disabled employees: provision of an electric cart for an employee experiencing mobility difficulties, 3 reclassifications following unfitness.

VERESCENCE ORNE France

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Installation of a system for gripping 25kg bags (reduction of load carrying).
- Study of technical noise reduction solutions at the Lacquering workshop.

- Improved working conditions for sorting stations, lighting control and height adjustment of tables.
- Improved management and monitoring of the consumption of personal protective equipment (PPE).
- Expansion of the electric lift table fleet.
- Installation of cobots (reduction of difficult working conditions).
- Reduction of care following the installation of thin cut resistant gloves and hard hats across the entire site.
- Introduction of validation for temporary workers in the use of electric pallet trucks.

EMPLOYEE TRAINING

- Movements and Postures training.
- Training in stretching and muscle warm-up for certain production lines.

MONITORING

- Use of the GoAudits application for field safety audits.

MANAGEMENT

- Psychosocial risk management plan (PSR).

COMMUNICATION

- Regular CSR awareness-raising: twice-monthly safety and environment message.
- Safety welcome support for newcomers, including temporary workers.

WELL-BEING AT WORK AND RECOGNITION

- Presence of a social worker twice a month and an osteopath two days a month to provide relief for employees exposed to repetitive movements.
- Installation of an air cooling system in the workshops.
- Conducting a satisfaction survey of all employees.
- Implementation of the MES system to lighten the administrative tasks of operators.
- Refurbishment of the sanitary facilities and painting of the locker rooms.

SOCIAL DIALOGUE

- Negotiation of a new profit-sharing agreement for 2022-2024.
- Negotiation of a wage agreement.
- Negotiation of agreements on

- the use of long-term partial activity (LTPA).
- Launching of a Job and Career Management process: numerous discussions with trade unions and elected officials.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Establishment of a career and individual development plan for all employees: implementation of a Job and Career Management agreement.
- Collaboration with local schools: robotic vision license in Flers and BTS Électrotechnique in Condé.

DIVERSITY

- Professional Equality Index W/M 2021: 95/100.
- Raising managers' awareness of the risks of discrimination and harassment.
- Production management is run by a woman.
- The management of an autonomous production unit is run by a woman.
- Integration of 3 Ukrainians in the production staff.

VERESCENCE SOMME France

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Noise assessment measures: personnel exposed to noise equipped with ear muffs and exposed staff equipped with molded protections since 2019.
- Refurbishment of break rooms.
- Creation of new recreational rooms (locker rooms).
- Installation of additional lift tables.
- Installation of 2 pallet dispensers.
- Installation of an industrial paint sludge press (improved working conditions).
- Deployment of LED lighting on the exterior of the plant.
- Revision of pedestrian flows follow-

- ing the construction of the recreational rooms.
- Installation of 3 dock blockers (to secure loading/unloading).
- Introduction of new collaborative robots (cobots).

EMPLOYEE TRAINING

- MSD PRO training.
- Safety training provided to all new hires and temporary workers.
- Harassment officer training.
- Training to prevent PSR for local managers.
- PCS1 training for future retirees.

MONITORING

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

MANAGEMENT

- Fire evacuation drill for a complete plant in operation.
- Deployment of new Workplace Wellness Audits.
- Deployment of a new "BINGO" safety animation based on the identification, centralization and correction of risk situations.

COMMUNICATION

- Distribution and display of safety and environmental messages published twice a month.
- Reception of newcomers via security reception.

WELL-BEING AT WORK AND RECOGNITION

- Presence of a physiotherapist twice a month: 50% extra slots offered to employees.
- Presence of a social worker twice a month.
- Air cooling in APU 5 and deployment in APU 3.
- Deployment of the MES system to lighten the administrative tasks of operators.
- Study of noise exposure to reduce it at the workstation of the lacquering workshop team members.

SOCIAL DIALOGUE

- Negotiation of a new profit-sharing agreement for 2022-2024.
- Negotiation of a wage agreement.
- Negotiation of agreements on

the use of long-term partial activity (LTPA).

- Launching of a Job and Career Management process: numerous discussions with trade unions and elected officials.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Management of skills through the career programs and associated multi-skills table
- Development of partnerships with *grandes écoles* (Lille School of Chemistry, INSA, UTC, etc.) for internship programs.
- Implementation of a Job and Career Management agreement.

EMPLOYEE TRAINING

- Hosting of work-study students and trainees.
- Training on the basics of office automation for volunteer employees.

DIVERSITY

- Professional Equality Index W/M 2021: 84/100.
- 40% women on the management committee.
- The person responsible for hiring has taken "Hiring without discrimination" training.
- Partnership with a vocational rehabilitation center for general maintenance work.
- Collaboration with Humando, Pôle emploi, EPIDE and Mission Locale. (Employment re-integration).

VERESCENCE LA GRANJA Spain

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Measures to continuously improve the ergonomics of workstations.
- Installation of robots at the workstations of the insulator assembly line where ergonomics are the least ideal.

- New method of greasing the IS machines with less risk associated with ergonomics extended to all machinery.
- Compulsory wearing of safety hats in the hot end.

- New handling robot on the insulator flocking line to improve the ergonomics of the workstation.

- Pilot site for the use of collaborative robots (cobots) in the decoration workshop: development of new handling tasks with cobots.

- Annual safety improvements for cold end packaging machines:

- Update of the natural gas pipeline system accident risk assessment methodology.

- Modification of gas lines to avoid any risk of collision with forklifts.

- Storage optimization:

- New signage in the various storage areas.

- Reorganization of the storage of refractory plates.

- Reorganization of the storage of insulators near the plant to reduce transport.

- Construction of new loading docks to improve the safety of logistics operations: vehicle traffic will be safer by reducing truck traffic inside the plant by 90%.

EMPLOYEE TRAINING

- Training of emergency response teams on furnace glass leaks and oxygen leaks.

MONITORING

- Dust level (crystalline silica) and other chemical measurements on the entire site.

MANAGEMENT

- Stretching exercises for the decoration workshop.

- Ongoing benchmarking program with other plants in the Group and other companies.

- Information campaign on the golden rules of safety to be respected on the site.

- Representation of personal protective equipment (PPE) on a dummy by site of injury.

- Inclusion of the Safety team in the Gemba Walks (factory tours) regularly scheduled on the site.

- Implementation of daily rounds

- to monitor plant safety: new safety audits in GoAudits.

- Safety roadmaps focused on behavior and management.

- General review of the risk assessment for the entire plant and activities: involvement of department managers and middle management.

COMMUNICATION

- Weekly safety messages.

- Information board for reporting accidents.

WELL-BEING AT WORK AND RECOGNITION

- Monthly general information meeting with all employees via Teams.

- Health campaign: once a week the company distributes fruits to workers to encourage them to adapt healthy food habits.

- Specific action plan following the 2018 engagement survey.

- Assessment of psychosocial risks as part of individual interviews.

- Launch of a new "suggestion box" application so that employees can make suggestions for improving workstations, safety, quality, etc.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Management of Workers' skills through the career programs and associated multi-skills table.

EMPLOYEE TRAINING

- Official professional diploma for 17 employees.

- Specific training on the use of new automatic machines in the finishing plant.

- Training sales managers in negotiation and leadership techniques.

- Language training.

- Training in management techniques for local managers.

- Implementation of an online training platform for employees, in collaboration with Randstad.

- 3D Studio training: work on designs.

VERESCENCE COVINGTON USA

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Continuous development of the maintenance work order system under Teams. Passage to the CMMS system in Fix with preventive maintenance operations.

- Compulsory wearing of safety hats in the hot end.

- Securing of cullet conveying.

- Repair of the gas valve insulation in the maintenance workshop.

- Installation of additional fire alarms with flashing lights at the hot end to ensure alerts in high noise areas.

- Installation of LED lighting at the hot end of the IS machines and in the basement to avoid incidents due to poor lighting.

- Replacement of all exit and emergency exit lighting with energy-efficient LED bulbs, extending battery life and emergency lighting.

- Installation of robots to pack bottles to reduce repetitive motion injuries.

EMPLOYEE TRAINING

- Quarterly safety footwear check.

- Trainer in charge of welcoming newcomers.

- Deployment of new forklift instructors as part of the "Train the Trainer Program".

- Hiring of a training coordinator to ensure that all employees are properly trained in safety and regulatory compliance.

MONITORING

- Gemba Walks (factory tours) have been added to the GoAudits system.

- Addition in GoAudits of the hot and cold end audits, as well as the 5S audit.

MANAGEMENT

- Safety observation cards for "near misses" to flag potential safety issues.

- Safety efforts were also recognized through the "Pride Incentive".

- Launch of a new HSE audit program.

- Inclusion of the Safety team in the Gemba Walks (factory tours) scheduled twice a week on the site.

COMMUNICATION

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

- Information board for reporting accidents.

WELL-BEING AT WORK AND RECOGNITION

- Organization of a "Health" information day and meetings with a doctor.

- Monthly general information meeting with all employees via Teams.

- Information note of important events sent with pay slips.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Management of Workers' skills through the career programs and associated multi-skills table.

- Posting of career opportunities on all employee information boards.

- Bonus plan to encourage recruitment.

- Wage overhaul for all positions to encourage career progression to qualified positions.

EMPLOYEE TRAINING

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

- Organization of local seminars/lectures according to requirements, particularly on the use of specific medical resources to help in emergencies.

- Technical training for maintenance personnel at a local university.

DIVERSITY

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

VERESCENCE SPARTA USA

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Preventive maintenance program, use of a new CMMS (Computerized Maintenance Management System).

- Renovation of the access doors.

- Project to improve the lacquering lines:

- Improved cooling of bottles as they leave the lacquering lines.

- Control of excess lacquer on the lacquering lines / improved air circulation system: reducing the risk of exposure to lacquer dust to ensure better working conditions.

EMPLOYEE TRAINING

- HSE information distributed to employees on a weekly basis.

- New training and increased staffing for the emergency response team.

- This team has also been certified in a first aid training program.

- Better organization of the emergency response team / central safety committee through the new skills matrix (mandatory for levels 3 and above).

MONITORING

- 100% of the audits and Gemba Walks (factory tours) were conducted via the GoAudits platform.

MANAGEMENT

- Safety observation cards for "near misses" to flag potential safety issues.

- Safety efforts were also recognized through the "Pride Incentive".

- Expansion of Sparta's HSE team with the hiring of a HSE Manager to provide operational management of activities and related projects.

COMMUNICATION

- Improvement of road markings.

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

WELL-BEING AT WORK AND RECOGNITION

- Interactive communication session with employees on working conditions.
- Healthier food choices at the staff canteen.
- HVAC system upgrade in a break room and chiller to reduce heat in the building.
- Prevention campaign for a healthy mindset.
- Repair of the roof.
- Improvement of the HVAC system in the station and the lacquering laboratory.
- Improved packaging for better ergonomics.
- Creation of an outdoor break area with picnic tables to promote employee well-being.
- Redevelopment of the park adjacent to the facility into an outdoor recreation area.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Management of Workers' skills through the career programs and associated multi-skills table.
- Posting of career opportunities on all employee information boards.
- Bonus plan to encourage recruitment.
- Wage overhaul for all positions to encourage career progression to qualified positions.

EMPLOYEE TRAINING

- Offer of online training: e-learning courses on the technical use of software.
- Organization of local seminars/lectures according to requirements, particularly on the use of specific medical resources to help in emergencies.
- Introduction of an evaluation of all temporary workers using the 30-60-90 day method to transition them to full-time positions.

DIVERSITY

- All managers and supervisors have received training on equal employment opportunities, and anti-dis-

crimination and harassment in the workplace.

- Online training on cyber threats.
- Enhanced career development opportunities by advertising job openings internally to promote transparency and equity and to hire the local workforce first.

VERESCENCE PACIFIC South Korea

HEALTH AND SAFETY

IMPROVEMENT IN INFRASTRUCTURE/PPE

- Implementation of a noise protection program and purchase of custom hearing protection equipment to reduce noise exposure.
- Installation of additional lighting in dark areas to prevent accidents.
- Use of a dedicated mold cart and improved mold tongs to facilitate operations.
- Standardization of the lengths of greasing tools, standardization of practices for safe machine operation.
- Adjustment of the workstation height, improvement of anti-skid pads.
- Improved fire safety for re-burning operations.
- Improvements to facilities and equipment to reduce smoke and dust generation.
- Employee health and workplace hygiene are monitored by nurses, hygiene specialists and doctors during regular visits.

EMPLOYEE TRAINING

- Training in emergency situations through simulated disaster situations for each process (fluoric acid leak, glass pouring, work in confined spaces, natural disasters, etc.).
- Joint training with the fire department (mobilization of fire trucks, chemical transport vehicles and emergency vehicles).
- Training on fire prevention measures, such as the use of extinguishing equipment, first aid, patient evacua-

tion and reporting.

MONITORING

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

MANAGEMENT

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

COMMUNICATION

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

WELL-BEING AT WORK AND RECOGNITION

- Creation of a catering committee that meets regularly to ensure the nutritional quality of the meals offered.
- Construction and commissioning of an employee break room.
- Massage chairs available to all employees.
- Use of the suggestion system to create a safe and pleasant working environment.
- Provision of salt tablets to prevent dehydration, drinking water and food supplements.

SKILLS AND CAREERS

CAREER MANAGEMENT

- Setting of personal goals for all employees.
- Employee job descriptions completed in accordance with Verescence criteria.

EMPLOYEE TRAINING

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

DIVERSITY

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



ACT FOR SOCIETY

2021-2022 INITIATIVES STANDARDIZED AT GROUP LEVEL AND APPLIED AT ALL SITES

OBJECTIVES



LOCAL PRESENCE, GLOBAL STRENGTH

MANAGEMENT

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

EQUIPMENT

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

SUSTAINABLE PROCUREMENT

MANAGEMENT

- Deployment of CSR action plans in partnership with our suppliers through dynamic KPIs. All buyers fully assessed on the deployment of dynamic KPIs.

SUPPLIER SELECTION

- Deployment and updating of the ecosystem mapping including CSR aspects.
- OPEXs respond to dynamic KPIs and are committed to improvement.
- Extension of highly weighted CSR criteria in CAPEX invitations to tender

and specifications.

- Deployment of the Purchasing Policy, CSR Policy and Supplier CSR Charter set out by the Group.
- Environmental and social audits on suppliers' sites.

SUSTAINABLE PROCUREMENT

- The finishing plants use gold for some types of decoration. The plants have restricted the number of suppliers to two trusted companies. Their sources are certified and declared through official declarations.
- Verescence maintains a "gold mapping" document that is used to trace the origin of the gold for all of the finishing plants.
- Use of a tool allowing mold needs to be anticipated, which enabled us to buy a greater proportion of our molds locally.
- Implementation of a multi-year action plan with our CSR1 suppliers and various Verescence departments:
 - Systematic review of the 5 pillars (CSR, quality, OTIF, competitiveness and innovation) with our suppliers.
 - Assessment of their maturity by pillar.
 - Definition of actions needed for progress.
- EcoVadis or other recognized organizations CSR1 supplier survey.

BUSINESS ETHICS

COMMON PROVISIONS FOR ALL SITES

- An "FCPA policy" that covers the following subjects: anti-corruption, conflicts of interest, fraud, anti-competitive practices.
- Ethics Code and Code of Conduct for all employees.
- "Cyber security policies and

measures": ISS (Information Security System) policies, internal audits, a Cybersecurity Committee composed of the CEO, CFO, CIO, Head of Cybersecurity and the Chief Legal Officer, which meets twice a year to define and implement the Group's Cybersecurity policy.

- Deployment of a worldwide "Cybersecurity" training program over 2021/2022 involving more than 860 employees to raise awareness against the risks of cyber attacks and/or fraud.
- A "whistleblower procedure" accessible on the Intranet and on www.verescence.com.
- The Compliance Committee, supervised by the CEO, meets every two months and/or when needed to deal with issues related to business ethics, including anti-corruption, conflict of interest (via the deployment of tools such as the whistleblower procedure, the third-party verification procedure, employee training, etc.), limitation of authority (limits on gifts and donations, etc.), the GDPR, and securing IT access, on a Group-wide basis.
- Standard ethical and anti-corruption clause imposed on all Verescence partners (suppliers, customers, service providers, agents, distributors, etc.).
- Third party verification procedure via the "World-Check" database to guarantee the absence of any act of corruption by a potential partner.
- GDPR (General Data Protection Regulation) data processing registry at Group level.
- Safety of information systems & cyber security:
 - (i) Internal / external penetration tests (06/2021) performed by Orange Cyberdefense: assessment of the robustness of the infrastructure to internal and external attacks.

- (ii) DRP (Disaster Recovery Plan) / BRP (Business Recovery Plan): shutdown and recovery tests in the event of the loss of Data Center 1 (December 2021) in order to complete the exercises and simulations carried out in 2018 corresponding to the loss of Data Center 1 (November 2019).
- (iii) Strengthening of network policies and introduction of network segregation (France/Spain).
- (iv) Strengthening of backup strategies: cross-site backups for local data, addition of off-line backups for the Data Center, outsourced Office 365 perimeter backups.
- (v) Creation of a "Head of Cybersecurity" position.
- (vi) Annual renewal of a Cyber/Fraud group insurance policy (April 2022).
- (vii) Implementation of an outsourced SOC at Orange Cyberdefense with deployment of an EDR solution.
- (viii) Password "cracking" campaigns conducted successively in 2020 and 2021; new campaigns scheduled for May 2022.
- (ix) Strengthening of access control via the deployment of a Multi Factor Authentication (MFA) policy.
- Digitization of business processes in line with the "zero paper" strategy and strengthening of compliance control within the Group (eValid, etc.).
- Introduction of a "sensitive positions" recruitment procedure (Finance, Payroll, Purchasing, HR, INPD departments).
- Annual review of banking powers and delegations of powers and signature and update if necessary.
- Global computerized "eValid Gifts & Donations" workflow to control gifts and donations in accor-

dance with the Group's LoA policy.

- Global computerized "eValid New Customer" workflow to (i) track, streamline and centralize all customer creations, (ii) avoid the risk of fictitious customers, and (iii) comply with the LoA policy on payment terms.
- Computerized "eValid Creation/Modification Supplier-Employee bank details change" workflow deployed in France.
- Standardization of supplier payments through a single cash management tool.
- Integration of Verescence Pacific in the Governance and Compliance principles implemented at Group level, accessible on the local Intranet in Korean and English:
 - (i) Application of the Group LoA policy.
 - (ii) Application of the "Verescence Compliance Pack" (FCPA policy, whistleblower procedure, code of ethics, third party verification procedure, IT user charter, etc.).



2021-2022 INITIATIVES BY SITE

VERESCENCE MERS-LES-BAINS France

LOCAL PRESENCE,
GLOBAL STRENGTH

LOCAL OPERATION THROUGH THE CREATION OF CLUSTERS

— Extension of “door-to-door” blank bottle sorting subcontractors.

LOCAL SECTORAL COLLABORATION

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

COLLABORATION WITH LOCAL AUTHORITIES

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

PRESERVING EMPLOYMENT
AT OUR SITES

PRESERVING THE SECTOR'S TRADES

— Verescence Mers-les-Bains is certified as a training organization, allowing for bespoke training adapted to the needs of our staff.
— Continuation of the CQPI for “Hot End” mechanic drivers.
— Implementation of a project to reorganize the company in order to adapt to market changes.
— Hiring of 9 permanent pro contracts in 2021 and 12 pro contracts in 2022.

VERESCENCE ORNE France

LOCAL PRESENCE,
GLOBAL STRENGTH

LOCAL OPERATION THROUGH THE CREATION OF CLUSTERS

— Insourcing of all decorated bottle sorting activities on site.

LOCAL SECTORAL COLLABORATION

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

COLLABORATION WITH LOCAL AUTHORITIES

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

LOCAL PRESENCE AND SOCIAL COMMITMENT

— Organization of an annual blood drive.
— HSE evaluation of subcontractors/suppliers with an impact on QSE aspects.
— Founding member of the Argentan ambassadors association, with the aim of promoting the employment area (this association allowed Verescence Orne to take on some temporary workers from Marelli, which was in a slump due to the electrical components crisis).

PRESERVING EMPLOYMENT
AT OUR SITES

PRESERVING THE SECTOR'S TRADES

— Collaboration with the Verescence Somme site for the

training and support of an employee for the maintenance of the lacquering guns.

VERESCENCE SOMME France

LOCAL PRESENCE,
GLOBAL STRENGTH

LOCAL OPERATION THROUGH THE CREATION OF CLUSTERS

— Insourcing of all decorated bottle sorting activities on site.
— Study of the extension of the sorting center: addition of 4 tables in order to keep some positions in case of production hazards.

LOCAL SECTORAL COLLABORATION

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

COLLABORATION WITH LOCAL AUTHORITIES

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

LOCAL PRESENCE AND SOCIAL COMMITMENT

— Participation in the Employment and Work-Study Training Forum (Amiens and Abbeville).
— Blood drive.
— As part of European Mobility Week and the Enterprise Mobility Plan, participation in the “Faites du Vélo” cycling operation in partnership with LACTINOV.
— Collaboration with Mission Locale and EPIDE to take on individuals in

reintegration.
— Participation in the Mission Locale enterprise club.
— Participation in Industry Week: factory visit with the employment counselors at Pôle Emploi Abbeville and Amiens.
— Sponsorship of a local sports association.
— Visit of the regional prefect, the prefect of the Somme, the departmental councilor and the sub-prefect of Abbeville.
— Interview by local newspapers (Vivre en Somme, Courrier Picard, Journal d'Abbeville).

PRESERVING EMPLOYMENT
AT OUR SITES

PRESERVING THE SECTOR'S TRADES

— Continuation of the CQP “Industrial Equipment Operator” system for lacquering line operators. Project to develop a CQP Industrial Equipment Operator system for decoration line operators.
— Continuation of the CléA diploma system.
— In-house trainer dedicated to core business training.

VERESCENCE LA GRANJA Spain

LOCAL PRESENCE,
GLOBAL STRENGTH

LOCAL OPERATION THROUGH THE CREATION OF CLUSTERS

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

LOCAL SECTORAL COLLABORATION

— Collaboration with the Royal Glass

Museum for training and exchange of best practices on glass.

COLLABORATION WITH LOCAL AUTHORITIES

— Member of several local associations (AMEC, FES, and VIDRIO ESPAÑA).

LOCAL PRESENCE AND SOCIAL COMMITMENT

— Sponsorship of sports activities (local soccer clubs) and cultural activities (Noches Mágicas, Mercado Barroco, Christmas parties, etc.).
— Collaboration with the University of Valladolid Foundation and the University of Madrid.
— Collaboration with public authorities to promote the employment of the local population.
— Opening of the staff canteen to the local population.
— Sponsorship of a student drawing contest on the theme of ecology.
— Collaboration with the island of La Palma after the October 2021 volcanic eruption in the form of safety equipment supplies.

PRESERVING EMPLOYMENT
AT OUR SITES

PRESERVING THE SECTOR'S TRADES

— Government-certified training center authorized to deliver training leading to qualifications for glass trades (Certificado Profesionalidad).

VERESCENCE COVINGTON USA

LOCAL PRESENCE,
GLOBAL STRENGTH

LOCAL OPERATION THROUGH THE CREATION OF CLUSTERS

— Insourcing of 80% of blank bottle sorting activities.
— Development of relationships with local suppliers for packaging.

COLLABORATION WITH LOCAL AUTHORITIES

— Member of the local industrial committee.
— Member of the Local Emergency Planning Committee (LEPC).
— Collaborated with the Newton County Chamber of Commerce to donate meals to Piedmont Newton Hospital employees as part of National Hospital Week.

LOCAL PRESENCE AND SOCIAL COMMITMENT

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

PRESERVING EMPLOYMENT
AT OUR SITES

PRESERVING THE SECTOR'S TRADES

— Greater conversion of temporary workers to permanent workers.
— A 30-60-90 day plan has been put in place for new employees.

VERESCENCE SPARTA USA

LOCAL PRESENCE,
GLOBAL STRENGTH

LOCAL OPERATION THROUGH THE CREATION OF CLUSTERS

— Strengthening the partnership with the current lacquer supplier so that

99% of the lacquer used is locally produced.

- Conclusion of a second partnership with another local lacquer supplier.
- Development of the collaboration with the local tool supplier for high-speed printing machines.

LOCAL PRESENCE AND SOCIAL COMMITMENT

- Extension of the cancer prevention event to cover other forms of cancer.
- “Nutrition” advisory campaign.
- Participation in an event in honor of veterans.

PRESERVING EMPLOYMENT AT OUR SITES

PRESERVING THE SECTOR'S TRADES

- 10% more temporary workers were hired on permanent contracts.
- Establishment of career paths to promote staff retention, skills development and job attractiveness.
- Partnerships with local schools to promote the integration of local youth.
- All employees complete the online ethics training program.

VERESCENCE PACIFIC
South Korea

LOCAL PRESENCE, GLOBAL STRENGTH

LOCAL OPERATION THROUGH THE CREATION OF CLUSTERS

- Local supply of specific materials at the request of customers.
- Installation by a local company of robots for the addition of an automatic printing machine.
- Partnership with a local company for the installation of a brush system coupled with air ionization to ensure a clean surface before lacquering, in order to be in line with the other Verescence sites.

LOCAL SECTORAL COLLABORATION

- Regular meetings to keep up to date with information on the glass industry.

COLLABORATION WITH LOCAL AUTHORITIES

- Participation in the 21st International Ocean Cleanup Day organized by local

and national authorities.

- Organization of coastal clean-up activities in collaboration with local authorities.
- Participation in World Water Day events in partnership with local authorities.

LOCAL PRESENCE AND SOCIAL COMMITMENT

- Organization of a breast cancer prevention event.
- Donation activities for the local community (heating, supplies, scholarships, etc.).
- Cake donations for the families of employees and subcontractors.
- Collaboration with Gongju University on R&D work to produce safer bottles.

PRESERVING EMPLOYMENT AT OUR SITES

PRESERVING THE SECTOR'S TRADES

- Full-time recruitment of contracted CFO (Finance department).



ECO SOLUTIONS

QUALITY OF SERVICE AND COMPETITIVENESS

MANAGEMENT AND ORGANIZATION

- Strengthening of “One Verescence” through the roll-out of the Verescence Sustainable Performance System (VSPS) across the Group, based on a strong continuous improvement approach.

- Management of performance at monthly committee meetings by site and by business line, enabling rapid deployment of best practices.

— All sites are subject to CSR objectives covering the three pillars. Included in their respective budgets, these objectives are the subject of a report and are reviewed during monthly “Business Reviews”. All sites thus actively work to reduce their energy and water consumption and their emissions into the air (CO₂, NO_x, SO_x, VOC, etc.), and are committed to recovering as much of their waste as possible by examining all local recycling solutions. All of this data is collected each month within the HSE network and consolidated on a non-financial reporting platform administered by TENNAXIA

- Monitoring of waste by type and disposal method at all sites: standardization of declarations at all sites.

- Outsourcing of bottle sorting activities on our sites in order to optimize our processes, reduce our delivery times and reduce transportation.

- All Verescence sites are certified in accordance with all of the following standards: ISO 9001, ISO 45001, ISO 14001, ISO 22716 (GMP Cosmetics).

- “Agilecence” project: work on improving our flows allowing our customers to benefit from a premium service enabling them to deliver their

strategic ranges in a maximum of 4 weeks.

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

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

- Each year, Verescence and all of its sites evaluate their performance in terms of climate impacts and water management according to the “CDP Climate Change” and “CDP Water Security” programs. In 2021, Verescence joined the prestigious A-List with an A rating on the “CDP Water Security” and “Supplier Engagement Rating” programs. On the “CDP Climate Change” program, Verescence improved its performance and obtained an A-.

- Verescence joined the Science Based Targets initiative (SBTi) and committed to the “Well-Below 2°C” scenario. The SBTi validation committee reviewed the climate transition plan presented by Verescence and found it to be in compliance with its criteria and recommendations.

- Verescence is rolling out its 2019-2034 decarbonization plan to all of the Group’s plants.

- All plants consuming industrial water are equipped with recycling systems.

- Deployment of a common water management standard and mapping of water supply and discharge for 100% of processes. Verification of certain KPIs related to water management by our ITO: KPMG.

- Verescence is an active participant

2021-2022 INITIATIVES STANDARDIZED AT GROUP LEVEL AND APPLIED AT ALL SITES

OBJECTIVES



in the R&D project “VERCANE” (VERre CARboNEutre), the objective of which is to decarbonize the glass manufacturing process by providing energy solutions capable of supplying production sites in a sustainable manner.

INNOVATION AND ECO-DESIGN

PRODUCT INNOVATIONS

- The Verescence R&D teams, positioned at Group level, are working to systematically improve the environmental impact of the products manufactured at all our sites:

- Growth of Infinite Glass 40: 40% PCR (Post Consumer Recycled = used glass collected for recycling).

- Development of a new composition of recycled glass with 20% PCR.

- Use of water-soluble lacquers instead of 89% solvent-based lacquers.

- Use of organic inks instead of enamels or precious metals.

- Development of lightweight glass: introduction of an average glass weight indicator per container.

- Development of “safety glass” in partnership with the brand What Matters.

- Glassification: replacement of plastic by glass for many projects in new territories (mascara applicators, lipstick, etc.).

- Growth in the production of bottles with screw rings: 86% of the new molds have screw rings facilitating recycling by separability as well as reuse by the consumer.

MEASURING ENVIRONMENTAL IMPACT

- Evolution of the Life Cycle Analysis (LCA) software for Verescence products with the inclusion of Infinite

Glass 20 and Infinite Glass 40. All data specific to Verescence has been updated to take into account our latest improvements impacting the life cycle of our products.

— All sites contribute through their performance to enriching the environmental impact model we have developed using our unique life cycle analysis tool. This tool allows us to compare two bottles and to give our customers an objective opinion for the most eco-responsible choice based on eight impact indicators: Global Warming (CO₂), Acidification, Photochemical Oxidation, Eutrophication, Ecotoxicity, Exhaustion of Mineral Resources, Non-renewable Energy Consumption and Water Consumption.

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

EXTERNAL COMMUNICATION

— Raising the awareness of our customers on the environmental impact of their products during Trends & Innovations presentations.

— Proactively presenting our CSR strategy and decarbonization plan to our clients.

— Solicitation of Verescence to act as an expert on eco-design in partnership with our clients during conferences, training sessions and individual presentations:

→ Verescence's participation at a round table on the assets of Made in France during the French perfumery-cosmetics industry summit.

→ Participation at the "Made in France" Expo at the Elysée Palace to highlight know-how and innovation in luxury bottles.

→ Participation in a conference on innovation and eco-design with BVL-GARI during the Luxe Pack Edition Spéciale trade show.

— Sectoral collaborations to highlight eco-design solutions:

→ Participation in a joint stand with Glass Valley players at the Cosmetic

360 trade show.

→ Participation in the definition of Glass Hallmark Flaconnage under the authority of FEVE.

→ Creation of an eco-responsible gift box with Grown.Bio and Eviosys.

— Development in collaboration with CETIE of a new standard for screw rings (SNI ring: Screw Neck International) allowing interchangeability with crimping rings (FEA), thus meeting market expectations (recyclability/refillability) while maintaining the aesthetic characteristics of luxury brands.



2021-2022 INITIATIVES BY SITE

VERESCENCE MERS-LES-BAINS France

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

ENERGY CONSUMPTION AND REDUCTION OF CO₂ EMISSIONS

— Installation of low energy LED lighting throughout the site.

— Retainment of ISO 50001 certification.

— Search for air leaks on our compressed air network: establishment of a permanent monitoring system.

— Study on the implementation of a variable speed compressor to limit energy consumption.

— Installation of 50 gas meters, 30 water meters and 110 electricity meters and connection of all our electricity meters to our technical energy management and water consumption system and monitoring via dedicated software for water and gas and 10% for electricity.

— Addition of 3% oxygen in furnace 6 to reduce our consumption of natural gas.

— Validation of the waste heat recovery project.

POLLUTION REDUCTION (AIR, WATER, SOIL, EMISSIONS)

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

— Monthly measurements of pollutants in wastewater and search for legionella (monthly reporting to DREAL).

— Deployment of a technical management of energy and water consumption project in order to precisely monitor and analyze the consumption of all equipment (water, gas and electricity).

— Excavation of 100m³ of soil polluted with Boron+B17.

WASTE AND END OF LIFE

— Plastic recycling: collection of our plastics for production of plastic covers and sheaths (secondary raw material).

— Recovery of IT waste (Green IT).

— Full analysis of our waste in costs and volumes.

— Identification and rationalization of all waste streams.

— Integration of all recoverable waste from our subcontractors.

— Reduction of the polluted glass stream by 53%.

— Reduction of the inert waste glass stream by 14%.

— Reduction of approximately 700kg of CIW/month from compactors in 2021.

— Increase in recycled waste by 2% to reach 91.4%.

REDUCED IMPACT ON WATER

— Monitoring of cooling tower consumption and treatment improvement via an automatic biocide feed system.

— Installation of 32 water meters to optimize our consumption.

— Enhanced reliability of the FISA machine to reduce water consumption and decrease our electrochemical waste discharge.

COMMUNICATION

— Posting of notices on each waste sorting station showing the right waste to put in the right garbage can.

— "Glass and Environment" training to raise the awareness of furnace operators regarding the environmental impacts of their profession.

— PCR training for 30 employees (44 hours of training).

VERESCENCE ORNE France

QUALITY OF SERVICE AND COMPETITIVENESS

COMPETITIVENESS

— Introduction of the MES system.

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

ENERGY CONSUMPTION AND REDUCTION OF CO₂ EMISSIONS

— Gradual installation of low energy consumption LEDs across the entire site.

— Commissioning of a variable speed compressor.

— Implementation of a technical management of energy and water consumption system on the site.

— Implementation of actions as part of the decarbonization of production processes: reduction of gas consumption.

— Equipping of a screen printing machine with a UV lamp for Full UV process validation.

— Installation of a UV tunnel.

— Replacement of lehr 7 with an electric lehr.

— Reduction of transport for the treatment of sludge: local treatment.

POLLUTION REDUCTION (AIR, WATER, EMISSIONS)

— Replacement of the line 2 filtration box at the Lacquering APU.

WASTE AND END OF LIFE

— Increase in the selective recovery of waste: recycling of polyethylene plastic films (+600%), PE/PS thermoformed materials (+40%) and wood from broken pallets.

— Reduction of the production of lacquer sludge by a second pressing to reduce the water content.

REDUCED IMPACT ON WATER

- Reuse and recycling of effluents wherever possible: installation of an automatic purge on TAR and reuse of the vacuum pump water as TAR water make-up.
- Improved management of our water footprint by collecting systematic and targeted data on our withdrawals, discharges and needs by process, capable of identifying our consumption and recycling capacities.

VERESCENCE SOMME France

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

**ENERGY CONSUMPTION
AND REDUCTION OF
CO2 EMISSIONS**

- Use of variable speed compressors.
- Installation of low energy consumption LEDs across the site, indoor and outdoor.
- Installation of electric lehrs on new projects.
- Gradual phasing out of enamels in favor of organic inks: firing temperature dropped from 650°C to 150°C.

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

- Elimination of atmospheric discharges by replacing dry filters with closed circuit water curtains.

WASTE AND END OF LIFE

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

REDUCED IMPACT ON WATER

- Reuse and recycling of effluent

on highly water-consuming process (lacquering lines, etc.).

- Installation of additional water meters to monitor and optimize our consumption.
- Monitoring of water withdrawals (subdivisional meters).
- Installation of closed circuit L1 UAP4.
- Improved management of water consumption through systematic and targeted data collection of our water withdrawals, discharges and needs by process, capable of identifying our consumption and recycling capacities.

COMMUNICATION

- Employee awareness-raising on eco-friendly habits (waste sorting, energy, etc.).
- Creation of a new display for all waste.

MANAGEMENT

- Integration of a new HSE Engineer on fixed-term contract to replace the incumbent on maternity leave.

VERESCENCE LA GRANJA Spain

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

**ENERGY CONSUMPTION
AND REDUCTION OF
CO2 EMISSIONS**

- Elimination of external warehouses to reduce transportation of finished products.
- Implementation of a door-to-door bottle sorting system to reduce the internal supply chain of the finishing plant.
- Signature of the renewable energy PPA project aimed at carbon neutrality of our electricity consumption on the site.
- On-site PPA project to generate electricity with solar panels.
- Since 2021, we have been producing a type of glass made from post-consumer cullet (Infinite Glass 20), which

allows us to reduce our consumption of natural raw materials, natural gas and CO2.

- Corporate vehicle strategy: replacement of all fuel vehicles with hybrid vehicles.
- To encourage electromobility, a new electric recharging station has been installed on the site's parking lot.

**REDUCTION OF POLLUTION
(AIR, WATER, EMISSIONS, NOISE)**

- A new noise map and noise reduction study will be completed in 2021.

WASTE AND END OF LIFE

- Better non-recyclable waste sorting and recyclability performance increase for specific waste categories: colored glass, cement, dirty cullet. In 2021, non-recyclable waste decreased by 5%, resulting in a recycling rate of 90.5%.
- Recycling of 100% of the liquid waste produced by the lacquering lines and the waste produced by the tool cleaning machines.
- End-of-life management of glass insulators: LCA report published. Procedure for recycling waste from the production of insulators for customers.
- Set up of a workshop to recover broken pallets and reduce wood waste.
- Installation of a new area reserved for cullet waste in order to better sort colored cullet and dirty insulator cullet, allowing them to be managed as recycling waste.

REDUCED IMPACT ON WATER

- Closed circuit cooling water system.
- Installation of numerous flow meters to measure and manage water consumption more precisely for each process.
- Installation of Parshal channels to measure the plant's water discharges more accurately and control the plant's water consumption (withdrawals and discharges).

COMMUNICATION

- Communication concerning waste sorting.
- Video to educate and train employees on waste management.

MANAGEMENT

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

VERESCENCE COVINGTON United States

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

**ENERGY CONSUMPTION
AND REDUCTION OF
CO2 EMISSIONS**

- Re-certification in the first quarter for annual CO2 emissions.
- Installation of a new fixed gas analyzer to improve the gas/air ratio and burner efficiency in order to reduce gas consumption and CO2 emissions.

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

- Improvement of the dust extraction system in the batch house and furnace fume treatment room.
- Reconstruction of dust collectors.
- Installation of access stairs to water withdrawal sites.
- Measures taken to remove excess vegetation in the two retention basins.
- Annual stack inspection starting in 2022 (not mandated by US regulators). This ensures our compliance and commitment to reducing NOx, SOx and fine particulate emissions. This initiative is part of our company's ongoing global commitment to reduce NOx, SOx and fine particle emissions.
- Replacement of all composition silo vents to improve efficiency and reduce emissions, starting with the aragonite silo.
- Quarterly cleaning of the parking

lot to reduce sediment from the road that could contaminate adjacent properties via runoff.

WASTE AND END OF LIFE

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

REDUCED IMPACT ON WATER

- Water piping enabling the use of recycled water for cullet cooling.
- Installation of numerous water meters to better control the consumption of each process.
- Installation of a tank and pumping system to recycle the water we use to cool the seals of the oxygen production station pumps (representing a saving of 51m³ per day).

COMMUNICATION

- Annual employee training on the environmental issues involved in our activities.

MANAGEMENT

- Confirmation of ISO 140001 certification.
- Efforts to obtaining ISO 50001 certification by the end of 2022.
- Annual audit of the Risk Assessment Department.

VERESCENCE SPARTA United States

QUALITY OF SERVICE AND COMPETITIVENESS

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

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

**ENERGY CONSUMPTION
AND REDUCTION OF
CO2 EMISSIONS**

- Energy audit focused on the use of gas.
- Reduced energy consumption by using organic components instead of ceramics for decorations.
- Measures for reducing energy consumption: 2021, reduction in electricity consumption:
 - Air leak detection and repair.
 - Optimizing the use of lehrs.
 - Replacement of lighting with LED bulbs.

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

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

WASTE AND END OF LIFE

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

REDUCED IMPACT ON WATER

— The wastewater treatment plant has been undergone technical inspection and been refurbished to OEM (Original Equipment Manufacturing) standards.

VERESCENCE PACIFIC

South Korea

QUALITY OF SERVICE AND COMPETITIVENESS

— Visit of the headquarters, comparison of project management procedures.

OPTIMIZING THE ENVIRONMENTAL IMPACT OF OUR PROCESSES

ENERGY CONSUMPTION AND REDUCTION OF CO₂ EMISSIONS

— Improvement of the lighting system to reduce consumption (replacement by LED bulbs, installation of lighting with motion detectors).

— Installation of a turbocharger in the wastewater treatment plant to improve energy efficiency.

→ The biological treatment process implemented in the wastewater treatment plant has reduced electricity consumption by approximately 18%.
→ Average electricity consumption per month from January to August 2021 (34,868 kW).

→ Average electricity consumption per month from September 2021 to March 2022 (28,546 kW).

— Reduced energy consumption through the system's climate control programmer and temperature control.
— Replacement of high efficiency boilers to reduce energy consumption.

POLLUTION REDUCTION (AIR, WATER, EMISSIONS)

— Agreement reached with the Chungnam provincial government to take measures to reduce NO_x emissions and to plant trees in factories.
— Monthly measurement of water and air quality to manage pollutant

emissions.

— Installation of an activated carbon tower in the development room to reduce VOC emissions.

WASTE AND END OF LIFE

— Improved treatment of wastewater plants to reduce the sludge they produce.

→ Wastewater volume increased by 30%, but sludge production decreased by 29%.

→ Wastewater (2020: 75,713 tons; 2021:98,623 tons).

→ Sludge (2020: 523.8 tons; 2021:371.99 tons).

— Reuse of lacquered bottles to reduce glass waste.

→ 30% reduction in glass waste.

→ Glass waste (2020: 403.93 tons; 2021:283.56 tons).

— Improvement of the coating process to reduce the frequency of activated carbon replacement, with a view to reducing the production of activated carbon waste.

→ Replacement frequency (26→19), 30% reduction in activated carbon waste.

→ Activated carbon waste (2020: 126.73 tons; 2021:88.5 tons).

REDUCED IMPACT ON WATER

— Installation of an additional flow meter to control water consumption.

— The old flow meter has been calibrated to improve its accuracy.

COMMUNICATION

— Communication concerning waste sorting and disposal.

MANAGEMENT

— Regular checks.

— Confirmation of ISO 140001 certification.



GRI EQUIVALENCE TABLES

VERESCENCE HAS SET OUT ITS STRATEGY AND REPORTING IN ACCORDANCE WITH THE PRINCIPLES OF THE GRI (GLOBAL REPORTING INITIATIVE) IN ORDER TO ENSURE THE COMPLETENESS OF ITS APPROACH. BELOW, YOU WILL FIND THE EQUIVALENCE TABLE TO ASSESS THE COMPLIANCE OF OUR CSR REPORT WITH THE CORE CRITERIA DEFINED BY THE GRI (CF. GRI-G4).

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

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

NO.	GRI INDICATORS	EQUIV.	SECTION/COMMENTS
	SPECIFIC DISCLOSURES		
20	ECONOMIC		
201	Economic performance		
201-1	Direct economic value generated and distributed	▼	Value chain: financial resources and impacts
204	Procurement practices		
204-1	Proportion of spending on local suppliers	▼	Act for Society: 2020 in key figures
205	Anti-corruption		
205-2	Communication and training on anti-corruption policies and procedures	▼	CSR dashboard and 2022 objectives: Act for Society – Business ethics
30	ENVIRONMENT		
301	Materials		
301-2	Recycled input materials	▼	Eco Solutions: 2020 in key figures
302	Energy		
302-3	Energy intensity	▼	Eco Solutions: optimisation de l'impact environnemental de nos process Chaîne de valeur : capital environnement
302-4	Reduction of energy consumption	▼	Eco Solutions: optimizing the environmental impact of our processes Value chain: environmental assets
303	Water		
303-1	Total water withdrawal by source	▼	Value chain: environmental assets CSR dashboard and 2022 objectives Eco Solutions: optimizing the environmental impact of our processes
305	Emissions		
305-4	Greenhouse gas (GHG) emissions intensity	▼	Value chain: environmental assets CSR dashboard and 2022 objectives Eco Solutions: optimizing the environmental impact of our processes
305-5	Reduction of greenhouse gas (GHG) emissions	▼	Value chain: environmental assets CSR dashboard and 2022 objectives Eco Solutions: optimizing the environmental impact of our processes
306	Effluents and waste		
306-2	Waste by type and disposal method	▼	Value chain: environmental assets CSR dashboard and 2022 objectives Eco Solutions: optimizing the environmental impact of our processes

NO.	GRI INDICATORS	EQUIV.	SECTION/COMMENTS
40	SOCIAL		
401	Employment		
401-1	New employee hires and employee turnover	▼	Value chain: intellectual assets
403	Occupational health and safety		
403-2	Type of injury and rates of injury, occupational diseases, absenteeism, and work-related fatalities	▼	People First: health and safety, Well-being at work and recognition – CSR dashboard and 2022 objectives
404	Training and Education		
404-1	Average hours of training per employee	▼	CSR dashboard and 2022 objectives - People First: skills and careers
404-2	Programs for skills management and programs that assist employees in managing career endings	▼	CSR dashboard and 2022 objectives - People First: skills and careers Act for Society: preserving employment at our sites
405	Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	▼	CSR dashboard and 2022 objectives: People First - Diversity
405-2	Ratio of basic salary and remuneration of women to men	▽	-
407	Freedom of association and collective bargaining		
407-1	Operations and suppliers identified in which the right to collective bargaining may be at risk	▼	CSR dashboard and 2022 objectives: Act for society - Responsible purchasing
413	Local Communities		
413-1	Local community engagement, impact assessments, and development programs	▼	Act for Society: preserving employment on our sites
417	Product and Service Labeling		
417-1	Product and service information and labeling requirements	▼	CSR dashboard and 2022 objectives: Eco Solutions - Innovation and eco-design

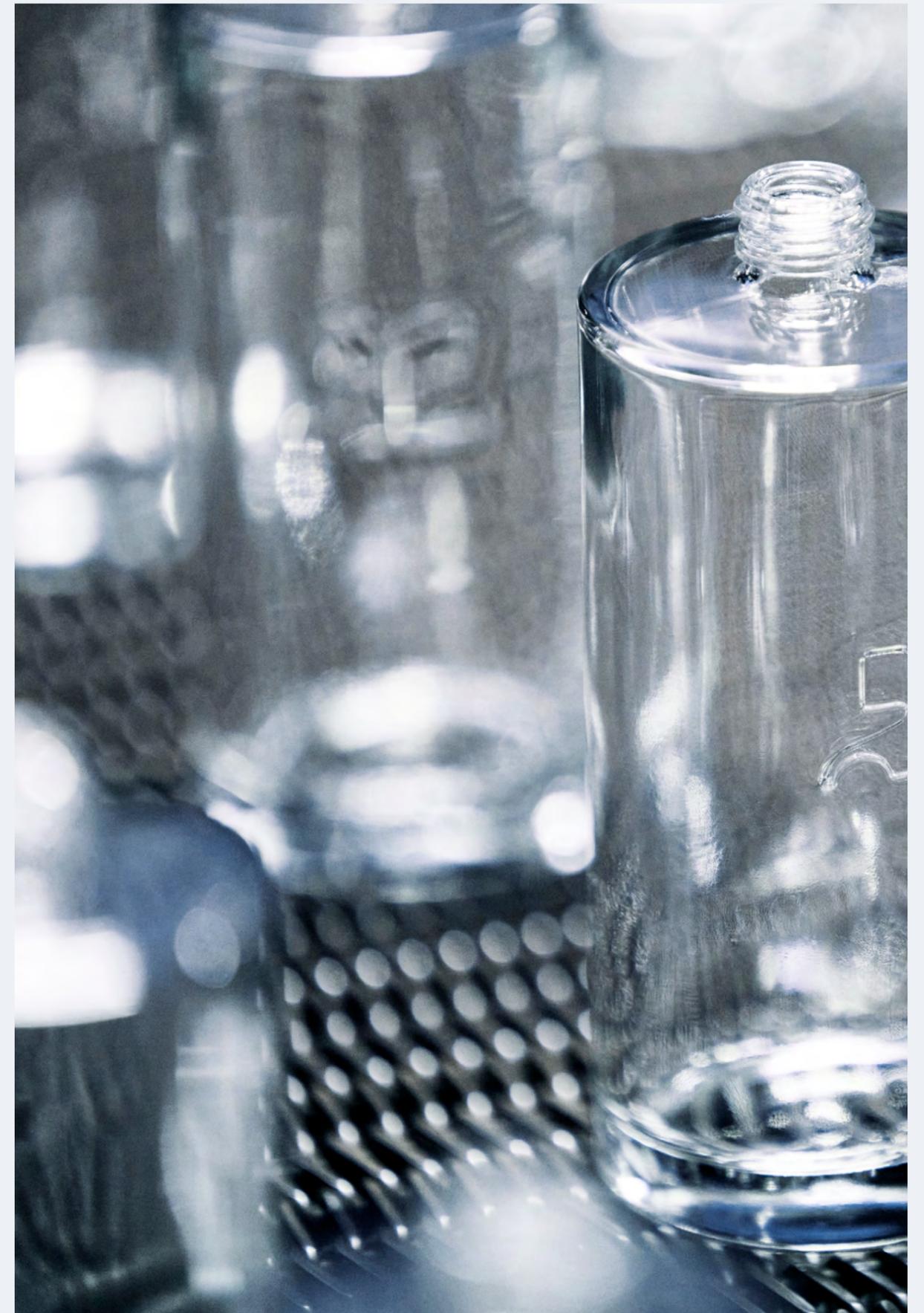
GLOBAL COMPACT EQUIVALENCE TABLE



VERESCENCE HAS JOINED THE GLOBAL COMPACT IN 2018 AND IS COMMITTED TO THE TEN PRINCIPLES. EACH YEAR, THE GROUP ISSUES A COP (COMMUNICATION ON PROGRESS), WHICH IS PUBLISHED ON THE GLOBAL COMPACT WEBSITE.

THIS REPORT CONSTITUTES VERESCENCE'S 2021 COP (2021-2022 DATA).

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



INDEPENDENT THIRD PARTY REPORT (KPMG)

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL STATEMENT. For the year ended 31 December 2021

To the Board of Directors',

In our capacity as Statutory Auditor of your company (hereinafter the "entity") appointed as independent third party, and accredited by the COFRAC under number 3-1049¹, we have undertaken a limited assurance engagement on the historical financial information (actual or extrapolated) of the consolidated non-financial statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended the 31st of December 2021 (hereinafter, respectively, the "Information" and the "Statement"), voluntarily released by the Group pursuant to the requirements of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

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

REASONABLE ASSURANCE CONCLUSION ON A SELECTION OF NON-FINANCIAL INFORMATION

Based on the procedures performed, as set out in the "Nature and scope of our work" and "Nature and scope of additional work on the information selected by the entity and identified by the sign √" sections of this report, and the evidences collected, the information selected by the entity and identified with the symbol √ in the Statement has been prepared, in all material respects, in accordance with the Guidelines.

LIMITED ASSURANCE CONCLUSION

The evidence related to the result of the indicator "Rate of deployment of professional mapping" could not be provided to us within the deadline for validation of the Declaration.

Based on the procedures performed, as set out in the "Nature and scope of our work" section of this report, and the information collected, with the exception of the items described above, nothing has come to our attention that causes us to believe that the Statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

PREPARATION OF THE STATEMENT

The absence of a commonly used

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

Consequently, the Information needs to be read and understood together with the Guidelines, the main elements of which are presented in the Statement (or available on request from the entity's registered office).

INHERENT LIMITATIONS IN PREPARING THE INFORMATION

The Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and the quality of external data used. Some information is sensitive to methodological choices, assumptions and/or estimates used for their preparation and presentation in the Statement.

RESPONSIBILITY OF THE ENTITY

The Board of Directors is responsible for:

- Selecting or establishing suitable criteria for preparing the Information ;
- Preparing a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main extra-financial risks, a presentation of policies applied to mitigate these risks and the outcomes of those policies, including key performance indicators ;

— Implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error. The Statement was prepared by applying the entity's Guidelines as mentioned previously.

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

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- The compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- The fairness of the historical financial information (actual or extrapolated) provided in accordance with Article R.225-105-I(3) and II of the French Commercial Code concerning action plans and policy outcomes, including the key performance indicators on the main risks.

As it is our responsibility to provide an independent conclusion on the Information as prepared by Management, we are not authorised to help prepare said Information, as that could compromise our independence. At the request of the entity and outside of the scope of certification, we may express reasonable assurance that the information selected by the entity, presented in the appendices, and identified by the symbol √ has been prepared, in all material respects,

in accordance with the Guidelines. However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, nor the compliance of products and services with the applicable regulations.

REGULATORY PROVISIONS AND APPLICABLE PROFESSIONAL GUIDANCE

We performed our work described below in accordance with the provisions of Articles A. 225 1 and following of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement and International Standard on Assurance Engagements 3000 (Revised)²

OUR INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) for statutory auditors. Our firm maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with applicable legal, regulatory and ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors relating to this engagement.

MEANS AND RESOURCES

Our work was carried out by a team

of five people between April and July 2022 and took a total of four weeks. We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted some interviews with the people responsible for preparing the Statement.

NATURE AND SCOPE OF OUR WORK

We planned and performed our work to address the areas where we identified that a material misstatement of the Information was likely to arise. We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion:

- We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III;
- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;

¹ Accreditation Cofrac Inspection, number 3-1049, scope available at www.cofrac.fr

² ISAE 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

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

— We referred to documentary sources and conducted interviews to:

- assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;
- corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix. Concerning certain risk³, our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities⁴.

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

— We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;

— For the key performance indicators and other quantitative outcomes that we considered to be the most important, as presented in Appendix, we implemented:

- analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
- tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of

contributing entities and covers 23% of the consolidated data selected for these tests;

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

The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement performed in accordance with the professional guidance issued by the French Institute of Statutory Auditors; a higher level of assurance would have required us to carry out more extensive procedures.

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

With regard to the information selected by the entity, presented in the appendix and identified by the symbol ✓ in the Statement, we conducted the same work as described in the paragraph "Nature and scope of our work" above for the Information considered to be the most important, but in a more in-depth manner, in particular with regard to the number of tests.

The selected sample accounts for between 23% and 100% of the information identified by the symbol ✓.

CONCLUSION

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

Paris-La Défense, on 21 July 2022

KPMG S.A.
Fanny HOULLIOT
 Partner
 Sustainability Services
Philippe CHERQUI
 Partner

Appendix

QUALITATIVE INFORMATION (ACTIONS AND RESULTS) CONSIDERED MOST IMPORTANT

<ul style="list-style-type: none"> — Dispositions for the protection and safety of employees — Skills management and employee training policy — Collective agreements signed in 2021 — Measures taken to promote gender equality and related results — Measures taken to optimise energy consumption and water resources — Certification of the energy management system — Deployment of the Verescence Sustainable Performance System — Innovation and eco-design initiatives — Actions in favour of local economic development — Business ethics systems — CSR criteria considered in contracting with suppliers — GDPR treatment register
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KEY PERFORMANCE INDICATORS AND OTHER QUANTITATIVE RESULTS CONSIDERED MOST IMPORTANT

LEVEL OF ASSURANCE

Key Performance Indicators and Other Quantitative Results Considered Most Important	Level of Assurance
Social indicators	
Lost time accident frequency rate (TFI)	Reasonable
Investments allocated to improving working conditions and EHS initiatives vs. Total Investments	Reasonable
Number of trained employees vs. Number of employees	Reasonable
Number of employees enrolled in training courses eligible to obtain a professional qualification certificate or to validate the foundations of professional know-how and skills	Reasonable
Percentage of female managers	Reasonable
Percentage of female recruits	Reasonable
Absenteeism rate	Moderate
Rate of deployment of career mapping	Moderate
Societal indicators	
High-risk employees trained and qualified on corruption risks vs. Total workforce*	Reasonable
Number of employees trained to cybersecurity	Reasonable
Local purchases vs. Purchasing volume	Reasonable
Number of suppliers that have signed the CSR Charter vs. Number of suppliers listed on the Verescence CSR 1 panel (suppliers with a significant effect on Verescence's CSR impact)*	Reasonable
Customer complaint rate	Reasonable
On Time Full delivery rate (OTIF)	
Minimum PCR glass content in "glass Infini" 40" and "glass Infini" 20" sold	Reasonable
Number of commercial offers issued and accompanied by an LCA	Reasonable
Annual change in the number of bottles made from post-consumer recycled glass (PCR)	Reasonable
Water withdrawal per metric ton of glass	Reasonable
Recycled water vs. Water needs	Reasonable
Water consumption vs. Water needs	Reasonable
CO2 emissions Scope 1 and Scope 2 per ton of glass drawn	Reasonable
Waste recycling rate	Reasonable
Total quantity of waste per ton of glass drawn	Reasonable
NOx emissions for glass manufacturing sites	Reasonable
SOx emissions for glass manufacturing sites	Reasonable
Fine particle emissions for glass manufacturing sites	Reasonable

* For these indicators, data verified excluding Verescence Pacific

³ Employee health at work, Working conditions, Adaptability to different cultures, Social dialogue, Employee motivation and commitment, Improving energy efficiency, Eco-design, Optimizing product quality, Using recycled materials and optimizing glass recycling channels, Cybersecurity, Boosting the local industrial and economic fabric, Business integrity, CSR commitment of our partners, Personal data protection, Ensuring and optimizing the level of customer service

⁴ Verescence Mers-les-Bains (France), La Granja (Spain), Verescence Pacific (Korea)

FOR ALL QUESTIONS RELATING TO
THE INFORMATION CONTAINED IN
THIS REPORT, PLEASE CONTACT:

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MADE OF GLASS AND PASSION.



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