ESG Policy of the Zignago Vetro Group

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1. The Zignago Vetro Group - Introduction

The Zignago Vetro Group (hereafter also the "Group" or "ZV Group"), based in Fossalta di Portogruaro (VE), is a leader in Italy and Europe in the production and marketing of glass containers for an extremely broad and diversified range of sectors, and in particular for Beverages, Food, Cosmetics and Perfumery. The Group's Production Sites are located in Italy, France and Poland.

It is also engaged in the collection and treatment of raw glass, from municipal waste collection, through three plants located throughout Italy and uses recycled glass as its main raw material.

Zignago Vetro is part of an industrial group led by Zignago Holding, a company that operates not only in the glass industry, but also in other sectors, including wine-making and the production of electricity from renewable sources.

In order to integrate the principles of sustainability into its Business Model, the ZV Group has decided to create an ***ESG framework.*** The ESG Policy and the Ethics Code form the cornerstones of this framework, and are designed to promote the principles of legality, fairness, equality and transparency, in addition to those of sustainability.

By establishing consistent policies, the framework also seeks to govern relationships with key stakeholders in order to share and spread these principles, both within the company and externally.

The Zignago Vetro Group has structured its sustainability path as an integrated strategy which combines business growth and financial strength with social and environmental sustainability, creating shared value over the long term. In order to achieve this, it has taken on the global goals identified by international bodies for the protection of the planet and the interests of future generations.

2. Scope and Objectives

The scope of this "ESG Policy" is to present the ZV Group's commitment to:

1. integrate ESG issues into the decision-making processes of the various business functions;
2. promote the acceptance and implementation of ethical and sustainable business with all its stakeholders;
3. provide information on its activities and progress in implementing sustainable business practices;
4. pursuit of long-term sustainable growth and value creation for the benefit of all Stakeholders.

The ZV Group's main ESG goals are as follows:

Environment:

- improvement of key environmental KPI's, and specifically the reduction of GHG emissions, energy consumption, water consumption, and the development of waste management that increasingly supports the circular economy;
- mapping of and dealing with major physical and transitional risks related to climate change;
- requiring suppliers and key stakeholders to comply with its sustainability principles and Ethics Code;
- tie short, medium, and long-term goals to specific, formalised ESG objectives.

Social:

- growth and development of Human Capital;
- workers' safety and health as a focal point;
- continuously increase staff training and development;

- continuous and constant improvement of working environments;
- continuing improvement of ESG sustainability issues, with employee involvement;
- protection of personal differences and development of diversity awareness;
- continuing and constant support for local communities and social activities, financing and supporting the projects and needs put forward by them.

Governance:

- constantly redefine sustainability principles, the role of the Board of Directors, and the allocation of roles and responsibilities in the sustainability area;
- generate and enhance new business opportunities aimed at attracting investors and customers interested in the proper management of ESG issues and opportunities;
- efficiencies and resource savings and limiting exposure to contingent liabilities;
- reduce economic, financial and reputational risks through a thorough understanding of all key non-financial metrics;
- continuously measure ESG impact and mitigation actions, openly and transparently disseminating progress. The ZV Group is committed to using internationally recognised reporting standards to ensure consistent and useful information for investors and other stakeholders.

The Board of Directors in 2019 set up an ESG Committee consisting of some of the Group's most senior Executives, most of whom are members of the Internal Executive Committees, to ensure that all key corporate functions are represented in the management of ESG issues.

The adoption of an ESG Policy definitively confirms the Group's commitment to the creation of sustainable value to benefit every type of stakeholder. It is therefore among the ZV Group's primary commitments. The Group has decided to build a solid ESG framework, communicate its commitment through the annual publication of a sustainability report and, finally, continue to improve its ESG ratings by achieving the objectives it has established.
Consideration of environmental, social and governance (ESG) elements has therefore become a major driver in all of the Group's future decisions and strategies.

3. Application

This Policy applies to all Group companies, and specifically: Zignago Vetro SpA, Zignago Vetro France SaS, Zignago Vetro Polska SA, Zignago Glass Usa Inc, Vetro Revet Srl and Italian Glass Moulds Srl.

Each of the above companies shall operate in accordance with this Policy, without prejudice to the fact that compliance with the national law in force in the country in which the Company operates and European law, where applicable, shall prevail.

The ZV Group is committed to integrating ESG criteria into all its activities and into every corporate function.

4. Governance

ESG governance requires a clear allocation of responsibilities throughout the organisation.

Within the Group, responsibility for the implementation and dissemination of ESG principles is assigned to the following parties:

- **ESG Committee**

  Appointed by the Board of Directors, the ESG Committee defines the ZV Group's ESG policies and strategies, implements them and, through the Chief Executive Officer, provides regular disclosure to the Board of Directors.

  In addition, this Committee is responsible for:

  - defining the degree of relevance of ESG factors that may impact the Company's ordinary business and stakeholders;
  - identifying the corporate functions and their respective responsibilities in achieving ESG objectives;
  - defining medium-term ESG targets and priorities for the entire Group;
  - defining, introducing and monitoring the effective application of and compliance with company policies;
  - defining social responsibility initiatives.

  The current members of the ESG Committee are as follows:

  - Zignago Vetro Group Chief Executive Officer (on the Internal Executive Committee);
  - Zignago Vetro Group General Manager (on the Internal Executive Committee);
  - Group CFO (on the Internal Executive Committee);
  - Group Technical Management (on the Internal Executive Committee);
  - HR Management (on the Internal Executive Committee);
  - Safety, Environment and Quality System Manager (ESG Coordinator);
  - Italy Operations Management (on the Internal Executive Committee)
  - Zignago Vetro France General Manager (on the Internal Executive Committee);
  - Zignago Vetro Polska General Manager (on the Internal Executive Committee).

  Other corporate functions also contribute to the work of the Committee.

  Finally, the work of the Committee is supported by experienced ESG consultants.

- **ESG Coordinator**

  The ESG Coordinator reports to the ZV Group ESG Committee and is responsible for ensuring, supervising and improving the implementation of the ESG policy within the organisation, collecting reports and information provided by the ESG Managers of the individual corporate functions. The ESG Coordinator serves on the ESG Committee.

- **ESG Manager of Individual Corporate Functions**

  An ESG Manager is appointed for each of the main corporate functions. He/she must, within the function itself:

  - encourage the advancement of ESG issues;
  - assess and monitor ESG risks and opportunities during both ordinary and extraordinary operations;
  - promote and monitor the achievement of annual and multi-year ESG objectives within their function, following company guidelines and procedures;
  - report to the ESG Committee on results, progress, and any problems.

  The ESG Manager for each function has been and will be subject to adequate training which will be passed on within the function itself.

It will be the responsibility of the ESG Coordinator to bring all decisions and directives made by the ESG Committee to the attention of each function's ESG Manager, if they are not an integral part of the ESG Committee.

5. Content of regulatory sources

This Policy is guided by the sustainability principles set out by international bodies and institutions such as the European Union, the Organisation for Economic Cooperation and Development, and the United Nations, and takes into account the main ESG regulations. The main international declarations and "agreements" referred to by the Zignago Vetro Group on sustainability issues, in addition to the main regulations with which the ZV Group complies, are presented below.

International declarations and principles

A. 2030 Agenda for Sustainable Development (2030 Agenda)

The Zignago Vetro SpA Group is committed to making a significant contribution to the achievement of the "Sustainable Development Goals" (SDGs) set out in the "2030 Agenda." This document defines the goals to be achieved by 2030.

B. United Nations Global Compact (UNGC) International Agreements and Initiatives

The Group has signed up to the United Nations Global Compact (UNGC), a United Nations initiative with the goal of promoting a culture of corporate social responsibility through the sharing, implementation and dissemination of common principles and values. This initiative resulted in the development of 10 universal principles divided into 4 macro areas:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: Make sure they are not complicit in human rights abuses.

Hard and strenuous work

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour;

Principle 6: The elimination of discrimination in employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility;

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

The Ten Principles of the UNGC stem from:

- the Universal Declaration of Human Rights;
- the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work;
- the Rio Declaration on the Environment and Development;
- the United Nations Convention against Corruption.

The Zignago Vetro Group confirms its support for the principles of the UNGC, in addition to its intention to promote them within the corporate environment and publicly report upon them through the annual "Communication On Progress" (COP).

C. Universal Declaration of Human Rights

This Treaty seeks to set a common ideal for all peoples and regions and in effect drives the regulation of human rights through applicable law. It is a document that enshrines the foundations of freedom, justice and peace in the world.

The Zignago Vetro Group is committed to promoting and respecting the universally recognised human rights, as set out in the Universal Declaration of Human Rights.

D. Paris Agreement on Climate Change

The ZV Group has implemented many of the indications of the Paris Agreement that came into effect on November 4, 2016, and in particular the commitment to continuously reduce CO2 emissions.

The Paris Agreement sets the long-term goal of avoiding dangerous climate change by limiting global warming to well below 2ºC and continuing efforts to limit it to 1.5ºC.

It also aims to strengthen the capacity of the signatory countries (195) to address the impacts of climate change and support them in their efforts.

The Paris Agreement is the first universal and legally binding agreement on climate change, adopted at the Paris Climate Conference (COP21).

E. Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work (ILO):

The declaration approved on June 18, 1998 indicates priority international standards applicable to labour issues deemed fundamental by all countries that are members of the United Nations. Specifically, fundamental rights are enshrined covering a) freedom of association and effective recognition of the right to collective bargaining, b) elimination of all forms of forced or compulsory labour, c) effective abolition of child labour, and d) elimination of discrimination in employment and transmission;

F. Rio Declaration on the Environment and Development:

The Declaration sets out in 27 principles, the rights and obligations of nations, recognising the principles of causation and prevention as fundamental, and defines as prerequisites for sustainable development the fight against poverty, an appropriate population policy, the reduction of unsustainable modes of production and consumption, as well as extensive communication to, and participation of, the population with regard to decision-making processes.

G. United Nations Convention against Corruption:

It came into force internationally on December 14, 2005 and is in fact the only legally binding multilateral treaty against corruption.

H. Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

11 recommendations released in June 2017 by the TCFD, set up in 2015 by the Financial Stability Board (FSB) to guide the private sector in reporting the information needed by investors, lenders, and insurance companies to assess climate-related risks and opportunities.

I. Key International ESG Reporting Standards

GRI, SASB, TCFD, CDP, UNGC, ISO 26000, CDP Water, OECD, PRI.

J. Regulations and standards

In drafting this ESG Policy, laws and major local and international regulations related to the environment, workers' rights and corporate governance have been considered.

6. Implementation

The ZV Group periodically communicates the results achieved in the application of this Sustainability Policy through its Sustainability Report, half-yearly reports, any press releases and any other form of dissemination to be published on the company website or communicated in another form;

At least every six months, the ESG Coordinator updates the ESG Committee regarding the application of this ESG Policy and any proposals for its improvement;

The ZV Group systematically monitors activities and best practice in its target market. Where necessary, the Board of Directors and/or the Control, Risks and Sustainability Committee will make any updates or changes to this ESG Policy, including at the suggestion of the ESG Committee.

Finally, the ZV Group is committed to supporting the process of improvement and diffusion of the principles included in this ESG Policy including through participation in events and activities promoting the integration of ESG factors into business decisions, research and improvement of practices in this field (including through external consultants), promotion of an internal culture through continuous training, and the involvement of its own personnel.

As further proof of this commitment, the ZV Group's ESG Policy also incorporates the decision of the Board of Directors to link a portion of variable salary to specific and formalised ESG objectives, where possible, both for Executives and for some managers and department heads.

7. Approval of the ESG Policy

The Board of Directors approved the ESG Policy on March 12, 2021.

The ZV Group's commitment to environmental, social and corporate governance issues is considered by the company as significant and substantial.

Considering the complexity and the continuous evolution of the market in which it operates, the ZV Group continuously and regularly supervises activities implemented in the ESG area, informing its stakeholders of relevant updates, as part of a process to constantly improve its ESG practices.

Approval of this ESG Policy and its revisions by the Board of Directors forms part of this process.

8. Review

This ESG Policy is subject to a review mechanism that provides for its updating on each occasion that there is a significant change in its contents and in any case at least every two years. The ESG Committee of the Zignago Vetro Group is responsible for the review.