ZIGNAGO VETRO

ZVG GREEN PROCUREMENT POLICY

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Review	Approval Date by ESG Committee	Changes made
0	02/03/2021	First edition
1	13/10/2021	Added Governance and Review sections

1. ZIGNAGO VETRO GROUP - INTRODUCTION

The Zignago Vetro Group (hereinafter also ZVG or the Group), with registered office in Fossalta di Portogruaro, is an Italian and European leader in the production and sale of glass containers.

ZVG 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 addition to Italy, the Zignago Vetro Group is present in France, Poland and the USA.

In order to integrate the principles of sustainability into its Business Model, ZVG 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.

ZVG has built a ***Green Procurement Policy*** in view of its firm commitment to the need and responsibility to purchase products, materials and services that maximise environmental and health protection.

The Group intends to address the purchase of sustainable materials and services both internally and within the scope of the inputs used for its products and their packaging.

The objective of this Policy is three-fold: environmental, social and financial and, above all, seeks to be consistent with circular nature that is a feature of glass and its products.

2. SCOPE, OBJECTIVES AND ADDRESSEES

The scope of this *Green Procurement Policy of* ZVG is, on the one hand, the commitment and availability to purchase products, materials and services that protect the environment and health and, on the other hand, to integrate the relative procedures into its business and all business relationships.

Similarly, the *Green Procurement Policy* also seeks out Best Practices in purchasing sustainable raw materials.

The Group's use of scrap glass as a secondary raw material achieves an important result and is consistent with this Policy. This is obtained in particular through a number of investee companies or subsidiaries involved in the collection and treatment of glass for subsequent reuse. The use of scrap glass as a productive factor brings a significant reduction in CO_2 emissions, lower energy consumption and monetary savings.

Similarly, also in packaging ZVG strives to identify solutions that can improve the sustainability of the product to be delivered to customers, aware that this category of stakeholders is particularly concerned about sustainability and environmental protection.

In particular, the reuse of packaging such as pallets, interlayers, boxes and thermoformed packaging is promoted and extended. In addition, many of the packaging materials used (plastic film, cardboard, wood) are recovered at the plant and sent for subsequent recycling.

Also in terms of energy, ZVG targets the boosting of efficiency, also through ongoing investment in the best available technologies, as well as through the increasing use of clean energy, in various ways, including the installation of photovoltaic panels, the elimination of the use of fuels such as coal and dense oils, in favour of energy from renewable sources.

Finally, also for materials and services to be used internally, the Group seeks to progressively improve its sustainability through the daily use of recyclable products or products made with recycled materials.

The **goals of** adopting ZVG's *Green Procurement Policy* are:

- **A positive impact on the environment**. The purchase of sustainable, recycled and/or recyclable products, materials and services has a positive direct and indirect impact on consumption and emissions and, consequently, on the environment;
- **Improve the health of stakeholders such as employees, customers, and suppliers.** Environmentally sustainable, recycled and/or recyclable products, materials and services generally have a positive impact on health and safety;
- **Engage employees** in order to increase their awareness of the many positive impacts of the favouring of sustainable materials and products;
- **Increase product and process innovation**. The choice of sustainable products often involves the replacing of obsolete technologies and the adoption of new materials;
- **Mitigating *ESG* risks.** By adopting sustainable products and materials, many environmental, social and governance risks are reduced;
- **Improve the reputational aspect**. Amid an increasingly sustainability-sensitive backdrop, the adoption of a Policy focused on procedures that target more sustainable materials and products meets with the approval of stakeholders and of the Global Compact to which the Group has signed up;
- **Improve the business and financial aspect**. In a context marked by increasingly high direct and indirect costs in case of inefficient choices on the sustainability side, the adoption of more sustainable products, materials and services generally turns into a positive return in terms of results.

The **addressees** of ZVG's *Green Procurement Policy* are:

- **Employees**, who should encourage the adoption of policies for the purchasing of increasingly sustainable materials and the protection of health and the environment;
- **Customers**, who benefit from their suppliers' adoption of health-centred and environmentally-friendly products, policies, and procedures;
- **Suppliers**, who benefit from a growing demand from their customers for sustainable products, materials and services;

3. SCOPE OF APPLICATION

This Policy applies to all Group companies, and specifically: Zignago Vetro SpA, Zignago Vetro Brosse SaS, Zignago Vetro Polska SA and Zignago Glass Usa Inc.

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 scope of the *Green Procurement Policy* can also be divided into the:

- Internal scope;
- External scope;

The Internal scope includes all work activities performed by ZVG employees. The products and materials used, through the adoption of specific procedures, should progressively improve their impact by replacing hazardous or non-recyclable materials.

The External scope involves the products and services that ZVG provides to its customers. This Policy encourages the use of scrap glass on the one hand, and the search for more sustainable packaging components on the other.

4. GOVERNANCE

Within the Zignago Vetro Group, the responsibility for the implementation and communication of the principles contained in this Policy is assigned to the members of the Executive Committees of the Group companies, and thereafter to all the managers and heads of every company function, with particular emphasis on the Purchasing function.

5. REVIEW

This 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. Responsibility for its review lies with the Zignago Vetro Group's ESG Committee, consisting of some of the Group's most senior Executives, the majority of whom are members of the Internal Executive Committee, to ensure that all key corporate functions are represented in the management of ESG issues.

Fossalta di Portogruaro, October 13, 2021