

Sustainability Report

2021





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Message of the CEO

2021 was characterized by the continued disruptions brought on by the COVID-19 pandemic as well as the challenges we faced following the fire incident in our commercial refrigeration plant in Romania. We continued focusing on securing the well-being and the health and safety of our employees, as well as, on ensuring business continuity and steering the company successfully in this difficult situation.

Despite the challenges, we made solid progress across all our sustainability pillars and ambitious commitments. We won for the fifth consecutive year a distinctive Platinum rating from EcoVadis, a leading CSR rating agency. This recognition is highly valued by our stakeholders. The award represents the recognition of our responsible business practices in relation to Environment, Labor, Fair Business Practices and Sustainable Procurement, and places us in the top 1% of all suppliers assessed by their global platform.

Since 2017, we measure our performance based on the most updated sustainability guidelines released by the Global Reporting Initiative (GRI Standards) in combination with UN Sustainable Development Goals (SDGs). Throughout the years, we have enhanced our sustainability reporting in each of our four core pillars, as defined through our materiality analysis – Marketplace, Environment, Workplace and Community.

In Marketplace, we launched the new ICOOL 2.0 and Max product ranges in Europe that offer significant commercial and sustainability benefits to our customers. In Asia we also launched new products to strengthen our market position and expand our customer base, penetrating further the evolving white market.

Among our key priorities, serving our customers on-time and –quality was ensured by transferring production from Romania to Russia plant, targeting to maintain business to the maximum possible extent uninterrupted. In parallel, our teams and suppliers worked together to tackle the challenges from continuing pandemic as well as secure availability of raw materials in our plant in Russia. Ongoing product standardization through and component outsourcing projects, together with procurement related initiatives, helped these efforts while also improving manufacturing efficiencies.

Frigoserve delivered a resilient performance, establishing a new entity in Switzerland and expanding our cooperation with more partners across Europe. Augmented Reality technology deployment in all countries increased customer satisfaction and improved our efficiency. The launch of this tool allowed us to be closer to our customers and technicians even from distance, reducing business travels and related emissions while protecting Frigoglass people.

Within our responsible procurement and supplier assessment process we continued working together with our key strategic suppliers to help them engage in completing and improving their annual reviews through an online program that monitors social and environmental performance.

In Environment, in Cool business our emissions and energy intensity indices saw an increase compared to last year, which is related to the exceptional circumstances created by COVID-19 and the fire incident in Romania. We expect however intensity indices to improve as we are recovering from the effects of COVID-19 and rebuilding our Romania plant up to the highest energy and operational efficiency standards. In Glass, both intensity indices increased as a result of a very unstable energy supply during the year, which increased the use of Diesel versus other sustainable energy sources. Our recent installation of Liquefied Natural Gas (LNG) tanks that was completed at the beginning of 2022 will be used for uninterrupted furnace combustion and better control of such energy supply fluctuations in the future.

In Workplace, we maintained special attention to providing a healthy and safe working environment against the pandemic.

As a responsible corporate citizen, we have a long-standing tradition in supporting local communities. During last year, our contribution through coolers and other critical supplies and infrastructure developments for the health centers has been of great value. Building on our strong relationship we have with the Timisoara municipality and community we decided to rebuild our Romania plant in the same location, while investing in more sustainable and environmental-friendly design and technology.

In our workforce we maintain a global rate of above 90% of our people being of local origin and we also annually increase the contribution of local to our worldwide suppliers base. We remain dedicated on leveraging the Sustainability concepts throughout all the aspects of our company and therefore we initiated this year the development of our Science Based Targets plan to support both our customers and our own Net Zero strategy.

Nikos Mamoulis
Chief Executive Officer

About this report

Sustainability is central to our business strategy and is firmly embedded in our corporate strategy, operations and products. We communicate our approach on sustainability, progress and achievements through our annual sustainability report.

Frigoglass’ sustainability report has been prepared in accordance with GRI Standards, Core approach, covering the organisation’s performance for 2021. Adhering to the GRI Standards ensures that the contents of the report are relevant, consistent and comparable.

Our sustainability report describes our purpose, our focus areas and the actions taken for accomplishing our goals.

The scope of this report covers all operations and sites over which Frigoglass has operational control, such as manufacturing facilities and sales offices, as well as subsidiary companies (unless stated otherwise).

Due to the fire incident in Romania there was operation seize for the biggest part of the year. Therefore in this report of 2021 the Romania site will not be considered in the “Environment” chapter.

Frigoglass is an advanced level signatory to the UN Global Compact (UNGC) and we align our reporting to the criteria set by it.

This report constitutes the company’s Communication on Progress to the ten principles of the UN Global Compact.

Primary audiences for this report are our customers, investors, business partners, current and potential employees, our suppliers and the communities in which we operate.

Process for defining report contents

The development of the report was carried out by our sustainability team in collaboration with all departments, which jointly shaped the content of this report.

The process for defining the report content consisted of establishing the main pillars of sustainable development and the issues associated with them, prioritizing the identified issues considering both our strategy and our stakeholder’s perspective, as well as defining Key Performance Indicators (KPIs) and targets linked to those issues.

During the preparation of the sustainability report, we have adhered to the four GRI principles for defining report content: materiality, stakeholder inclusiveness, sustainability context and completeness.

Input was provided through continuous engagement of the involved departments in all our operations, which assessed and validated the outcomes of each phase. Final validation and approval of the content was provided by the Frigoglass Management.

In an effort to demonstrate transparency, metrics regarding our energy consumption and carbon emissions have been verified by a third party (TUV Hellas). The specific verified metrics are indicated in the GRI index at the end of this report.

Other metrics which have not been subject to third party assurance, have been verified through standard internal audits procedure.

We constantly try to improve our sustainability reporting process through wider engagement of departments and stakeholders and the deeper exploration of the impact of our operations.

This is Frigoglass’ sixth sustainability report, disclosing performance for the year 2021.

This report has been prepared in accordance with the GRI Standards: Core option.

It also constitutes the company’s Communication on Progress to the UN Global Compact.





About Frigoglass

Frigoglass is a leading producer of Ice-Cold Merchandisers (ICMs) globally and a leading supplier of high quality glass containers and complementary packaging products in West Africa. We are a strategic partner of the global beverage brands throughout the world. Through our close collaboration, we help them realize their market activation strategies, from conception and development of new, customized ICMs and glass packaging solutions, to a full portfolio of after-sales customer service for their cold-drink equipment.

We manufacture and sell ICMs that are strategic merchandizing tools for our customers, serving not only to chill their products, but also as retail space that drives immediate consumption, brand enhancement, enabling increased market penetration and profitability.

Through Frigoserve, we offer an integrated solution for logistics, warehousing, spare parts and refurbishment for Frigoglass and third-party cold-drink equipment such as ICMs, fountains, draughts, vending machines and dispensers. Our extensive network of after-sales customer service representatives serves beverage companies in more than 100 countries.

In our Glass business, we manufacture and sell glass bottles, glass containers, plastic crates and metal crowns. Our products include a broad range of glass bottles and other containers in a variety of shapes, sizes, colors and weights to offer solutions to a wide range of customers operating in the soft drinks, beer, food, spirits, cosmetics and pharmaceutical industries. We are the only glass container producer in Nigeria with multiple furnaces, enabling us to produce all three colors of glass containers concurrently and in separate facilities without risk of contamination.

As a global company with more than 3,000 employees worldwide, Frigoglass is fully committed to applying a strict code of business conduct to all employees as well as complying with local laws and regulations.

In our organization, we believe that ethical management is not only a tool for responding to the rapidly changing global market, but also a vehicle for building trust with our various stakeholders, including customers, shareholders, suppliers, employees and the society.



Our values

With a strong focus on our customers – beverage companies all around the world – the Frigoglass team is inspired by a set of core values:

The Frigoglass TREE of Values

TEAMWORK

**We win together,
we are part of one global team**

- ✓ We foster a positive and collaborative workplace that supports continuous learning and encourages feedback culture.
- ✓ We respect and trust each other and we value cross-functional partnerships to achieve results.
- ✓ We value our people by investing in personal development, recognizing accomplishments and empowering them to be the best they can.

We never...

- quit sharing ideas and information
- disrespect each other
- stop caring for our people

RESPONSIBILITY

**We honor our commitments,
we care for the world where we operate**

- ✓ We're committed to our responsibilities towards our shareholders, employees, customers and suppliers.
- ✓ We make a difference to the people living in the communities we operate.
- ✓ We value the environment we live in and we continuously improve our environmental performance.

We never...

- say one thing and do another
- commit without following through, every time
- act without considering environmental implications

ETHOS

**We act ethically,
we lead by example**

- ✓ We do what is right and we uphold the highest standards of integrity in all of our actions.
- ✓ We are authentic, open and true to ourselves and to others.
- ✓ We foster inclusion and value diverse cultures, backgrounds, approaches and points of view.

We never...

- fail to speak out when it is the right thing to do
- compromise our code of ethics
- stop respecting backgrounds when different from own

EXCELLENCE

**We strive for excellence
in everything we do**

- ✓ We think and act as owners, we put our hearts into what we do and we take pride in the quality of our work.
- ✓ We are a performance-driven company committed to creating sustainable value for our stakeholders.
- ✓ We make it simple for our customers to do business with us.

We never...

- stop raising the bar
- accept poor performance
- sacrifice quality for convenience



Where we operate



Commercial Refrigeration Europe

Production plants and sales offices

- Russia
- Romania

Sales and service offices

- Greece
- Germany
- Norway
- Poland
- Hungary
- Cyprus
- Switzerland

Commercial Refrigeration Asia & Africa

Production plants and sales offices

- India
- Indonesia
- South Africa

Sales and service offices

- Kenya
- Nigeria

Glass

Production plants¹ and sales offices

- Nigeria

¹ We operate two glass plants (with a total of three furnaces), two plastic crates facilities (for returnable glass bottles) and one metal crowns plant.

2021 financial highlights

Sales (€m)

384.2

2020: 333.2

278,5
105,7

250,8
82,4

EBITDA¹ (€m)

49.2

2020: 42.2

20,5
28,8

21,2
21,0

EBITDA¹ margin (%)

12.8%

2020: 12.7%

7,4%
27,2%

8,5%
25,4%

EBIT (€m)

30.9

2020: 20.9

10,1
20,8

7,6
13,3

EBIT margin (%)

8.0%

2020: 6.3%

3,6%
19,6%

3,0%
16,2%

Net Profit (€m)

-5.6

2020: -15.8

-15,2
9,5

-28,7
12,9

Adjusted FCF¹ (€m)

10.5

2020: 18.0

Capex¹ (€m)

14.1

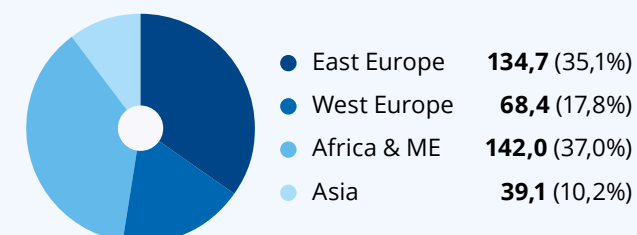
2020: 14.1

5,2
8,9

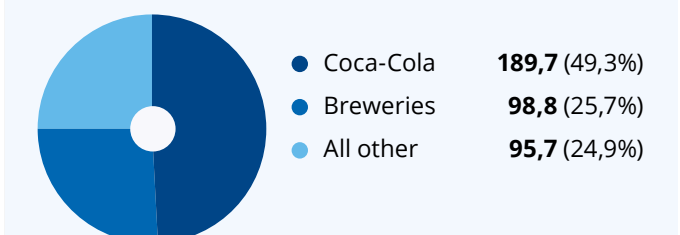
5,9
8,2

Commercial Refrigeration | Glass

2021 Group sales by geography



2021 Group sales by customer group



In the context of adopting high corporate governance standards, FRIGOGLASS S.A.I.C. has adopted the Hellenic Code of Corporate Governance of SEV (edition of June 2021), by virtue of the decision of the Board of Directors of the Company dated 17.7.2021 replacing the corporate governance code that was in force until that day, which had been drafted and implemented by the Company. The adoption of the Code is an obligation of the Company arising from article 17 of Law 4706 / 2020, which entered into force on 17.7.2021.

The purpose of the Code is to set out the best practices in corporate governance, to facilitate transparency in communication with shareholders and to continuously improve the corporate framework for the Company's operations and competitiveness. The Code is also intended to lay down the methods by which the Company will operate and to establish administrative rules and procedures governing the relations between the administration, the Board of Directors, the shareholders and other parties associated with and affected by actions implemented by the Company's decision-making bodies. The Code is publicly available on the Company's website www.frigoglass.com/corporate-governance.

The purpose of applying the Code of Business Conduct and Ethics is, inter alia, to shape a framework for business operations consistent with the principles and rules of morality and transparency, to ensure compliance with international commercial law and the law applicable in the states where the Company is active, to maintain high-level services and products, to improve the Company's profitability, to develop an environmentally friendly operating framework and to safeguard human rights through granting of equal rights and avoiding discriminatory treatment of all parties associated with the Company. The Code of Business Conduct and Ethics is available on the Company's website

Board of Directors		
Our Board has responsibility for dealing with the Company's affairs exclusively in the interest of the Company and its shareholders within the existing regulatory framework. The Board's main responsibilities are: • setting the Company's long-term goals; • making all strategic decisions; • making available all required resources for the achievement of the Company's strategic goals; • appointing top executive management.		
Chairman • a non-executive member, responsible for every affair relating to the operations of the Board of Directors and with the overall supervision of its activities; • promotes the spirit of culture and the constructive dialogue during the work of the Board of Directors, the establishment of good relations between the members while ensuring that the members of the Board of Directors understand satisfactorily the Shareholders' opinion and communicate effectively with them;	Chief Executive Officer (CEO) • is responsible for the company's normal and efficient operation, according to the strategic goals, the business plans and the action program that have been determined by the Board of Directors	Corporate Secretary • ensures the participation of newly appointed members in the induction and training procedures that have been adopted for overall supervision of the Company's compliance with any statutory and regulatory requirements; • is responsible for the overall supervision of the Company's compliance with any statutory and regulatory requirements; • oversees the convention and holding of Annual General Meetings, according to the Company's Articles of Association; • ensures the smooth exchange of information between the Board of Directors and its various committees as well as the Company's senior executives; • ensures the immediate, clear and complete information of the Board of Directors;

Corporate governance

Frigoglass Committees		
Audit Committee	Human Resources, Remuneration and Nomination Committee	Investment committee
The Audit Committee has amongst others the following responsibilities: - reviews the effectiveness of the Company's corporate governance and internal control systems - monitors the effective operation of the internal audit, quality insurance and risk management systems - monitors the course of the statutory audit of the annual and consolidated financial statements and is informed by management and the statutory auditor during the preparation and audit of the financial statements. Chairman: George Samothrakis Third Party (non-member of the Board of Directors) and Independent Member: Dr. Zulikat Wuraola Abiola Independent, non-executive Board member Member: Stephen Bentley Independent, non-executive Board member All of the above members have sufficient knowledge and hold substantial past experience in senior financial positions and other comparable experience in corporate activities.	The duties of the Human Resources, Remuneration and Nomination Committee are amongst others to: - provide its assent for the recruitment or the replacement of the members of the Senior Management of the Company, which assist the Chief Executive Officer of the Company. - review and submit proposals to the Board of Directors regarding the total amount of the annual remuneration and benefits of the Senior Management of the Company. - establish the principles of the human resources policy of the Company, which shall guide the decisions and actions of the management. - establish the principles of the social corporate responsibility policies of the Company Chairman: Iordanis Aivazis Independent / Non-executive member Member: George Pavlos Leventis Non-executive member Member: Ioannis Costopoulos Independent / Non-executive member	The duties of the Investment Committee are amongst others to: - recommend to the Board the Company's strategy and business development initiatives - evaluate and suggest to the Board new proposals for investments and/or Company expansion according to the defined strategy of the Company - evaluate and suggest to the Board opportunities for business development and expansion through acquisitions and/or strategic partnerships Chairman: Haralambos (Harry) G. David Non-executive member Member: Nikolaos Mamoulis Executive member Member: Filippos Kosteletos Independent / Non-executive member
Internal audit		
The Internal Audit Unit is an independent function which is responsible to inform the Audit Committee and the Board of Directors regarding the adequacy and effectiveness of the IAS. The Internal Audit Unit provides independent and objective assurance and advice to the management and the Board of Directors on the adequacy and effectiveness of the Corporate Governance framework and risk management, provides support in achieving organizational objectives and promotes a culture of continuous improvement. The Internal Audit Unit reports to the Board of Directors instances of impairment to its independence and objectivity, and implements relevant controls as required.		

Board of Directors

Board of Directors

- Haralambos (Harry) G. David**
Chairman of the Board of Directors, non-executive member of the Board
- George Pavlos Leventis**
Vice chairman, non-executive member of the Board
- Nikolaos Mamoulis**
CEO, executive member of the Board of Directors
- Ioannis Costopoulos**
Independent non executive member of the Board
- Stephen Graham Bentley**
Independent non executive member of the Board
- Iordanis Aivazis**
Independent non executive member of the Board
- Filippos Kosteletos**
Independent non executive member of the Board
- Dr. Zulikat Wuraola Abiola**
Independent non executive member of the Board
- Kathleen Verelst**
Independent non executive member of the Board

Management Committee

- Nikolaos Mamoulis**
Chief Executive Officer
- Nick Evangelou**
ICM Division Director
- Darren Bennett-Voci**
Glass Division Director
- Costas Dintsios**
Frigoserve Director
- Emmanouil Metaxakis**
Chief Financial Officer
- Emmanouil Souliotis**
Group Human Resources Director

Certified auditors

PricewaterhouseCoopers
268 Kifissias Avenue,
152 32 Halandri,
Athens, Greece

Legal advisors

Theodore Rakintzis
Kyriakides-Georgopoulos, Law Firm

Our approach to sustainability

At Frigoglass, sustainability is fully embedded in our business model, culture and strategy and is integral to how we run our business.

Our sustainability strategy is underpinned by a set of guiding principles; in specific, upholding high professional standards, being transparent, trusted and fair, fostering a culture of partnership and collaboration, valuing the long-term relationships with our customers and suppliers, and leading by example to create a more sustainable future.

Starting in 2022 and in conjunction with our SBTi plan we engage in closer collaboration with our partners and customers to develop and implement specific projects to promote sustainability in various areas of common interest and mutual impact.

We approach sustainability and corporate social responsibility focusing our efforts and resources on four, complementary and mutually supported areas:

Marketplace, Environment, Workplace and Community.

Our commitment to Net Zero

This year marks a significant milestone in our sustainability journey, since it is the year we set our **commitment to Net Zero**. Through this commitment we set an ambitious plan to drastically reduce the carbon emissions from all stages of our value chain in the near-term, until 2030, and ultimately reach Net Zero in the long-term, by 2050.

Aligning our sustainability approach to the SDGs

In 2015, the UN developed 17 goals 'to transform our world, to end poverty, protect the planet, and ensure prosperity for all' agreed upon and signed by the 193 UN member states.

The SDGs articulate the world's most pressing environmental, social and economic issues, and also provide a universal framework that businesses can use to improve their performance on sustainable development.

In short, making the SDGs a success is critical for the health of global business. In fact, the SDGs have been described as "the closest thing the world has to a strategy for future success".

Businesses, governments, NGOs and communities are helping global society move towards the achievement of these goals. As a company with a global footprint, we are listening and we recognise our responsibility to contribute to the delivery of these ambitious goals.

To achieve this, we have performed a mapping of each of our material issues against the SDGs and have determined those goals, which we have an impact on and can contribute to. Based on this mapping, the SDGs we identified as the ones on which we have the biggest impact are: 6, 7, 8, 9, 12 and 13.

The SDGs that we have less impact on but we still contribute to are: 3, 5, 10, 16 and 17.

United Nations 17 Sustainable Development Goals (SDGs)



Marketplace

Quality and innovation are two important drivers of our sustainability strategy. We aim to create value for our business and customers by developing high quality, reliable products and services, continuously enhancing their efficiency, whilst ensuring regulatory compliance with applicable laws in all areas of our operation.

Environment

We create value by recognising and reducing our products' impact on the environment. In our operations we measure performance through regularly monitoring the environmental impact of our products and undertaking actions to improve the efficiency of materials' use. Our Net Zero commitment guides our approach and efforts to minimize our environmental footprint.

Community

It is important for us to be a responsible corporate citizen by supporting the local society. We work closely with our community stakeholders to find out how we can achieve greater social impact through our business operations. We also focus our efforts on creating value for the communities in which we operate.

Workplace

Our people are our greatest asset. Engaging and developing our people is our firm objective. We are therefore strongly committed to attracting, developing and retaining the best people to successfully support our business strategy, whilst providing them a healthy and safe working environment.

Distinctive sustainability recognition

ecovadis

Significant milestone reached for 5th consecutive year



Our path to Net Zero

Climate change is one of the most pressing challenges of today. The urgency of the climate crisis requires business swift and ambitious actions to reduce GHG emissions. Frigoglass recognizes the importance of actively reducing its environmental footprint.

Frigoglass is a committed member of the Science Based Targets Initiative (SBTi). The company is a signatory of the "Business Ambition for 1.5 °C" campaign and committed to develop a business model that aligns its operations with the goals of the Paris Agreement (COP 21) to limit the average increase in global temperature to 1.5 °C.

To this end, Frigoglass has set a Net Zero target for both direct (Scope 1) and indirect (Scope 2 and 3) emissions by 2050. To supplement this commitment the company has set two intermediate near-term targets to reduce Scope 1, 2 and Scope 3 emissions by 2030 (from a 2019 base year) in line with the goal of limiting global warming to 1.5 °C and well-below 2 °C accordingly.

The objective of reducing GHG emissions upon a certain level by 2030 and then achieving Net Zero by 2050 requires a rethinking of investment planning and the business model of the company. Therefore, a GHG emissions reduction action plan is developed, focusing on all aspects and stages of Frigoglass' value chain.

To reach its net zero ambition, Frigoglass has developed an emission reduction action plan in order to accelerate its carbon reduction action plan across its biggest operational impact areas in line with the requirements of a 1.5°C science-based target pathway.



Net Zero commitment

Frigoglass commits to reach net-zero greenhouse emissions across the value chain by 2050.

Near-Term targets

1. Frigoglass commits to reduce absolute **scope 1 & 2** GHG emissions **48%** by **2030** from a **2019** base year.
2. Frigoglass also commits to reduce absolute **scope 3** GHG emissions **27,5%** by **2030** from a **2019** base year.

Long-Term targets

1. Frigoglass commits to reduce absolute **scope 1, 2,** GHG emissions **90%** by **2050** from a **2019** base year.
2. Frigoglass also commits to reduce absolute **scope 3** GHG emissions **90%** by **2050** from a **2019** base year.

Sustainability overview

The governance of sustainability issues and matters is a fundamental consideration, as we continue our efforts in embedding sustainability principles into our decision making process and operations as a whole.

Aiming to reinforce the governance of sustainability issues across the organisation, elements have been incorporated into the decision making process to ensure that sustainability management begins at the highest level.

Frigoglass' leadership has the ultimate accountability of the company's sustainability programs and performance. In partnership with leadership, the Sustainability Director leads the design, development, execution and continuous improvement of our sustainability strategy, goals and initiatives. Supported by working committees throughout the locations of our operations, the sustainability committees address and manage sustainability matters across all our functions and locations of operation. Collaboratively, they engage with stakeholders, mobilise the organisation and collaboration across departments. The implementation and measurement of the various sustainability initiatives and processes ensures the alignment with business strategies and operational objectives.

These committees are responsible for ensuring that the company is making systematic progress on its sustainability strategy as well as addressing risks, communicating results and working towards embedding sustainability within the organization.



We have been participating in Ecovadis supplier sustainability ratings since 2013. From 2017 to 2019 we were awarded with the gold medal. Since 2020, we have been awarded with the Platinum medal for our sustainable and socially responsible practices, placing us among the top 1% of the best rated companies around the world.

Frigoglass memberships or associations:

- World Economic Forum/Community of Global Growth Companies
- Athens Stock Exchange Association Listed Companies
- Hellenic Federation of Enterprises (SEV)
- General Commercial registry (G.E.MI.)
- Athens Chamber of Commerce and Industry
- Hellenic Network for Corporate Social Responsibility
- UN Global Compact Hellas
- Federation of Peloponnese & Western Greece Industries
- United Nations Global Compact.



We have been participating in CDP since 2010, verifying our carbon emissions by an independent third party and consistently scoring above overall and industry levels.



We have been members and supporting the ten principles of the United Nations Global Compact since 2016.

Risk management

In 2021, we continued the implementation of the risk management identification process across our operations, which was an upgrade of our Operational Risk Management tool and update of our reporting system to better assess potential risks and develop mitigation actions.

Frigoglass CEO and the Executive Committee oversee the risk and opportunity identification process, which includes regulatory reviews, carbon emission and energy use data collection, as well as consultation with both suppliers and customers. Data collection is used to identify where climate change and other risks and opportunities exist across the company. Specifically, data on carbon emission and energy are used to assess energy efficiency opportunities at a number of our plants, as well as help us set our carbon emission target. Customers' consultation has been guiding our research and development efforts to produce more energy efficient ICMs.

The updated Operational Risk Management program consists of four major assessment categories. For each of them a series of issues and potential risks have been outlined to allow us to have an accurate overview of the risks at asset level i.e. in each individual plant. Under this program, climate change has been recognized as a key risk that relates to both business continuity and environmental management. Annual Environmental, Health and Safety audits have been carried out in each plant by third parties.

These audits assess how effectively this risk is managed in relation to the program's goals and more specifically:

- The level of risk,
- The measures being taken to address these risks and
- The opportunities to reduce these risks.

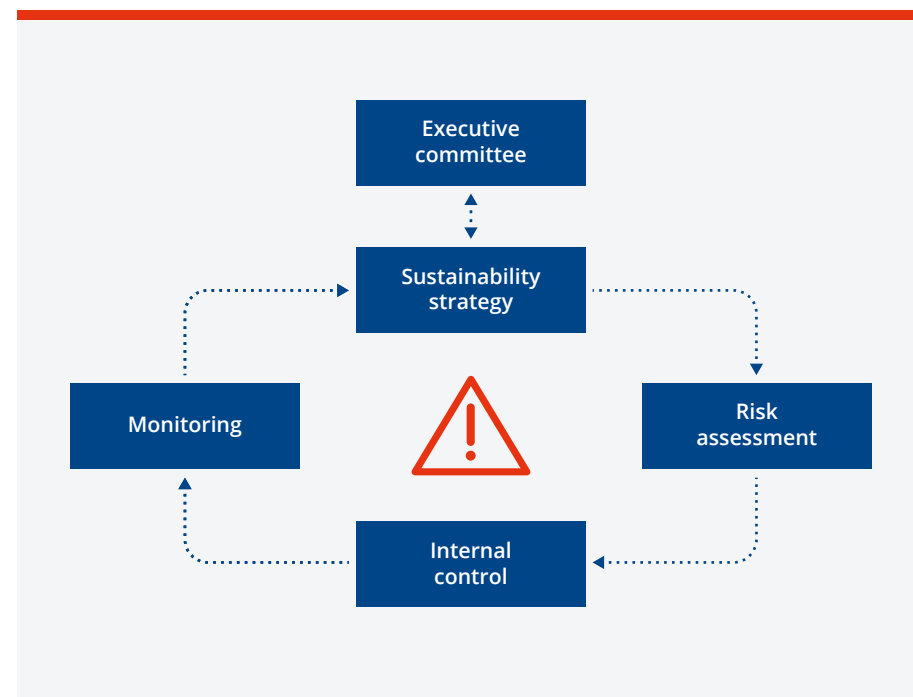
These audits have also been used as an opportunity to identify additional potential risks. The findings from the annual audits have been compiled and shared with the Executive Committee for their further assessment and action planning.

Frigoglass has used a risk assessment process to prioritize the identified risks and opportunities, based on the following criteria:

- Meeting regulatory obligations
- Meeting customer expectations with respect to energy efficiency and climate change
- Impacts to reputation
- Impacts to business continuity

The identified risks have been categorized in three groups, and more specifically, as risks resulting from:

- Changes in climate-related regulations
- Changes in physical climate parameters
- Changes from other climate-related developments
- Increasing digitization and Internet of Things (IoT)
- Global pandemic – COVID-19



Risks resulting from changes in climate-related regulations

Description	Potential impact	Impact magnitude	Estimated implications	Management method
Increasing reporting obligations imposed by regulators may require changes to how we collect and report data today.	Increased operational cost	Low-medium	The financial implications of emissions reporting obligations are associated with the cost to collect check and collate emissions data across all of Frigoglass businesses and report in the required format. This could be quite a complex task given that Frigoglass operates in a number of jurisdictions that may have very different reporting requirements.	Frigoglass started collecting emission data in 2010 and continues to annually collect, check and collate emissions data to feed into the development and tracking of emissions reduction targets across the business. In addition, the level of reporting for each operation is continually being improved to increase the accuracy of the collected data on all 3 emission scopes. It is anticipated that collecting emissions data now will reduce any risks associated with future emission reporting obligations.
Participation in the EU ETS and introduction of similar schemes in the US and throughout the World may have a flow-on impact on the cost of business inputs such as electricity and fuels.	Increased operational cost	Low-medium	Existing and future regulations on GHG emissions and a trading scheme will serve to monetise the environmental cost of GHG emissions and will increase the cost of traditional fossil fuel-based energy usage including electricity, stationary and transport fuel as well as refrigerant gas for both Frigoglass and our suppliers. This could lead to a small increase in costs associated with our raw materials and components as well as direct increases in energy costs for our production facilities.	We use three methods to manage emissions and associated costs: 1. Measuring energy use and emissions including improving quality of collected data. 2. Managing operational costs by analyzing collected data and identifying and implementing energy efficiency projects to reduce energy use across our operations. This has included dematerializing our supply chain and products (e.g., modular product design, fewer item codes and a higher degree of standardization, more efficient component selection). 3. Investment in research and development to produce ICMs that use natural refrigerants and consume minimum possible power.
Changes to refrigerant regulation, including phasing out or banning of different refrigerant gases.	Increased operational cost	Low-medium	Frigoglass is fully equipped in all its plants to produce with HFC free refrigerants. Should additional changes to refrigerant types be required, it is estimated that costs of the magnitude of €3 million will be needed to upgrade production facilities.	Frigoglass is investing in research and development into alternative refrigerants and in 2021 approx. 75% of our ICM placements worldwide were with Hydrocarbon (HC) refrigerants.

Risk management

Risks resulting from changes in physical climate parameters

Description	Potential impact	Impact magnitude	Estimated implications	Management method
Greater variability of temperature including high temperature which may lead to production downtime.	Reduction/ disruption in production capacity	High	Temperature extremes could reduce revenue by disrupting production. Production costs may increase due to increased electricity load for additional cooling of production sites and increased energy costs where energy providers need to upgrade their infrastructure to guarantee supply during periods of extreme weather. The financial implications could range from small increases in operational costs to significant costs related to plant shut down as a result of damage from extreme weather events. The financial costs of production disruptions from weather-related events is estimated 1.3% of total spending.	Frigoglass has an Operational Risk Management program which includes new standards as well as a new, structured and detailed reporting system to identify and address risks associated with climate change. The major risk categories we have identified are site construction, safety measures, and critical hazards while some of the issues included in these groups are business continuity, environmental management and health, and safety, among others. The potential impacts from changes in temperature extremes are considered under the Operational Risk Management program where critical thresholds on business continuity are reached. Regarding managing certainty of supply, our regular supplier assessment ensures that we continually identify those suppliers that are able to provide materials to different manufacturing sites around the world, ensuring a certain degree of resilience in the availability of the materials and components required for manufacture of products. Diversification of our suppliers is another means of addressing the risk of climate impacts up and down our supply chain. On the market side we manage risk of production capacity disruption through possibility to supply same and/or similar products from different manufacturing sites.
Increase in average temperature over longer time frames which may lead to increased operation and production costs associated with cooling in factories. Additional impacts to personnel may be expected.	Increased operational cost	Medium	Change in average temperature will increase the production costs within our factories and those of our suppliers, due to increased cooling requirements. Should temperatures exceed tolerable ranges, productions may need to cease, which would reduce raw material supply and potentially impact on Frigoglass ability to meet customer orders. This would result in a loss of revenue of max 10%	Currently factories operate within the acceptable temperature tolerance range. However the risk of increased average temperatures is incorporated into our Operational Risk Management program. Heat risk to personnel is currently considered within the health and safety category of our Operational Risk Management Program. Should temperatures increase beyond acceptable tolerance levels, Frigoglass will implement facility upgrades to ensure that production can continue uninterrupted.

Risks resulting from changes from other climate-related developments

Description	Potential impact	Impact magnitude	Estimated implications	Management method
Damage to the reputation of Frigoglass as a provider of environmentally-friendly technologies by its customers and investors if the company fails to meet compliance requirements or is seen to be insufficiently managing all business risks associated with climate change.	Reduced demand for goods/ services	High	The loss of Frigoglass reputation as a supplier of environmentally friendly technologies would have a significant financial impact as we could lose a large proportion of our customer base to other suppliers.	We manage reputation risk by maintaining our reputation as a leader in technology and innovation by funding our research hubs in Europe and Asia to ensure that our technology meets our customers’ needs for energy efficiency, natural refrigerants and IoT-enabled ICMs that allow for more efficient control of their operation and servicing.
Expectations of major customers with respect to environmental performance (from a design and use perspective).	Reduced demand for goods/ services	High	The financial implication of not being able to provide our customers with both supply chain management information and innovative emissions and energy-related solutions pose a significant financial loss (up to 50% of sales) to Frigoglass if these customers move to other suppliers who can provide the required information, products and solutions.	As a technology and innovation leader in our sector, with research and development hubs in Europe, Asia and Africa, we are best positioned to provide global beverage companies with the most advanced product range to reduce their carbon footprint and address the rapidly rising energy costs. The innovations we develop then flow through to our capital investment strategies in our plants in order to equip manufacturing sites with the capability and capacity to manufacture newer models to meet the increasing demand, as well as supplier sourcing strategies to ensure the appropriate components are available in expected quantities and meet our supplier quality standards. In addition, Frigoglass has been collecting and reporting on carbon emission data since 2010 and continues to improve and refine its emissions data. It also reports on a range of sustainability indicators that would be of interest to our customers.

Risk management

Risks resulting from increasing digitization and Internet of Things (IoT):

Description	Potential impact	Impact magnitude	Estimated implications	Management method
The increasing integration of digital solutions in every aspect of our operations greatly enhances our connectivity, efficiency and the quality of our services. As digital processes are now an integral part of our operations, so is the responsibility to protect company, clients and personal data.	The impact is twofold, mainly on disruption of operations through IT system shutdown (e.g. Cyber attack) and/ or data theft.	Low to medium	Implications from risks related to data security and IT can be multifold. There can be damage of our Brand reputation, our stakeholders' trust and relationships with our partners. Disruptions of operational and supply chain processes may be impacted as well. This would lead to potential financial losses through revenue loss or other hidden costs and/or legal consequences in form of monetary fines and regulatory sanctions.	Data security within the organization follows the ISO 27001 standard for information security management, which covers key areas of management, technical and physical controls, legal, compliance and business continuity management. Due diligence procedures according to ISO27001 guide also our relationships with third parties in regards to information security and related risks. The ISO is safeguarded through respective processes and controls. A dedicated IT function oversees the integrity of our IT systems and processes, running regular vulnerability scans for identification of potential areas of weakness of our IT systems. We have strict access control policies across the organization and the employee training on proper data use and IT system functionalities is part of the Frigoglass Academy Agenda of online trainings. Finally we have contingency planning procedures to ensure the company's continuity of operations in cases of IT system outages.

Global pandemic COVID-19

Globalization has increased the risk of infectious disease spread that may easily reach pandemic levels. Such phenomena among others may disrupt trade and cause general consumer unrest. This in turn has direct effect across the complete value chain of our operations.

As a company operating in multiple regions, sourcing from a range of local and global suppliers and selling to more than 100 countries, we were able to adjust with as high flexibility as possible to the adverse conditions that COVID-19 global pandemic caused in 2020-'21.

We used our diversified sourcing locations to dampen the difficulties of raw material availability. Our various production locations, streamlined product ranges and standardized components allowed us to shift productions to specific plants as needed so that the operations are disturbed to the minimum possible extent. Following our H&S policy we increased the measures against further spread of the virus throughout all operations locations and with all our business partners and subcontractors, while following local governmental guidelines on work procedures (work from home, business travel ban, remote

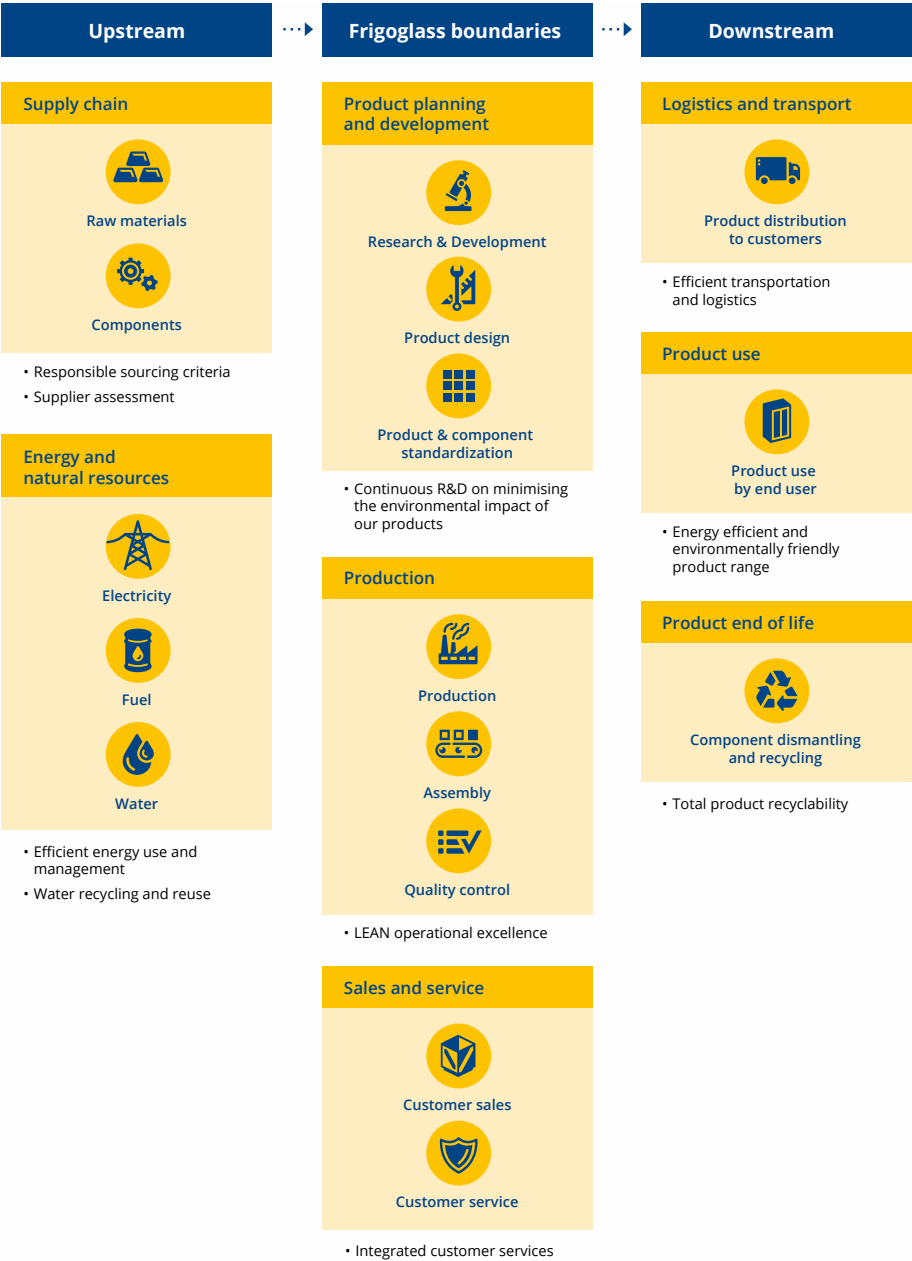
meetings etc). The IT infrastructure has been adjusted accordingly to match the new way of work.

As an outcome of the various actions the impact of the pandemic on the operations has been kept to a minimum. In parallel, the pipeline of new developments has been kept to ensure business continuity in the post-COVID era.

Our value chain

We are committed to responsible business practice in our own operations and throughout our value chain.

In order to be able to operate sustainably and create value, we need to understand all stages of our value chain and their associated impact, from material sourcing to developing and producing our products to fully recognise their impact at the end of their lifecycle. We take measures to minimise that impact by focusing on delivering quality and innovative products while working together with our customers, business partners and suppliers to promote sustainable development, innovate and create win-win solutions that enable our mutual growth. This is also one of the main mechanisms in which we contribute to delivering the SDGs and our emission reduction targets and Net Zero ambition.





Engaging with our stakeholders

At Frigoglass, we highly appreciate the role of stakeholders and the significance of their involvement when it comes to defining our sustainability strategy.

Engaging with them is essential for understanding their needs and creating value for the organization. Their insight also helps us acquire a multi-angle perspective that supports our decision making process and ensures that our sustainability targets and actions respond to their concerns and meet their expectations.

In the process of mapping our stakeholders, we have identified those for which we have legal, commercial or moral responsibility, such as our investors, clients and the communities in which we operate. Our employees and our suppliers are equally important stakeholder groups because we depend on them for our operation. Finally, we are conscious of external groups, such as our business partners and product end users, who are influenced by our products and performance.

Continuous dialogue and engagement with different stakeholder groups enable us to understand various perspectives, identify opportunities to improve our performance, create value for our customers and shareholders and set our sustainability targets. Integrity, transparency and compliance are the key principles behind all our engagement initiatives.

Stakeholder engagement outcomes inform our strategy, risk management and effort and resource allocation in order to meet the expectations and address their concerns.

Our ongoing engagement with our stakeholders helps us understand:

- The impact of our activities and how to handle them in a responsible manner
- The potential risks and opportunities associated with each stakeholder group and how we can effectively manage them in a proactive way
- The effectiveness of our sustainability strategy

Feedback from our stakeholders on how we can improve our management and reporting of sustainability issues has included the following recommendations:

- Integrate sustainability issues further into business strategy
- Enhance our sustainability reporting practices to demonstrate transparency
- Set clear KPIs and targets and measure progress against them
- Promote greater standardisation of procedures on quality, labour management and environmental issues across all locations of operation

In specific, the mechanisms we use to engage with our key stakeholders, the relevant issues and how we respond to them are presented below:



Engaging with our stakeholders

Stakeholder group	Basis for engagement	Engagement methods	Engagement frequency	Relevant issues
 Customers	Customers are vital to the organisation's success and have direct interest in our market impact and sustainability performance	• Contracts • Sales • Service • Customer satisfaction surveys • Meetings • Performance • Quality KPIs	• Monthly • Quarterly	• Product responsibility • Quality management • Use of resources • Supplier relations • Economic performance • Innovation • Human rights
 Employees	Our people are critical for our business, strategy and decision making. We therefore aim to create a diverse and inclusive environment, engaging and collaborating with them to achieve our sustainability goals	• Contracts • Direct communication • Performance reviews • Feedback process • Trade union negotiations	• Ongoing	• Satisfaction and wellbeing • Health and safety • Diversity and equal opportunity • Training and education • Economic performance
 Investors	Investors are essential for the organization and its performance by providing the necessary equity	• BoD meetings • Stock exchange • Annual reports • Annual shareholder meetings • Quarterly results	• Quarterly • Annually	• Economic performance • Business strategy • Governance
 Suppliers	We aim to develop channels of mutual support with our suppliers that enhance the quality of our supply chain and foster long term collaboration and opportunities	• Contracts • Business relationships • Supplier audits • Vendor meetings • Quality KPIs	• Monthly • Quarterly	• Product quality • Supplier relations • Supplier assessment • Use of resources • New technologies

Stakeholder group	Basis for engagement	Engagement methods	Engagement frequency	Relevant issues
 Financial institutions	Financial institutions are critical to our business, its strategy and sustainable growth. We aim to keep them continuously informed on our strategic goals and the progress made	• Contracts • Performance reviews • Quarterly results	• Monthly • Quarterly	• Economic performance • Business strategy • Governance
 Business partners	Collaboration with various business partners such as universities, governmental bodies and third party experts, is crucial for enhancing quality, ensuring sustainability and expediting innovation	• Contracts • Development projects • Performance updates	• Daily • Monthly • Quarterly	• Product quality • Supplier relations • Cooperation on product and technology developments • Innovation • Sustainability
 Media	Media play an important role by communicating sustainability and business development to the wider public	• Quarterly results • Ad-hoc communications • Press releases • Press interviews	• Quarterly • Ad-hoc	• Product quality • Sustainability strategy • Innovation • Economic performance
 Local communities	We support the local society with community-focused initiatives and take their needs into consideration to maximise shared value	• Social events • Communication • Local legislation	• Quarterly • Ad-hoc	• Community investment • Employing and sourcing from local communities • Economic performance

Materiality analysis

Materiality analysis process

The materiality analysis and the resulting materiality matrix has derived from a three-step process:

Issue identification

- Review issues raised by the leading sustainability standards and initiatives - SDGs, GRI, SASB, etc.
- Investigated the business and industry landscape on sustainability and conducted benchmarking of peers
- Introduced our company-specific issues
- Created the initial pool of potentially material sustainability issues which were grouped into 4 sustainability pillars

Assessment and prioritisation

- Assessed and ranked the issues from the business perspective considering their impact on the business, their associated risks and opportunities and the degree of their influence
- Evaluated and ranked the issues from the perspective of different stakeholders, utilising their feedback

Validation and alignment

- Reviewed the assessment results and validated that they are aligned with objectives that reflect Frigoglass' sustainability standpoint
- Produced the "materiality matrix", defined actions and allocated resources accordingly

Our ultimate goal is to fully embed sustainability into our business strategy and processes. In order to achieve that, we need to identify the most important issues for our business and our stakeholders, and to ensure that our strategy is designed to drive effective responses and actions.

For us at Frigoglass, engaging with sustainability means aligning with the needs and expectations of our stakeholders - customers, consumers, employees and shareholders around the globe. Identifying and evaluating the issues that are material for our organisation and stakeholders is essential for providing strategic direction and focus on our sustainability strategy which highlights business imperatives, monitors results and drives progress.

By identifying our material issues we ensure that we focus our efforts on the management of the impacts arising from our activities and the expectations of our stakeholders.

Aiming to identify the areas with the greatest impact, we implement an extensive materiality analysis of sustainability issues, that helps us prioritise the most important sustainability issues related to our operation.

The materiality analysis is a process undertaken by the sustainability team which identifies the relevant sustainability issues and filters them through the perspectives of the organisation and our stakeholders. The results compose our materiality matrix, which is the compass for designing our strategy, focusing our efforts and allocating our resources.

In 2020 we reassessed the issues most relevant to our sustainable operations and produced a refreshed materiality matrix, illustrating our most important focus areas as of today.

The material issues, that are presented in the materiality matrix, also guide the content of this sustainability report.

Material

Issues identified as the most material to our sustainability performance by both the company and our stakeholders. Those are considered the most critical to our performance and we have therefore established ongoing management systems, targets and measurements to report our performance and progress on a regular basis.

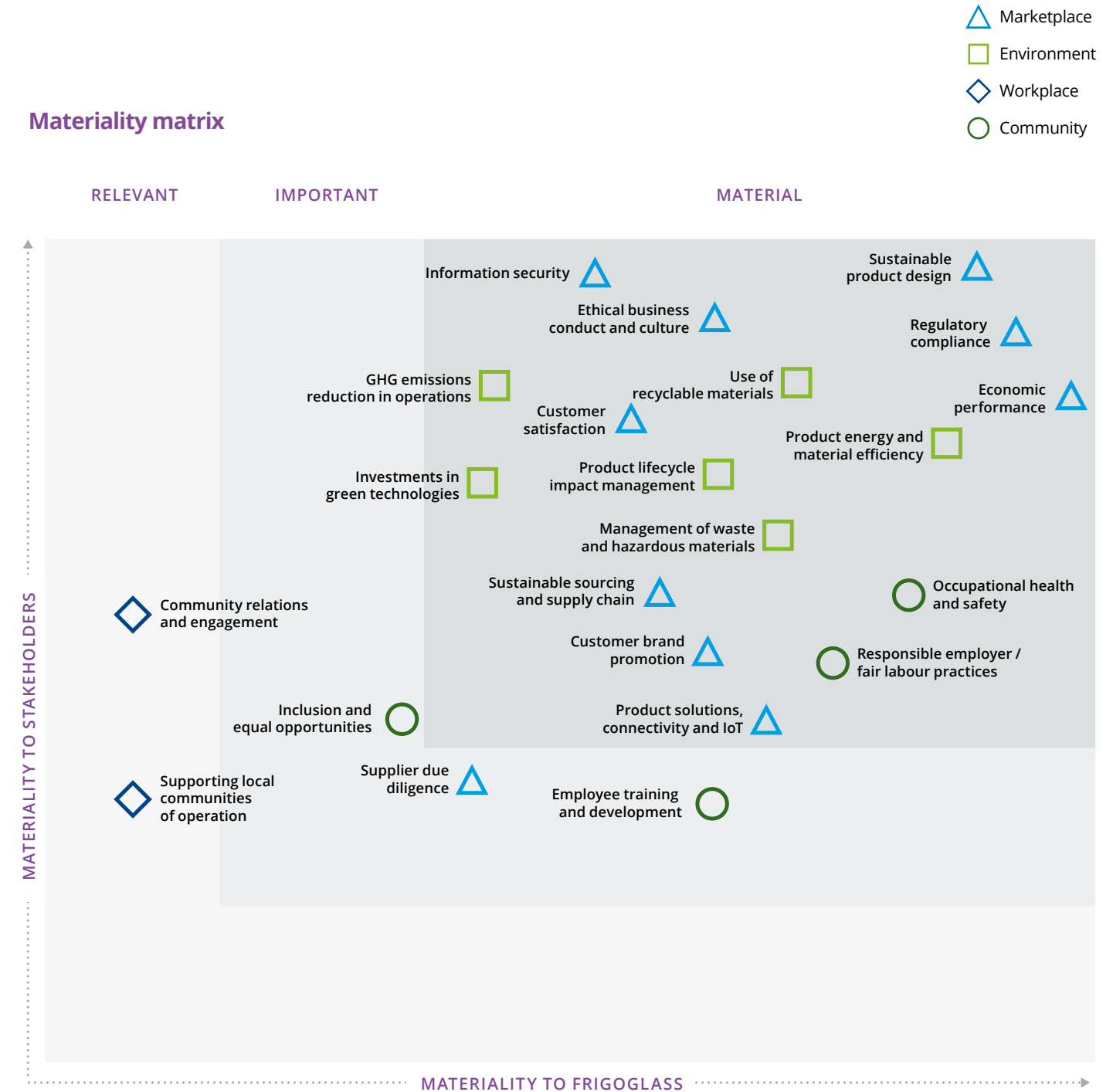
Important

Issues frequently identified by either the company or stakeholders as important. We manage and report on those issues regularly.

Relevant

Issues that although not critical to our sustainability performance we still consider relevant and seek to engage with.

Materiality matrix



Management and impact of material issues

The following table presents each material issue, its relationship with the SDGs, the location of impact within the value chain, the main stakeholder groups concerned with / affected by the issue as well as our approach to managing it.

Marketplace

Material issue	Related SDGs	Impact within our value chain	Level of influence	Main stakeholders concerned/affected	Management approach
Sustainable product design	  	- Upstream - Downstream	Direct influence	- Customers - Product end users	Consistently delivering high quality, sustainable and value adding products
Regulatory compliance	 	Within organisation	Direct influence	- Investors - Financial institutions - Customers - Business partners - Suppliers - Employees	Ensuring that our business activities are conducted in accordance with all applicable laws and regulations in all the locations of our operations
Ethical business conduct and culture					Adhering to the highest levels of integrity and transparency in our business conduct
Customer satisfaction	 	Downstream	Direct influence	- Customers - Product end users	Supporting our customers by developing products that meet their needs and maximise their merchandising opportunities, supported by an extensive network of sales and after-sales representatives.
Economic performance	 	- Within organisation - Upstream - Downstream	Direct influence	- Employees - Customers - Business partners - Suppliers - Investors - Financial institutions	Safeguarding the company's financial stability and its ability to create and distribute economic value for its stakeholders
Product solutions, connectivity and IoT	 	Downstream	Direct influence	- Customers - Product end users	Leveraging latest technologies to provide customers innovative product solutions and connectivity features.
Sustainable sourcing and supply chain	  	Upstream	Direct influence	- Suppliers - Business partners - Customers	Implementing sustainable procurement practices and supplier assessment processes in order to ensure that no negative environmental and social impacts occur within our supply chain

Environment

Material issue	Related SDGs	Impact within our value chain	Level of influence	Main stakeholders concerned/affected	Management approach
Product energy and material efficiency	  	- Within organisation - Downstream	Direct influence	- Customers - Product end users - Business partners - Investors	Continuously improve our product's environmental performance throughout all the stages of their lifecycle through research and development, thus enabling our customers to meet ambitious sustainability and carbon emission reduction targets
Product lifecycle impact management	 				
GHG emissions reduction in operations		Within organisation	Direct influence	- Customers - Investors - Financial institutions - Local communities	Minimising the environmental impacts of our operations by implementing comprehensive energy and emissions management systems and investing in innovative solutions and technologies
Investments in green technologies	  			Business partners	Adopt lean production patterns that allow the efficient use of resources and minimisation of waste, emphasising in the use of recyclable input materials and the reuse of water
Use of recyclable materials	 			Suppliers	Implement comprehensive waste management and minimisation systems, appropriately disposing all hazardous materials
Management of waste and hazardous materials					

Workplace

Material issue	Related SDGs	Impact within our value chain	Level of influence	Main stakeholders concerned/affected	Management approach
Occupational health and safety	 	Within organisation	Direct influence	- Employees - Customers - Investors - Business partners	Placing health and safety as a foundation for our activities and supporting it through a comprehensive management systems aiming to eliminate work related injuries and accidents
Inclusion and equal opportunities	  				Fostering a culture of inclusiveness and equal opportunities and providing a work environment embracing diversity
Responsible employer / fair labour practices					Ensuring labour standards are consistently applied and human rights are protected across all locations of our operations



How we measure our performance

For Frigoglass, sustainability is a key component of our overall strategy and is placed at the core of our organization. We set goals to innovate, build and deliver solutions to our clients and meet the expectations of the people we employ and the communities in which we live and operate.

As part of our sustainability strategy, we hold ourselves accountable for the goals we set by measuring and monitoring our progress during the year. Throughout the course of the report, we keep track of and demonstrate our progress in two key ways: measuring our performance against metrics and reviewing our actions and initiatives against our sustainability strategy.

Key Performance Indicators (KPIs)

We define short or long term targets for improvement that relate with each sustainability pillar. Respective KPIs are determined, established by the corresponding internal teams and monitored throughout the year.

Actions and progress

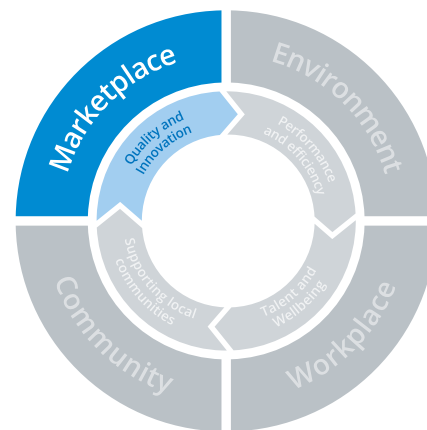
We develop actions and initiatives that correspond to each sustainability target and constantly monitor their progress, seeking to improve our performance in relation to our four sustainability pillars.

Our Sustainability Pillars





Marketplace



Economic performance and impact

Ensuring economic growth forms an integral part of Frigoglass' sustainable development. We aim to ensure that economic value is created on a constant basis and distributed among all stakeholders. At the same time we strive to fulfill the company's social and environmental responsibilities to the greatest possible extent.

We are committed to achieving long-term economic growth, as well as generating and distributing broader economic value for our stakeholders.

Economic value is distributed through various streams. Most notably:

- Payments to our employees
- Payments to our suppliers and business partners
- Payments to our providers of capital
- Government taxes
- Community investments

In pursuit of value creation, considerable effort has been put forward and several initiatives have been implemented which are directly related to it.

The financial performance of the group is presented in detail in 2021 Financial Statements.

Material issues:

- Economic performance
- Regulatory compliance / ethical business conduct
- Sustainable product design
- Customer satisfaction / brand promotion
- Product solutions, connectivity and IoT
- Sustainable sourcing and supply chain

Strategic priorities:

- ✓ Safeguard economic stability and growth
- ✓ Enhance customer satisfaction and collaboration
- ✓ Drive product quality, innovation and integrated services
- ✓ Promote supply chain transparency and responsibility

Related SDGs:



Marketplace

Fair business practices

Our core values guide our actions, aiming at conducting business in a socially responsible and ethical manner. Our policies and procedures related to Human Rights, Business Ethics, Anti-Corruption and Bribery are effectively communicated to all employees and business partners (e.g. customers and suppliers) through business contract terms and in-person, regular online training programs.

For our internal stakeholders, we run an e-learning platform, the “Frigoglass Academy”, which offers systematic training and uses comprehension test to verify understanding of our policies. It also provides reliable statistical data on the population coverage of the training.

The training focuses on the following policies and takes place regularly with updated content, including policy revisions and newly introduced policies:

- Code of Business Conduct and Ethics
- Labor policy
- Environmental policy
- Human Rights policy
- Speak-up policy
- Conflict of interest policy
- Quality policy
- Health & Safety policy
- Data protection policy (GDPR)
- Cyber Security policy
- Anti-corruption and anti-bribery policy
- Related party transactions policy
- Policy against discrimination, violence and harassment at the workplace



Product quality and responsibility

Quality is a top priority and we are committed to continuously improve our standards across the entire scope of all our operations – from our supply chain to manufacturing processes to customer offering.

Consistently delivering high quality, reliable products to our customers is one of our core values. It helps ensure high customer satisfaction as well as long-term prosperity for the company. Quality is part of our established culture and is achieved through uncompromising commitment to the industry standards and a sustained focus on constantly improving our products to meet customers' requirements.

In this context our efforts to ensure quality and maintain product stewardship are mainly demonstrated through:

- Efficiency in product design and material selection
- Rationalisation of products / components
- Optimization of components' portfolio
- Reduction of product maintenance needs
- Improvement of manufacturability and recyclability
- Reduction of noise level
- Continuous investment in Innovative Development

Quality first

Striving to provide increased quality of product and services to our customers.

Quality metrics at high level

Thanks to our robust Quality approach across the entire value chain our quality metrics in 2021 remained at high level. With over 99% level of conformity, the quality of materials procured from suppliers ensure a good control of the final product already at the earliest stages of our manufacturing process. Line rejection metric, which captures defective parts found on the shop floor, and Final Product Audit (FPA) metric have both remained at excellent levels. These metrics reflect our strong focus to deliver high-quality products to our customers.

All metrics related to Frigoserve have also improved or remained at similar high scoring levels. First Time Fix rate, which indicates the % of service calls closed from the first visit, remained at 98%. The Audits Finding Index, which measures the Service repairs quality immediately after a repair has taken place, improved by 37% vs. 2020, while the number of audits without any nonconformities increased by 9%. Frigoserve maintains its superior quality of service when it comes to support our customers' merchandising equipment in the market.

System certifications in 2021

In 2021, the Head-Office, the Greek service related operations, all plants and product development labs maintained their certifications. The transition from OHSAS18001 to ISO45001 has successfully expanded to more operation sites. In 2021 our product development labs in India and Russia maintained their ISO17025 Standard certification, while in Romania we shall re-apply for certification once the new labs are installed and operating, upon completion of the plant reconstruction after the fire incident.

Innovation leader

Driving product innovation

Sustainable innovation is at the core of our business strategy and forms the foundation of our research and development (R&D) efforts.

Development update

In 2021, we focused product development resources mainly on our Sustainability targets, the launch of the new cabin platform, cost optimization and supply security, since it has been affected by the COVID-19 pandemic.

Our R&D made substantial progress on ideas and designs to improve further the energy efficiency of the cooling circle in combination with less heat losses and energy consuming components. The products' energy consumption during use in the market will be one important contributor in the Scope 3 emissions and our upcoming SBTi plan, so proactive research to that direction is imperative.

In parallel, the new ICOOL 2.0 and Max/ Plus range of coolers based on the new common cabin platform was introduced. Apart from aesthetical innovations we introduced also a number of features for energy optimization and lower maintenance.

Energy labelling for all commercial refrigerators was introduced in March 2021, presenting our low energy consuming products directly to the end consumer. In the coming years technology advancement at competitive cost will help us reach top energy rating levels.

Since the raw material availability and logistics have been heavily impacted by COVID-19 situation globally, we ran projects on securing supplies with the least possible cost impact. Our supply base and quality supported considerably on the successful outcome of these projects.

Market penetration

2021 was the second year affected by the COVID-19 pandemic, but also a year when we had the unfortunate fire incident at our commercial manufacturing facility in Romania. Despite these two challenges, we successfully executed our plans.

In Europe, we have launched the ICOOL2 range of TCCC exclusive products building on the success of the first generation whilst offering significant benefits in sustainability and more importantly impulse creation. We have also continued to be the key strategic partner to the leading Coca-Cola bottlers in Europe and we have expanded our cooperation with others.

In addition, we have introduced the new Max range of products for breweries and the generic market successfully replacing the Smart range in Europe.

In India, we successfully expanded our cooperation with a key soft drink customer and a large number of local distributors enhancing the penetration of our offering in the local market.

In Africa, we continued our cooperation with all our customers, assisting them with on-time deliveries as the markets adapted and reopened following the gradual lift of COVID-19 related restrictions.

It is also worth highlighting that in our consumer appliances business we have successfully renewed the product portfolio creating a solid foundation for further business growth both in our traditional markets and new ones.

Finally, we expanded our service business (Frigoserve) in Switzerland and South Africa.

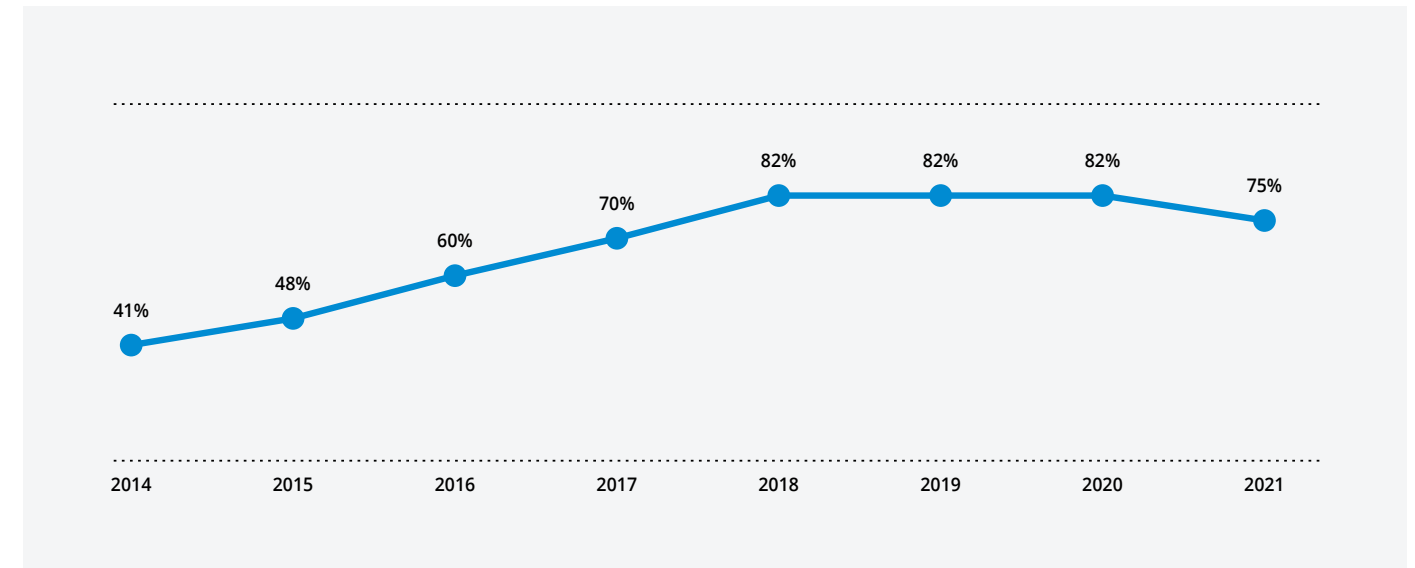




Innovative development

In 2021 we maintained the ISO17025 quality system of our labs as well as the Safety Accreditations of our Strategic Customers and third parties, securing their status as internationally recognized independent labs. As such, our in-house test results have full validity, which allows us to avoid transportation of samples to external labs, thus reducing time to commercialization and outbound freight, consequently total emissions.

Evolution of Green ICM sales over total ICM placement



Green ICM sales evolution

Although the share of green ICMs has increased in all our sales regions, in 2021 there has been substantial sales increase in India, which still uses Freon as refrigerant due to the country lacking infrastructure to support Hydrocarbons (HC) in commercial refrigeration. But since 2021 considerable efforts from all parties, governmental and business, have been initiated to support the quick transition into HC. So we foresee positive progress towards greener ICMs also in this sales region very soon.



Cost leadership

Following on the high impact of the COVID19 pandemic during the previous year, 2021 was a year where our operational Cost Leadership initiatives continued to focus on trimming our cost & capacity base to the foreseeable demand trends.

Maintaining rightsized Cost Structures

We maintained our capacity to similar levels compared to the second half of 2020, where in Romania, Russia and India, our Direct Production labour force was already scaled back to more than 50%. We took great care to maintain our core production expertise in place in anticipation of a post-COVID market rebound and ramping-up. Similarly, we maintained the overhead cost levels in Europe, stabilizing to a 35% reduction of Indirect Production headcount in all manufacturing-related functions compared to the pre-COVID period (2019-2020).

New Simplified Range introduction

Following on the new product development campaign initiated in 2020 to design new, simpler and more standardised ranges of coolers for our European and Russian customers with markedly reduced parts count, 2021 marked the execution and industrialization phase. 8 different models split in 3 ranges were introduced in the serial production streams, quickly proving the benefits of the parts count reduction design mandate in terms of production and conversion costs.

Procurement Cost Control

In 2021, we continued focusing on our long-term partnerships with key strategic suppliers. Together with our plants, we closely monitored operational procurement activities to secure competitive and timely raw material availability within a turbulent environment which caused key raw material and logistics costs to significantly increase within the year. Minimizing cost increases and ensuring supply security and continuity, remained our top priorities.

At the beginning of the year, despite the continued effects of Covid-19, we saw stabilization in both our operations and our procurement processes. However, the electronic components global shortage seriously affected lead times and supply availability for a variety of raw materials that use such components. In close cooperation with our strategic suppliers, we concentrated our efforts on securing material availability and accommodating for the longer lead times through advanced planning and timely orders placement while ensuring flawless product quality.

Moreover, the fire incident of our Romanian production plant, severely disrupted our supply chain. We successfully redirected production, raw materials orders and deliveries to our plant in Russia. Inventory control was prioritized, cross-plant stock transfers were utilized and all new order placements were tightly monitored and controlled.



Customer focus

As a global leader in Ice Cold Merchandisers (ICM) we have to ensure that our customers' products are uniquely positioned for the consumer. As a result, we are constantly upgrading our products to meet the increasingly demanding technical, legal and quality control requirements of our customers. Any significant deviation on any of these aspects is likely to affect the products of our customers and potentially undermine their brands. Being fully conscious of this implication, we not only meet our customers' extensive requirements, but also actively participate in joint meetings and contribute to updating those requirements, using our expertise and deep knowledge of the products.

Examples of our focus on customer satisfaction include:

- Engagement with our customers through regular meetings and annual satisfaction surveys, utilising their feedback in order to improve our service and product offerings. As our latest surveys indicate, key focus areas of our customers in the last years are technical innovations and solutions on lower energy consumption, lower noise, easier and less maintenance, and component rationalization and standardization. We have already included all those focus areas in our main development priorities.
- Development of customised ICM units that enhance our customers' brand equity and visibility at the point of sale. This collaborative approach involves customers and third parties and helps us develop differentiated ICM solutions to promote cold drink availability.
- Expansion of Frigoserve, a unique and unprecedented customer service program aimed at providing our customers with an outsourcing model to manage their cold drink equipment at a significantly reduced total cost of ownership. Through this service we are able to support our customers in the management of their ICMs from distribution to the end of life. This includes placement, storage, service, refurbishment and end-of-life recycling. An advanced IT infrastructure and a central control centre enable a seamless and live monitoring of all units at all stages of the process. Keeping the sustainability focus, this program also allows customers to refurbish their old units, thus reducing material use.
- The expansion of our portfolio rationalization program, focusing on both models and components used.

Cool business

In 2021, Frigoglass remained focused on its strategic priorities and continued creating value-adding, innovative, cold merchandising solutions for its customers around the world.

In Frigoglass, we put the customer in the center of our business model. During the last years, we have redefined our ICM Commercial Vision and have taken a number of steps to further improve our Customer Focus. Three pillars support our ICM Commercial Vision:

Build on successful partnerships

Maintain strong partnership with our Global Accounts to serve them with a differentiated offering in line with regional requirements.

Optimize route-to-market approach

Integrate our customers' requirements into our products and serve them with great value, while Innovation & Sustainability remain key pillars for any new development.

Enhance commercial capabilities to strengthen customer relationships

Create a strong and ambitious commercial organization and culture as enabler of our go-to-market strategy and reach our targets. Keep dedicated teams per Global Account to increase focus and reflect customers' needs.

Customer focus

Commercial Refrigeration

The year started strongly across all our geographies and customer groups. Solid orders and high capacity utilization rates were demonstrating the effectiveness of our commercial refrigeration solutions and the strong execution of our customer centric business model.

The fire incident in Romania production plant significantly disrupted our execution plans though. We had to switch our production to alternative plants and partially to alternative models. Our commercial and supply chain teams effectively managed to support our customers with on time deliveries, in this very challenging situation.

Despite these difficulties we continued to innovate and develop products and solutions that will meet the customer and market demand in the upcoming years. In 2021, we launched the quite innovative ICOOL2.0 and Max ranges in Europe, incorporating design ideas that will allow in the future for considerable energy consumption reduction and easy recyclability, while providing high attractiveness at the point of sales. In India we expanded our cooperation and sales with key customers and work together to support their cooler fleet transition to HFC-free refrigerants and reduced energy consumption and thus emissions.

Glass

Despite the continued challenges of the pandemic we were able to complete the furnace capacity expansion project in our Agbara plant in June 2021, which enabled us to meet recovering demand in the second half of the year and will provide a solid platform to continue to grow our glass containers sales in the coming years.

Overall sales grew in excess of 35%, with every segment growing versus prior year. It is worth noting that the Beer segment which effectively shut down in 2020 as our customers relied on their existing floats of returnable glass bottles rather than maintaining or expanding their floats grew by more than 55%, whilst the Pharma segment almost doubled and the Food segment delivered 80% growth. In 2021 we sold 2.4% more volume than in 2019.

Export sales grew four fold in 2021 compared with 2020 which contributed to our sales recovering well and selling 2.4% more volume than in 2019. During 2021 we continued working closely with leading brands across West Africa, to support their rapidly evolving needs. 2021 was not smooth, demand in the first half of the year was muted but ramped up considerably in the later months of the year.

There was renewed interest in New Product Development as customers became more optimistic about economic recovery and a number of new projects were initiated. The recovery in the Beer segment positively impacted our plastic crates operation which saw sales increase by 40% with the addition of a new customer. Our Crowns operation suffered some Supply Chain disruption early in the year, however the interruption was short-lived and we recovered strongly.

Having completed the furnace rebuild in record time, despite having to contend with the COVID Delta variant, we laid strong foundations for us to continue our growth trajectory into 2022 and beyond.



Customer satisfaction

Frigoserve

Our main focus is our people. We took all necessary measures to protect our teams against COVID-19 infections, operating either in the office or in the market. Continuous trainings and audit assessments enabled us to achieve a solid performance, serving our customers without any interruptions. Thanks to the commitment, ingenuity and hard work of our people, in 2021 we delivered a resilient performance in an extremely challenging year, grasping every opportunity to grow our business activity.

We have proven to be very agile and efficient, establishing a new entity in Switzerland setting up the operations and performing within this turbulent environment delivering a positive financial result. We have secured a new contract in Hungary and we are working on new opportunities in Central Europe that will enhance our presence and leverage our current infrastructure, making our presence in the region rigid. We maintained our existing business and we strengthened our operations in South Africa commercially and operationally.

Committed to our cost leadership journey, we implemented several productivity improvement initiatives and focusing on business sustainability, as well as set the base for further operational and financial efficiencies. We have conducted in Russia, Poland and Hungary sustainability analysis studies to eliminate risks, improve efficiency & standardize processes.

Augmented Reality technology deployment in all countries increased customer satisfaction and improved our efficiency. The launch of this tool allowed us to be closer to our customers and technicians even from distance as well as enabled us to support customers and protect Frigoglass people by reducing travel needs. Focusing on technical support,

training and field audits, we managed to deliver great results through this COVID affected environment, exceeding our expectations.

Spare Parts supply disruption was a main challenge within 2021 that we managed with increasing safety stocks, ordering to suppliers much earlier, balancing stocks within geographies, identifying substitutes and having a dedicated team working on daily basis. Still we face challenges with no effect into our business.

We continue to invest in our Spare Parts software, enjoying already the benefits of improved efficiency and increased customer satisfaction. We have finalized our Spare Parts outsourcing warehousing plan, consolidating the main Europe warehouse in Romania. Process has been optimized, delivery performance has improved and total cost has been reduced.

This successful project is proven through our Customer Satisfaction Survey that we have conducted within 2021. Apart from spare parts delivery improvement, all aspects of the business improved, along with customer engagement. Total average rating improved by 5% showing our continuous commitment in best in class services.

Our plans include **long term risk analysis and assessment**, together with extended market research to bring new technologies into our business and continue leading in our industry. We continue to invest expanding in new geographies mainly in Europe and Africa and building on our current infrastructure.

Balancing start-up related costs through identified cost reduction and efficiency improvement initiatives remains amongst our top priorities this year.



Frigoserve's presence



Our goal is to continue our procurement strategy, maintain and if possible expand the proportion of our local spending in order to have a positive impact in the economies and communities of our operations.

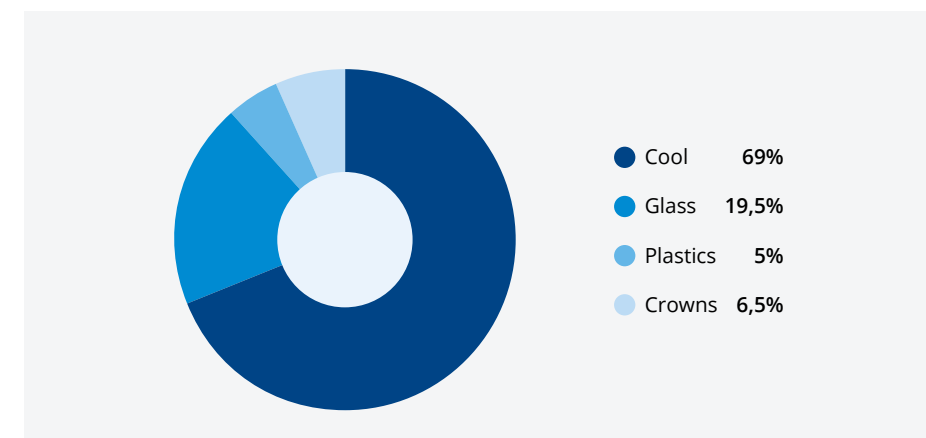
Main supplier categories and spent allocation in Cool operations

Main supplier categories	% of total spent	% Locally sourced	% Imported
Metals	54.9	69	31
Refrigerants	0.1	100	0
Paint	0.6	88.3	11.6
Glass	4.5	92.8	7.1
Plastics	8.4	61.9	38.1
Insulation	4.2	79.7	20.2
Others	27.2	35.8	64.1
Total	-	61.1	38.9

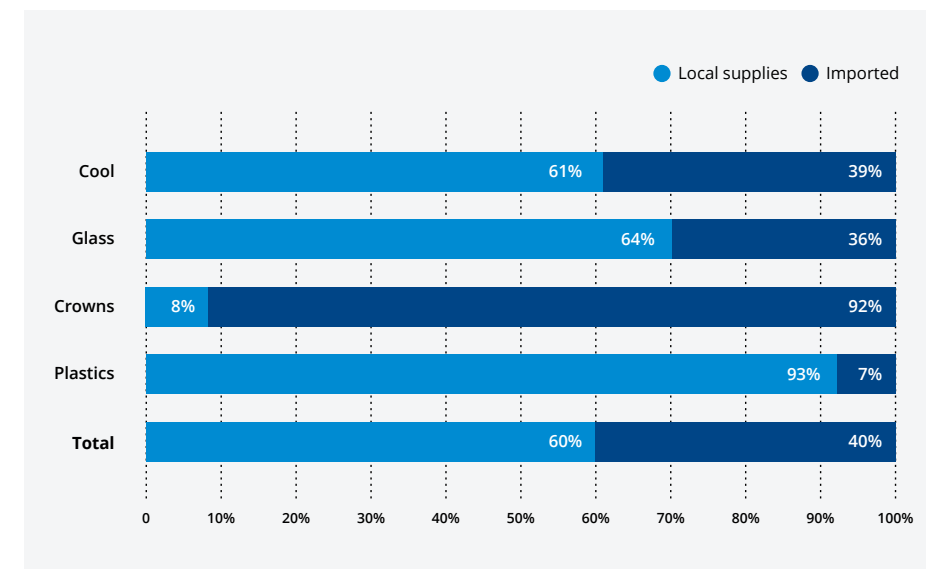
Supplier spent allocation in Glass, plastics and crowns operations

Main supplier categories	% of total spent	% Locally sourced	% Imported
Glass	63	64	36
Plastics	17	93	7
Crowns	19	8	92
Total		57	43

Proportion of spending per company division



Proportion of spending on local suppliers



Responsible procurement and supplier assessment

The pillars of the Frigoglass Supplier Code:

Ethics



- Anti-trust
- Anti-bribery
- Conflict of interest
- Protection of information and intellectual property

Labour



- Freedom of association
- Work conditions
- Wages and benefits

Human rights



- Child and forced labour
- Diversity and equal opportunity
- Harassment and violence

Health and Safety



- Occupational health and safety
- Hygiene
- Work conditions

Environment



- Regulatory compliance
- Pollution and waste
- Use of recycled materials

Given the nature of our business model and our commercial relationships, responsible procurement is a particularly important matter for Frigoglass.

As a global corporation with plants operating in several countries, we always strive to establish honest working relationships with our suppliers which adhere to the principles of sustainable development. An audit process is in place targeting 100% of all our new suppliers and a total number of suppliers representing more than 90% of our total annual spent. Our objective is to continuously include a wider range of criteria into our supplier assessment processes and audit forms. This refers not only to operational issues, such as the mitigation of supply chain constraints, but also to sustainability aspects such as:

- The impact of our suppliers on ethics, labour and human rights
- Health and safety performance amongst our suppliers
- The environmental impact of our suppliers, with regard to both the materials used in manufacturing and their products
- Specific Request for Quotation (RFQ) forms targeted at examining sustainability aspects of our suppliers' operations

Since 2018 Frigoglass has entered a new chapter in Corporate Social Responsibility journey by launching a sustainable initiative to monitor social and environmental performance.

We work together with our key Strategic & Cost Leverage Suppliers, which represent about 50% of our Annual Raw Material Spend to help them actively engage in completing and improving their annual reviews within this program.

We focus on introducing more suppliers to platforms that support business transparency in sustainability and provide an easy way to understand their performance against four key areas: Environment, Labour rights, Ethics, Sustainable procurement.

The Frigoglass Supplier Code:

Our business relationships with suppliers are underpinned by the Supplier Code which Frigoglass has put forward. In this code, Frigoglass lays out the standards and principles to which we expect our suppliers to adhere. Ethics, labour and human rights, health & safety but also the environment are integral parts of our Supplier Code. Every new party, defined by Frigoglass as Supplier or Business Partner, is required to sign the Supplier Code thus committing themselves to complying with its defined principles.

Compliance covers all activities throughout all Suppliers' premises and operations, including their own supply chain, whilst contracts may also contain specific provisions addressing these issues.

By requiring our suppliers to comply with the requirements as outlined in the Supplier Code, Frigoglass helps "cascade" good practice throughout its supplier base and minimise its indirect negative impacts.

By doing so, it is not only protecting its own reputation, but also the reputation of its suppliers – some of whom might be vulnerable to consumer activism. Suppliers are achieving a level of performance that is in line with our customers' own requirements (for example, requirements about supplier environmental performance).

Responsible procurement and supplier assessment

As part of our risk management strategy, compliance with the Frigoglass Supplier Code is subject to globally applied audits by Frigoglass or an independent third party. We are regularly revising our supplier auditing process to give more weight to sustainability-related factors. Our latest revision focuses on supplier assessment based on their policies and KPIs to prevent discrimination and harassment (incl. training, integration of minority groups and persons with disability or senior ones, wage equality, collective agreements and gender equality).

In cases where suppliers fail to comply with the requirements addressed in this Code, Frigoglass reserves the right to renegotiate and/or terminate an agreement.

We assess a wide range of suppliers representing annual purchases of over 90% of our total group spent. Out of those over 50% have been audited on-site in the last 3 years. As part of our responsible procurement strategy, we run training programs on the sustainability criteria we place on our suppliers.

As per Group target, in 2021 all our buyers completed the Sustainable Procurement training. Every new buyer of Frigoglass receives this obligatory training, as part of the standard employment process. In addition, we regularly conduct risk analysis on key purchasing categories to ensure security of supply. When we identify suppliers with high probability of non-compliance with our Supplier Code of Conduct, we manage supply chain risk by proactively finding potential suppliers with higher probability to comply.



Commitments and targets

Commitment	Target*	Progress in			Status
		2019	2020	2021	
Increase annual sales share in green ICMs	Over 90% by 2025 (revised from 2020)	82%	82%	75%	➔
Maintain high annual local spent on procurement	Over 40%	ICM			↻
		43.3%	45.4%	61.1%	
		Glass			
		50.4%	52%	52%	
Maintain high annual share of on-site audits of defined supplier base (over 90% of total spent)	Over 35% (revised from 30%)	42%	58%	51%	↻
Maintain 100% of buyers trained	100%	100%	100%	100%	↻
Audit all new suppliers	100%	100%	100%	100%	↻
100% of suppliers to sign the Supplier Code	100%	100%	100%	100%	↻

- ⊕ New commitment
- 📅 Scheduled to begin
- ➔ In progress
- ✓ Achieved
- ↻ Ongoing

Environment



At Frigoglass, we are engaged in the preservation and conservation of the global environment and as such we remain committed to reducing the environmental impact of our business. We closely monitor the impact of our products, processes, supply chain and operations on the environment and take concrete measures to minimize it.

We follow environmentally conscious and sustainable business practices, which directly inform our corporate strategy and drive our approach to innovation. In the previous years, we made considerable progress towards minimizing the environmental impact of our products, rationalizing our manufacturing processes and improving the efficiency of our operations.

We also systematically enhance environmental awareness through the environmental education of our employees. We use our e-learning platform, the “Frigoglass Academy”, with the objective to promote environmental awareness, among other things, throughout the company.

Our Environmental policy, which is regularly included in the Frigoglass Academy training sessions, includes the subjects of energy consumption and Greenhouse gases, water stewardship, pollution and waste management, accompanied by company-wide procedure about scrap handling and disposal. It also addresses the environmental impact from the use of our products in the market and product end-of-life (e.g. product recyclability and compliance with WEEE and respective directives in other regions). Our policy finally refers to external partner health and safety (subcontractors, customers etc) and stakeholder engagement to Sustainability.

This is a milestone year on our efforts to minimise our environmental impact, since we introduce our ambitious emission reduction and Net Zero commitment through the Science Based Targets initiative, in line with the goal of limiting global warming to 1.5 °C. Through this commitment we set an ambitious plan to drastically reduce the carbon emissions from all stages of our value chain in the near-term, until 2030, and ultimately reach Net Zero in the long-term, by 2050.

Material issues:

- Product energy and material efficiency
- Use of recyclable materials
- Product lifecycle impact management
- Management of waste and hazardous materials
- GHG emissions reduction in operations
- Investments in green technologies

Strategic priorities:

- ✓ Ongoing improvement of product energy efficiency
- ✓ Maintain high levels of component recyclability

Reduce energy consumption per unit produced

Enhance resource efficiency in production

Manage and minimise waste

Related SDGs:



Our emission reduction and Net Zero action plan

We recognize the need to take action on climate change, thus we have set a target, in line with Science Based Target initiative methodology, to reduce Scope 1&2 emissions by 48% and Scope 3 emissions across our value chain by 27.5% by 2030 from a 2019 baseline and reach Net Zero by 2050. This target is aligned with the goal of limiting global warming to 1.5 °C according to current industry best practice and reflects an ambitious decoupling of our GHG emissions from our production and operational growth.

Aiming to capture the entirety of our value chain emissions, we have extended the Scope 3 emissions encompassed in our emissions profile, including product-related categories (i.e. “purchased goods and services”, “use of sold products” and “end-of-life of sold products”) for both our Cool and Glass divisions that have not been reported in our annual sustainability reports.

In order to achieve those ambitious targets we are developing an action plan incorporating all aspects and functions of our operations that aims to embed Net Zero in the company’s strategy and operating model and drive efficiency and innovation. Our focus areas include the following:



Operations

- Procure certified green electricity
- Invest in the process and energy efficiency of our manufacturing processes, utilise smart factory technologies and low emission fuels



Products

- Optimize cooler cabin design and components for increased energy efficiency
- Integrate RES technologies in our coolers
- Increase recycled input material (cullet) in our glass bottles

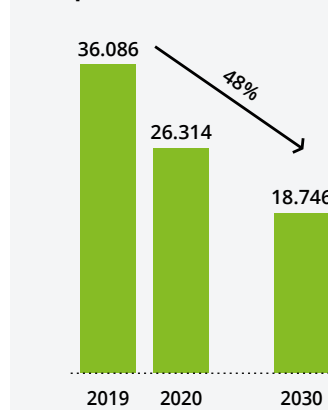


Supply chain

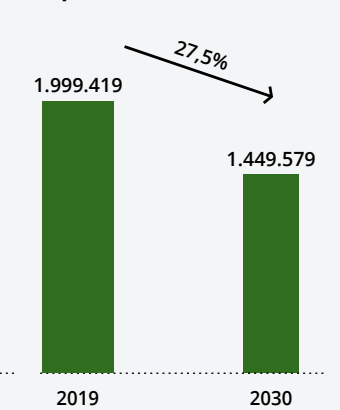
- Optimize raw material / component sourcing locations
- Optimize and consolidate outbound shipments
- Cooperate with logistics companies and clients to promote low carbon transport

Near-Term targets, by 2030 (tonnes of CO_{2e})

Scope 1 & 2

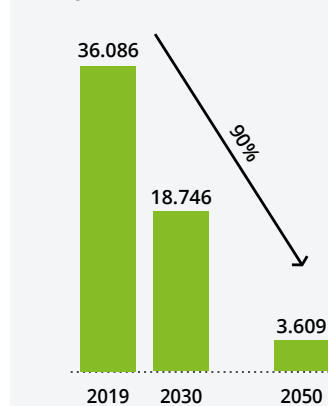


Scope 3

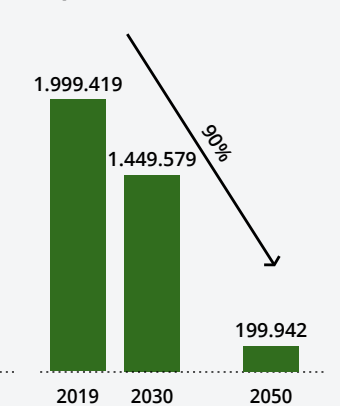


Long-Term target, by 2050 (tonnes of CO_{2e})

Scope 1 & 2



Scope 3



Product environmental stewardship

As a global manufacturer of beverage coolers, we are committed to designing and producing innovative products, which are energy efficient with minimum environmental impact. ICMs make a significant proportion of our customers' carbon footprint.

Since 2010 we have reduced our fleet's carbon footprint by more than 50%. Offering energy efficient solutions still remains an integral part of our product strategy and one of our main competitive advantages.

Glass operations, on the other hand, are characterized by energy intensive production and require large quantities of raw materials. Therefore, in these operations our primary goal is to recycle and reuse as many materials as possible. Another important goal for Glass is to continue innovating on lightweight bottle production, which again leads to use fewer Raw materials and helps us to meet our primary goal.

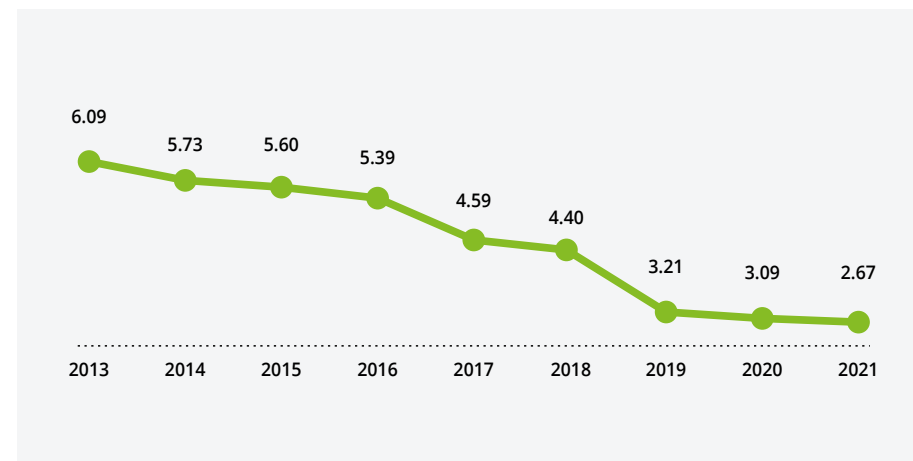
Improving environmental performance across our ICM range

Continuously improving the environmental performance of our coolers is one of our top priorities, which is aligned with our customers' expectations and upcoming global regulations. During the previous years, our efforts to this front have been intense and have yielded substantial results.

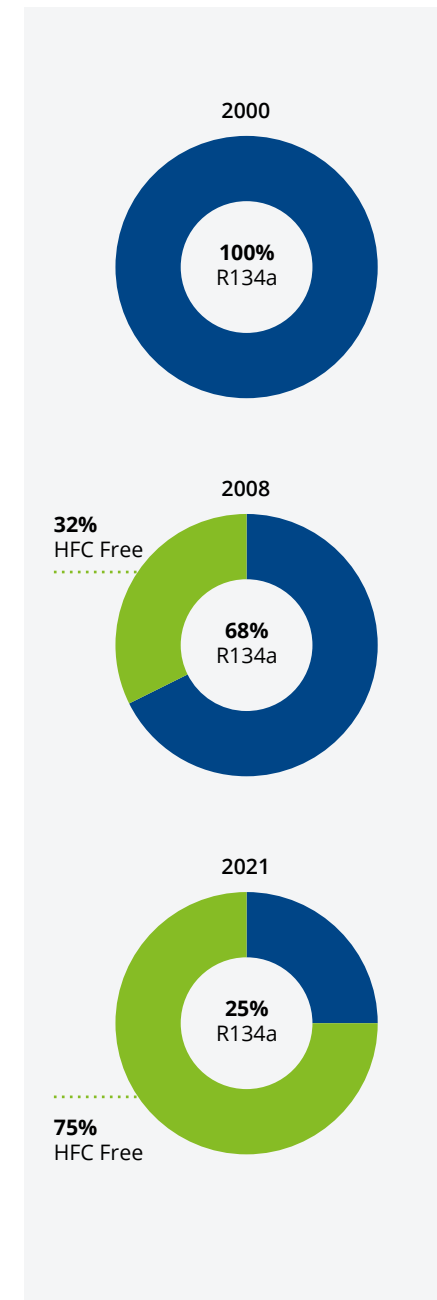
- In close collaboration with our customers and suppliers, we gradually convert our product portfolio into a fleet of coolers with environmentally friendly refrigerants. The share of our so-called "Eco range" has grown considerably in the last years, maintaining a level over 80% of our total ICM sales, apart from 2021 where the share dropped to 75% due to relative increase of sales to customers in Asia. Certain markets, such as South East Asia and India do not have yet the necessary infrastructure to support the transition to Hydrocarbon refrigerants, which is the reason that inhibits us from our 100% target of Eco-coolers sales.

- In all our plants we have the manufacturing capability to use environmentally friendly refrigerants, so that we can quickly address potential future changes in refrigerant regulation and efficiently roll out new products.
- In 2021, we continued innovating on very low energy consumption coolers and launched the respective ICOOL2.0 range, as continuation to the successful previous generation. The new range also uses minimum possible HFC-free refrigerant quantity for the respective cooler size and type. We also continued selling our Hybrid and Solar models, with technologies based on eutectics and renewables.

Average energy consumption (kWh/day) of Frigoglass cooler fleet

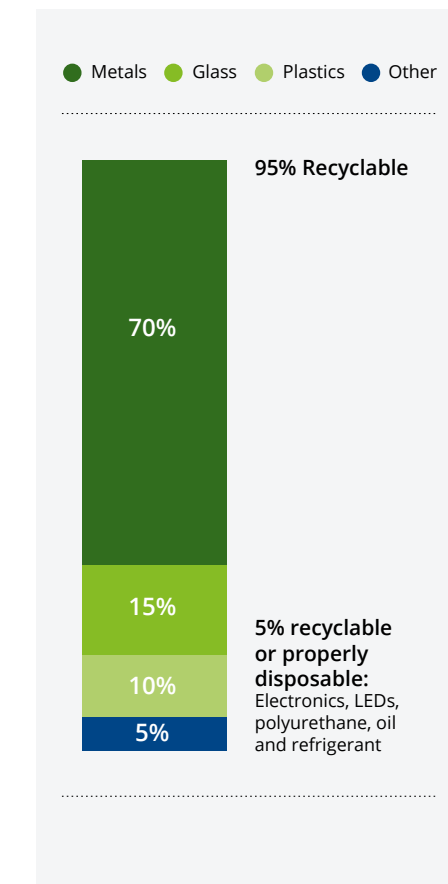


Evolution of the Eco range sales share



Total recyclability

We strive to maintain high component recyclability, controlling the use of plastics and rationalizing spare parts and components used in manufacturing. Our product design provides easy dismantling that facilitates recycling, following internal procedures on product end-of-life treatment. Furthermore, our product design takes into account the optimization of transport, ensuring maximum loading capacity in trucks and containers. 100% of our products' components can be recycled or properly disposed.



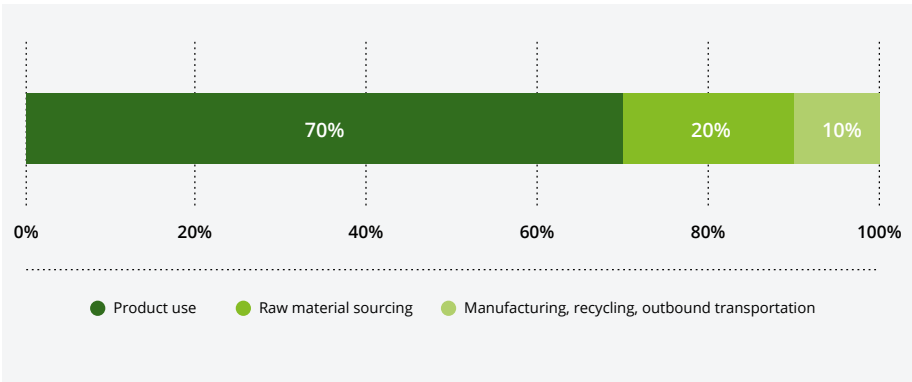
Product environmental stewardship

Assessing the lifecycle of our ICMs

There are several factors affecting the lifecycle assessment (LCA) for an average cooler, some of which are:

- Considerably reduced cooler energy consumption that leads to higher in-use energy efficiency over the product's life time
- Reduced emissions factors of relevant countries of ICM placement, which positively affects in-use energy efficiency as well

ICM lifecycle CO₂ footprint

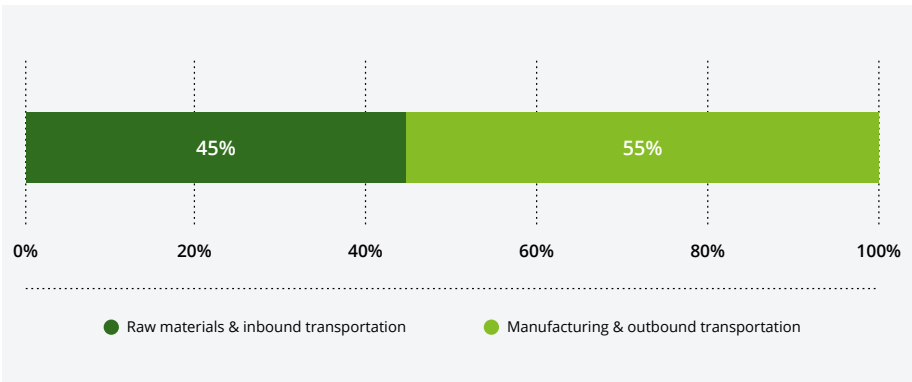


Our last LCA analysis shows that the process with the most important environmental impact remains to be the product use in the market. In specific, around 70% of the impact comes from product use, 20% from raw materials and their sourcing, while the remaining 10% includes manufacturing, recycling and outbound transportation. The results indicate that all our actions in product development are focused on the right processes and areas that mostly affect the total CO₂ footprint of the product.

Assessing the lifecycle of our glass containers

Aiming to have a holistic view of the lifecycle environmental impact of the entirety of our products, in 2021 we also conducted an LCA for our glass containers.

Glass container lifecycle CO₂ footprint



The LCA indicates the CO₂ footprint of glass containers is almost evenly distributed between the raw materials and the manufacturing process, since product use and end-of-life have no CO₂ footprint. This reinforces our efforts to reduce the environmental impact of our glass bottles by increasing the share of recycled input materials (cullet) and investing in the energy efficiency of our manufacturing processes.

Production of optimised bottles in our glass operations

In 2021 we were able to maintain the use of more than 65% cullet in the production of green bottles thanks to continued efforts to secure additional cullet from multiple sources. We continued our collaboration with Wecyclers, a recycling company that aims to power social change by allowing people in low-income communities to capture value from their waste to generate additional cullet for re-use in our glass furnaces. However, there remains a lot of work to do to increase the availability of cullet for flint and amber bottles in particular as we have to import these glass colours from neighboring countries in order to maintain consistent supplies. Despite the challenges we were able to achieve 45% cullet usage for amber bottles and 30% cullet usage for flint bottles and jars and we remain committed to our goal of achieving a minimum of 50% average recycled content across all three glass colours by 2025.

We have also made modifications to our packaging specifications to enhance our customer experience, enabling us to maintain glass weight savings, but still ensuring safe product transportation for domestic and export customers alike.

A significant proportion of our production is returnable bottles, which are heavier than non-returnable or one-way containers, but have considerable benefits for the environment. These containers are heavier to withstand multiple trips in large glass bottles floats, and can be used more than 25 times before being recycled as cullet and reused as part of our raw materials to make new bottles and jars.



Emissions management and reduction

At Frigoglass, we are committed to protecting the physical environment and believe that reducing our energy consumption and managing the associated emissions can serve as a key growth driver. As a manufacturing business, we recognise the potential impact of our operating facilities on the environment. Consequently, reducing greenhouse gas (GHG) emissions is a key business priority and at the forefront of our sustainability targets. Our emission reduction and Net Zero commitment reinforces and validates our efforts for environmentally sustainable operations.

Since our emission reduction and Net Zero targets are measured on an absolute level and from a 2019 baseline, we will be reporting our progress both based on SBTi commitment, as well as our intensity based performance.

'000 tonnes of CO _{2e}		2017	2018	2019	2020	2021
Scope 1	Cool	5.35	5.95	5.58	4.65	5.97
	Glass	59.41	9.18	13.16	8.71	18.64
	Plastics and crowns	1.81	1.95	2.31	1.86	2.39
	Total	66.57	17.08	21.04	15.21	26.99
Scope 2	Cool	9.52	9.62	9.26	7.34	5.81
	Glass	25.43	8.72	5.78	3.77	8.45
	Plastics and crowns	0.00	0.00	0.00	0.00	0.00
	Total	34.95	18.34	15.04	11.10	14.26
Scope 3	Cool	11.56	11.73	15.95	7.78	8.37
	Glass	11.60	3.33	3.22	2.10	2.94
	Plastics and crowns	0.00	0.00	0.00	0.00	0.00
	Total	23.17	15.06	19.17	9.88	11.31
Total	Cool	26.43	27.30	30.79	19.76	20.13
	Glass	96.45	21.23	22.16	14.57	30.02
	Plastics and crowns	12.68	1.95	2.31	1.86	2.39
	Total	124.69	50.49	55.26	36.19	52.56

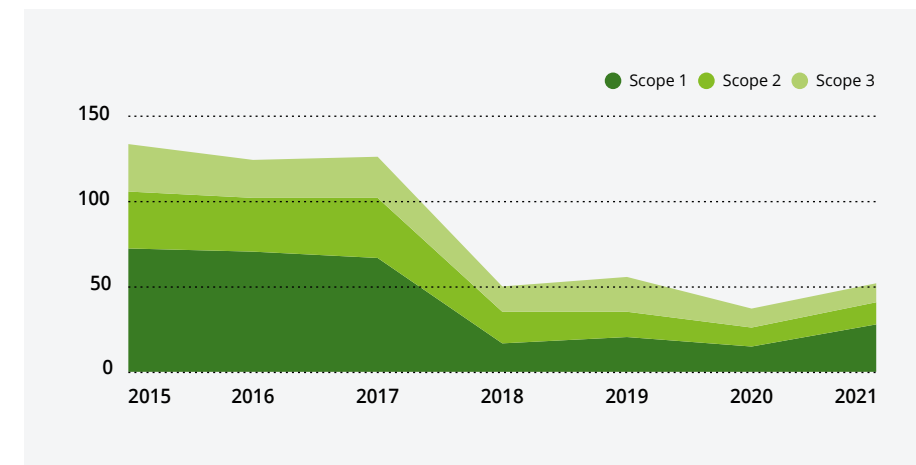
Scope 1: Fuel combustion on company premises and company owned vehicles

Scope 2: Electricity consumption

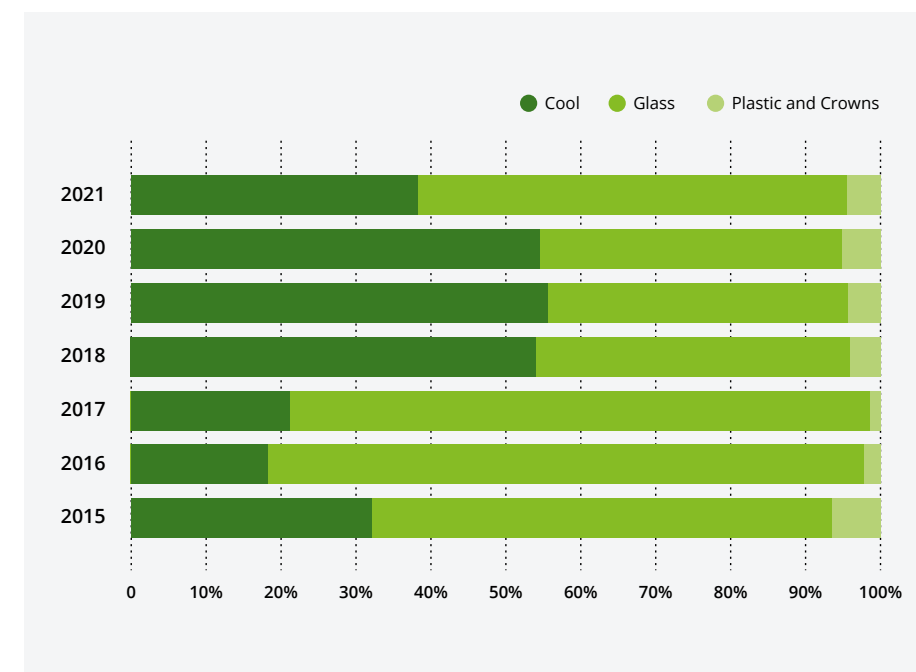
Scope 3: Outbound third party deliveries and business related travel

Total GHG emissions of operations

'000 tonnes of CO_{2e}



Emissions allocations per company division



Emissions management and reduction

Since 2017, with the divestment of our most energy intensive production plant, our emissions profile has reduced significantly despite the increasing output.

A major event in 2021 was the fire incident in our Romania manufacturing plant which resulted in the cease of its operation for the entirety of the year. This called for exceptional measures, with production volumes manufactured in Romania being diverted to our other plants, mainly in Russia, in order to meet customer demand. This greatly affected our resulting production output and operational efficiency which is illustrated by the significant increase of our emission intensity (28% increase in relation to 2019) shrinking the relationship between our production growth rate and emission intensity for a second year.

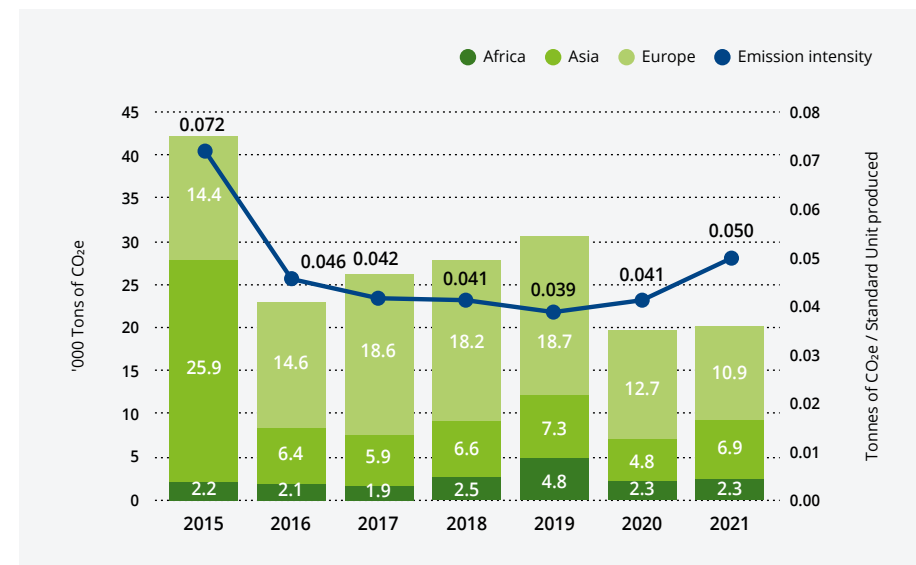
We expect however this performance to be temporary, since we are fast recovering from the effects of COVID-19 and we are now rebuilding our Romania plant up to the highest energy and operational efficiency standards.

Despite Romania plant not being operational, the diverted production volume to Russia as well as the significantly increased production in India resulted to similar total emission levels in our Cool operations with the year 2020.

Emissions remained however 5% lower than 2019 which is a good indicative year of our operational intensity and the base year for our Net Zero commitment. In terms of emissions allocation, for the first time since 2018, Glass operations were the major contributor with 57% of emissions, followed by Cool with 38% and plastics and crowns with the remaining 5%.

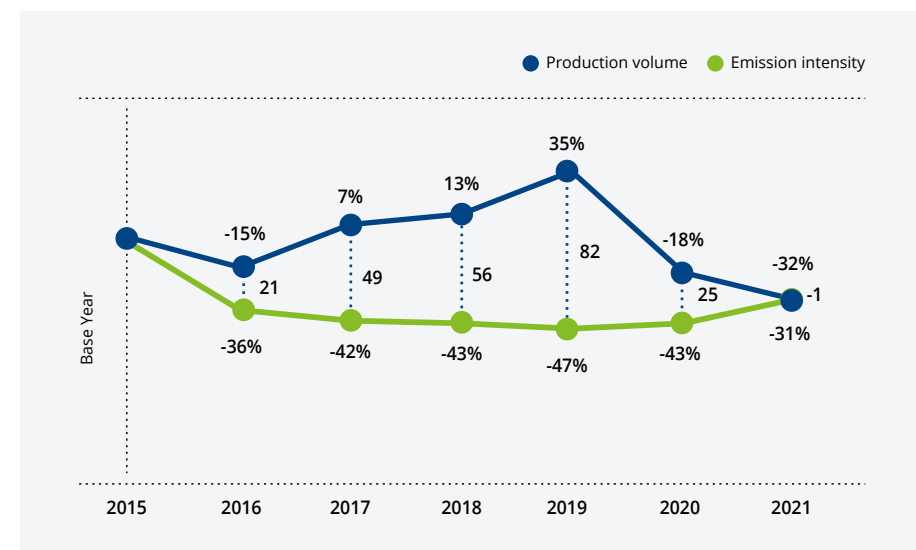
GHG emissions from Cool operations

Total emissions and intensity per Standard Unit produced



Evolution of production volumes in relation to emission intensity

Production in Standard Units, intensity in tonnes of CO2e / Standard Unit produced



In our Glass, Plastics & Crowns division, operations returned to pre-Covid levels with total emissions increasing by 32% and emission intensity by 27% in relation to 2019.

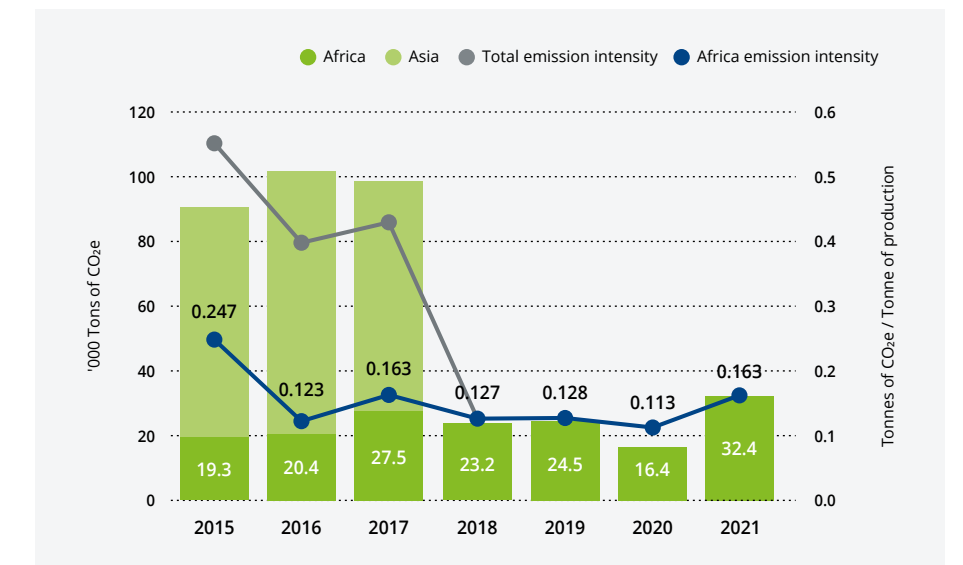
Reason for the higher intensity despite similar production volume between 2021 and 2019 years was the need to switch to Diesel consumption for longer time periods within 2021, due to frequent issues with supply of electricity and low pressure of Piped Natural Gas (PNG).

We look forward to better controlling these energy supply fluctuations in the future though since our recent installation of Liquefied Natural Gas (LNG) tanks that was completed at the beginning of 2022 and is used for uninterrupted furnace combustion.



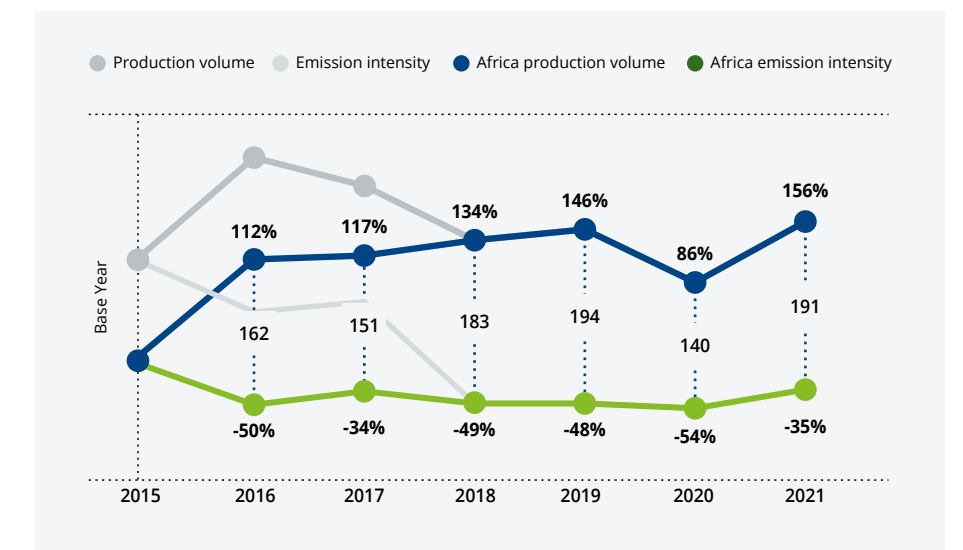
GHG emissions from Glass, Plastics and Crowns operations

Total emissions and intensity per tonne of production



Evolution of production volumes in relation to emission intensity

Production in tonnes, intensity in tonnes of CO2e / tonne of production

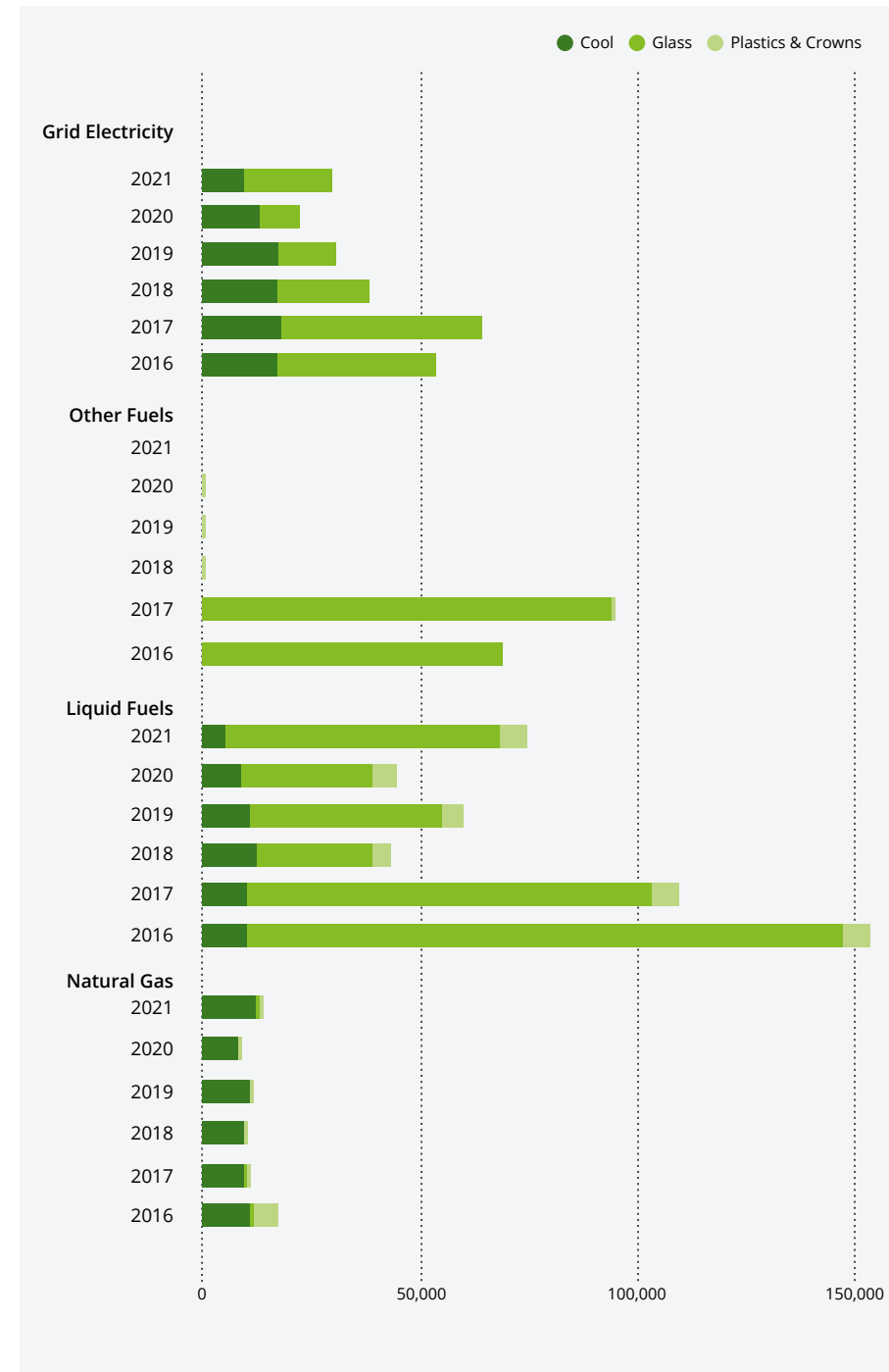


Energy efficiency of operations

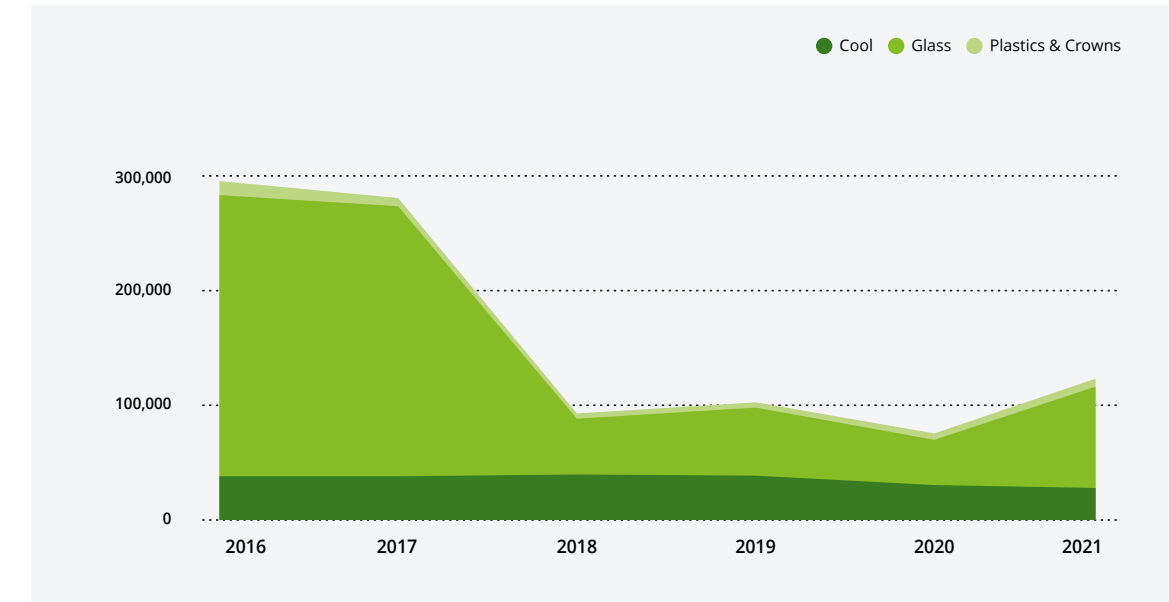
In our operations, we are constantly seeking ways to improve the energy efficiency that makes up an integral part of our activities and constitutes a key element of our overall sustainability and competitiveness. To achieve this, we closely monitor all energy sources, and focus our efforts on enhancing the utilisation of resources and minimizing any negative environmental impact.

In 2021, overall energy consumption increased by 15% in relation to 2019, with Glass operations accounting for 71% of consumption, Cool for 23% and the remaining 5% being Plastics and Crowns.

MWh of Energy consumption per source and company division



MWh of energy consumption per company division



MWh of energy consumption per company division

MWh	2016	2017	2018	2019	2020	2021
Cool	39,308.2	38,187.6	39,865.6	38,796.4	30,214.6	27,685.6
Glass	243,881.1	235,571.7	48,163.3	59,367.8	39,639.5	84,408.20
Plastics and crowns	12,120.4	7,044.2	4,607.4	4,612.9	5,830.8	6,290.8
Total	295,309.6	280,803.4	92,636.3	102,777.1	75,685.0	118,384.70

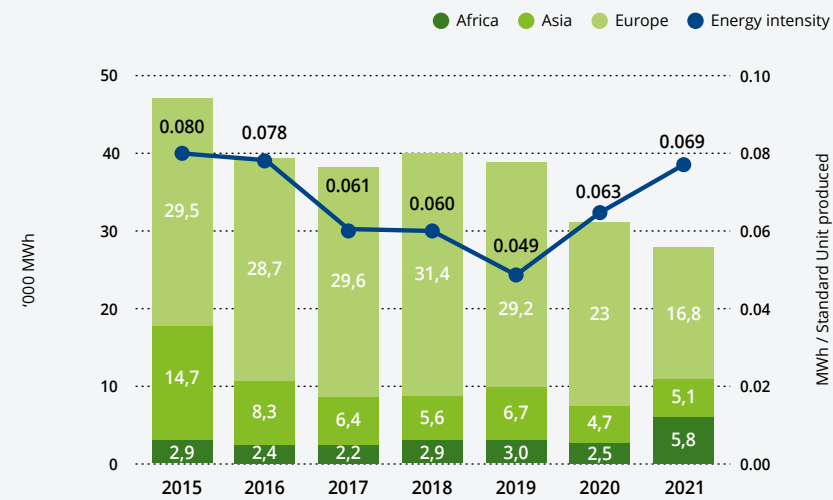
Energy efficiency of operations

In our Cool operations, absolute energy consumption reduced by 28% in relation to 2019, however energy intensity per production output was increased by 41% due to the efficiency and production output implications of the fire in Romania production plant.

The circumstances leading to increased energy intensity are not representative to our normal operations, thus we expect to demonstrate increasing energy efficiency once the Romania plant is rebuilt and operational.

Energy consumption from Cool operations

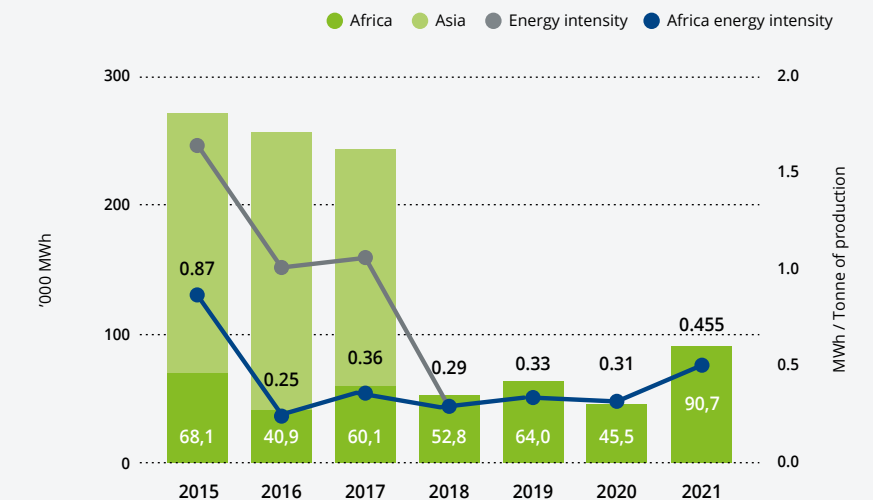
Energy consumption and intensity per Standard Unit produced



In 2021 due to increased production output the absolute energy increased by 42% and the energy intensity by 38% for the aforementioned reasons of the quite unstable energy supply. Despite these issues a reasonably good relationship between production volume and emission intensity was maintained.

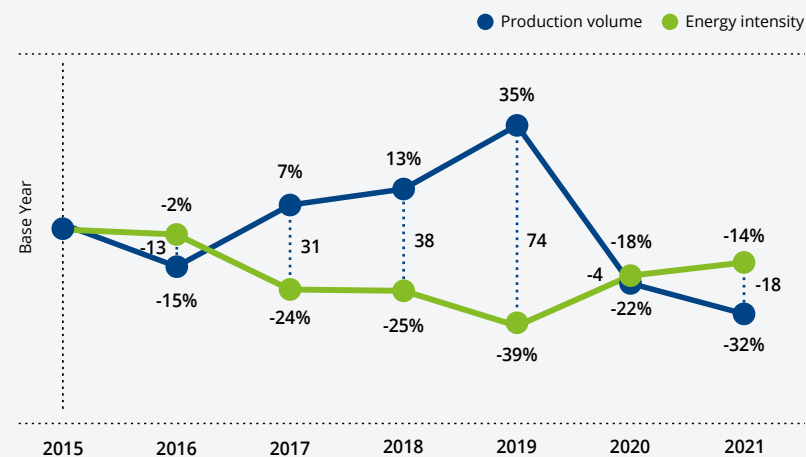
Energy consumption from Glass operations

Energy consumption and intensity per tonne of production



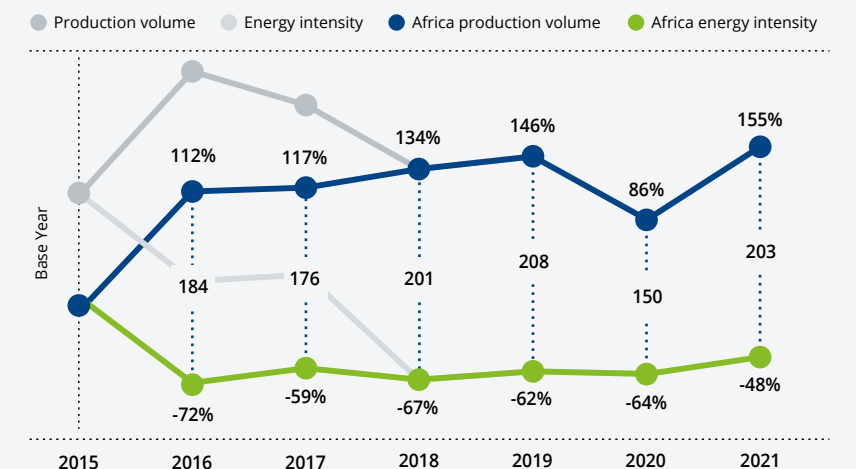
Evolution of production volumes in relation to energy intensity:

Production in Standard Units, intensity in MWh /Standard Unit produced



Evolution of production volumes in relation to energy intensity:

Production in tonnes, intensity in MWh /tonne of production



Energy efficiency of operations

Over the last years we have realized several investments, aiming to protect the environment and enhance the energy efficiency of our plants. Our investments covered a wide spectrum of processes, ranging from simple process optimizations to sophisticated equipment upgrades in our production facilities. Below we highlight some of these investments in our plants:

- Replacement of plant illumination with high efficiency LED lighting and motion sensors for automated operation. Installation of skylight sheets on roof top to replace illumination through day light.
- Disconnection of devices from power, when production stops, to avoid quiescent consumption.
- Installation of lower energy consumption machines in high consuming areas of the manufacturing process e.g. metal processing.
- Advancement of leakage detection systems e.g. in water, air, refrigerants
- Automation of heating and ventilation systems in the shop floor as well as separation of heating routing to dedicated operations for more efficient consumption control
- Automation of the air compressors operation for more efficient consumption control
- Solar panel installation to support powering IT servers and other lower energy consuming operations
- Replacement of equipment running on Diesel through similar powered by electricity

On the product side, we continuously aim to optimize the design, standardize the parts, and reduce the weight of materials and packaging e.g. pallets.

Those actions lead mainly to reduction of material use, better warehouse arrangements and space usage optimization as well as logistics that are more efficient.

In addition, as part of our environmental management system, all our operation facilities are certified as per ISO14001, apart from one that is undergoing relevant preparation to be certified as well.

Moreover we invest every year in “green IT” systems and expand the implementation of the IT program that was initiated in 2019 across the Group ICM business, targeting improvement of our efficiencies in the internal processes along the value chain, from customer order to product delivery. That includes the areas of planning, raw material and final product transportation, warehousing and production. It is expected to provide considerable positive impact on energy and emissions reduction within the products’ lifecycle.

In the coming years we will be also implementing our emission reduction and Net Zero action plan, which will enable us to achieve our ambitious targets.

Environmental protection expenditures

In our efforts to continuously enhance the sustainable character of our operations, every year we are allocating approximately 1% of our ICM sales revenue to projects related to improving energy efficiency in operations and reducing our environmental impact. As a result, we have never received grievances about the environmental impact of our operations as long as we monitor them.

In many countries, where we operate, part of the energy we purchase comes from renewable resources that are feeding into the grid. In our Glass plants in Nigeria we have gone a step further to invest in solar panels for supporting part of the required electricity in the operations. This investment is planned to be expanded in the years to come in Glass as well as introduced in ICM operations too, following our SBTi plan actions to reach NEt Zero by 2050.



Energy consumption tracking



High efficiency LEDs with motion sensor and dimming



Leakage detection systems



Low energy illumination solutions



Investments in advanced machinery with reduced energy consumption



Solar panels



Employee awareness on energy conservation



Installation of environmental friendly refrigerants



Automated air conditioning management

Resource management and efficiency

Materials management in Cool operations

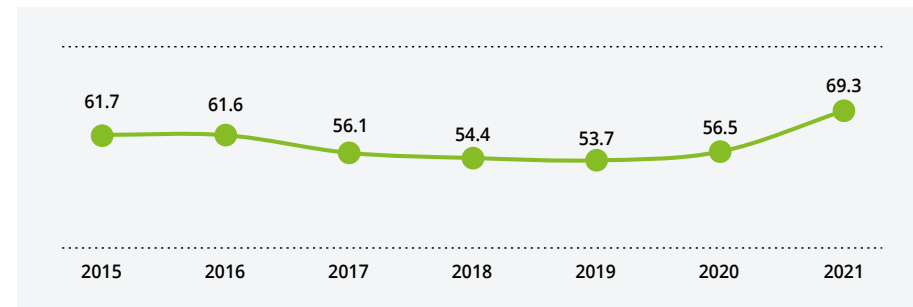
At Frigoglass, knowing that our ICM operations are material-intensive, we have been monitoring and reporting on our material use since 2010. Our objective is to maintain the rates of material consumption over produced volume at low levels, despite varying product mix.

Furthermore, our Procurement cooperates with strategic suppliers to ensure that stock of raw materials is maintained at warehouses close to the plants. This helps avoid sub-optimal freights (e.g. by air) while still enables us to satisfy our customers' needs for shorter delivery times.

The evolution of our material consumption over the past years has demonstrated the payoff of our strategies, with steady year by year reduction of the materials used per ICM standard unit sale. 2020 and 2021 however have presented exceptional circumstances for the global market with the COVID-19 pandemic as well as with the fire in our key production plant in Romania, which did not allow us to maintain the material efficiency of previous years. Once the Romania plant is re-built we expect to return to 2019 levels of material intensity.

Materials intensity in Cool operations

Kg of materials used over Standard Units produced



Tonnes of materials used in Cool operations

Metals

	2019	2020	2021
Europe	16.522	8.117	8.500
Asia	6.900	5.022	7.111
Africa	1.789	1.705	1.753
Total	25.211	14.843	17.364

Plastic

	2019	2020	2021
Europe	2.436	1.855	1.300
Asia	877	729	952
Africa	183	174	178
Total	3.496	2.758	2.430

Insulation

	2019	2020	2021
Europe	2.287	1.202	1,126
Asia	1.071	613	814
Africa	373,1	410	226
Total	3.731	2.225	2,166

Glass

	2019	2020	2021
Europe	7.650	3.976	3.200
Asia	1.321	1.144	1.315
Africa	1.196	2.212	1.269
Total	10.167	7.333	5.784

Refrigerants

	2019	2020	2021
Europe	35	21	15
Asia	17	14	23
Africa	4,1	6	2.0
Total	56	41	40

Paint

	2019	2020	2021
Europe	101	27	27
Asia	18	12	15
Africa	4,104	5,52	2
Total	123	44	44

Materials management in Glass operations

In Glass operations, materials consumption is mainly based on recycled cullet and therefore this part of our business is by definition very material efficient.

In our Glass operations material intensity remained at similar low levels of previous years. It did not further reduce because we tried to maintain a significant proportion of returnable bottles, which are heavier than non-returnable or one-way containers, but have considerable benefits for the environment. Considering the fact that we also increased the share of recycled cullet in the material consumption, the overall effect has been more environmental-friendly than any year before.

Water consumption management

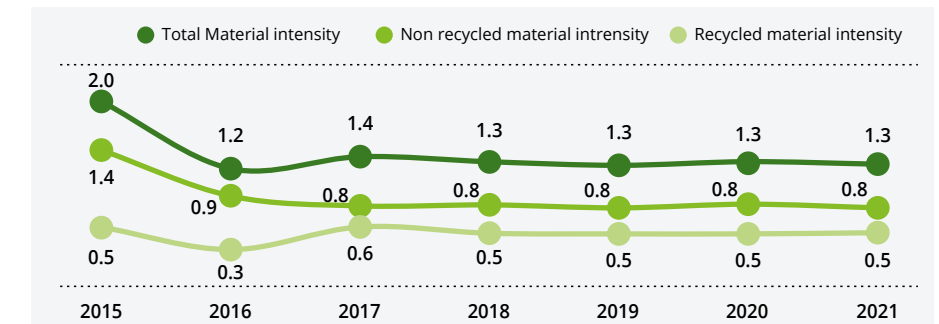
Water is a key input of our manufacturing process, especially in Glass operations. Recognising its scarcity, we are committed to making every effort to avert water losses in the production processes through water recycling both in our Cool and Glass operations, following internal work processes and infrastructure.

In our Cool operations, used water is being properly treated according to the required specifications for discharge back into the sewage system.

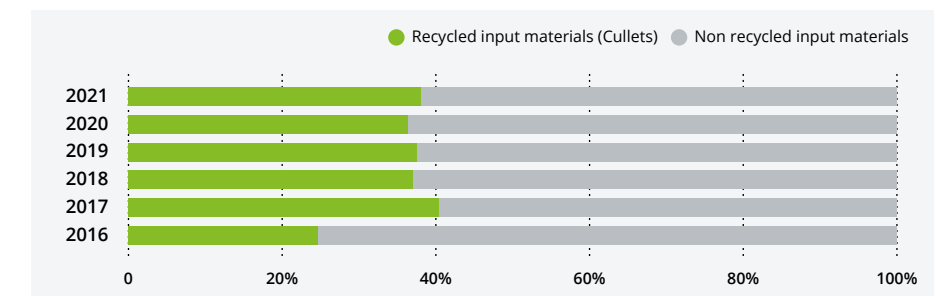
In our Glass operations we have set procedures for leakage avoidance and maximum recycling. Especially in our Effluent Treatment plant in Nigeria, utilising latest technologies, we have achieved over 95% water recycling and reuse in our operations. The remaining 5% mostly evaporates during the process while a negligible part is being treated and discharged in the sewage system.

Materials intensity in Glass operations

Tonnes of materials used over total Tonnes of production



Proportion of recycled materials in Glass operations



Tonnes of materials used in Glass operations

Silica Sand

	2019	2020	2021
Asia	0	0	0
Africa	91.213	71.772	93.528
Total	91.213	71.772	93.528

Soda Ash

	2019	2020	2021
Asia	0	0	0
Africa	23.949	19.088	24.823
Total	23.949	19.088	24.823

Other

	2019	2020	2021
Asia	0	0	0
Africa	5.995	4.353	6.582
Total	5.995	4.353	6.582

Cullet

	2019	2020	2021
Asia	0	0	0
Africa	86.684	64.905	91.907
Total	86.684	64.905	91.907

Limestone Powder

	2019	2020	2021
Asia	0	0	0
Africa	22.322	17.844	23.171
Total	22.322	17.844	23.171

Waste management and control

In our ICM operations, hazardous and non-hazardous waste is generated from the manufacturing process of coolers.

Reducing waste from production, without undermining the effectiveness of the process, is a key priority for Frigoglass.

In 2021, waste generation was reduced further as result of the lower production compared to 2020 while recycling rates remained again at very high levels, over our base target of 90%.

At Frigoglass, we respect local legislation and comply with internal policies governing the handling of hazardous waste. No hazardous waste is shipped internationally, whilst all is collected from the plants by authorized agencies using their own transportation methods for further disposal and/or recycling, as per internal work processes and infrastructure.

In 2021, we continued to reduce the generation of hazardous waste associated with our production activities even further reducing it by 17% in relation to 2020.

In our Glass operations, both general and hazardous waste are of negligible quantities. General waste is fully recyclable, while hazardous waste comes mainly in form of machinery oil and water contaminated with oil, and is all properly discharged by authorized companies.

As regards to pollution, we implement various technologies in all our operation sites to mitigate emissions of dust and particulate matter. For example, we use dust filters and cyclone systems, additional secondary burners and regular maintenance and cleaning of the relevant machines. We also conduct regular inspections within the year to analyze and control the volumes of major air pollutants. Finally, we have procedures in place to avoid road congestions during peak times of the season, which would also otherwise lead to increased air pollution. Some of the implemented measures are reduction of the routes from the warehouses to the

plant by redirecting activities directly to the warehouses, introduction of additional parking areas or designated ones for long vehicles, as appropriate, and proper traffic indication through road signs.

Tonnes of general waste generated in Cool operations

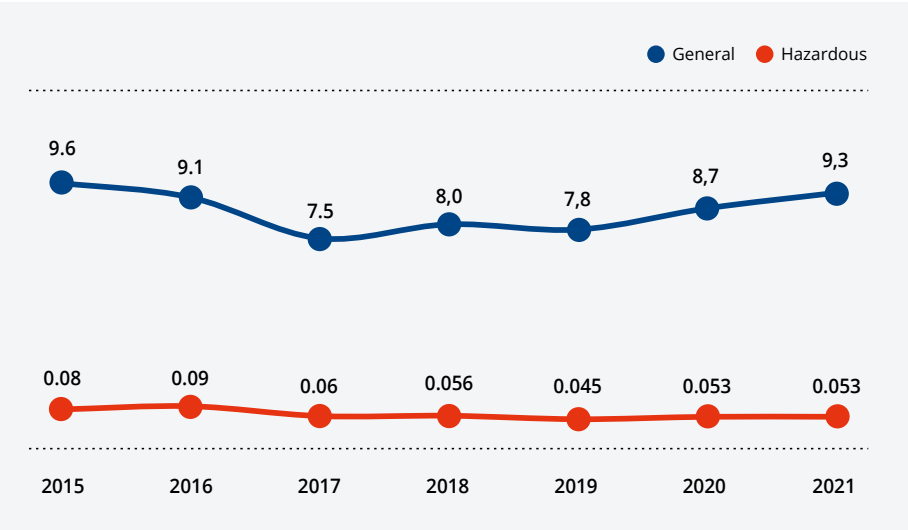
Tonnes	2016	2017	2018	2019	2020	2021
General waste	4,554	4,721	5,327	6,233	4,176	3,716.5
Recycled general waste	4,022	4,043	4,681	5,746	4,065	3,593
% of recycled general waste	88.3%	85.6%	87.9%	92.2%	97.3%	96.7%

Tonnes of hazardous waste generated in Cool operations

Tonnes	2016	2017	2018	2019	2020	2021
Hazardous waste	43.2	34.8	34.8*	33.6*	25.5	21.2
% change		-19%	-0.2%	-3,4%	-24.1%	- 16.8%

* Accounting only for hazardous waste associated with production activities

Kg of waste generated over ICM Standard Units produced



Commitments and targets

Commitment	Target*	Progress in			Status
		2019	2020	2021	
Reduction of absolute Scope 1&2 emissions vs. 2019 baseline	48% by 2030	-	-	-29%**	⊕
Reduction of absolute Scope 3 emissions vs. 2019 baseline*	27,5% by 2030	-	-	100%***	⊕
Reduction of average energy consumption of Frigoglass ICM fleet vs. 2013 levels	Over 60% by 2025 (revised from 30%)	47%	49%	56%	➔
Maintain low level of emissions intensity in Cool operations	Below 0.05	0.039	0.041	0.05	🔄
Maintain low level of emissions intensity in Glass operations	Below 0.5	0.128	0.113	0.163	🔄
Maintain low level of energy intensity in Cool operations	Below 0.08	0.049	0.063	0.069	🔄
Maintain low level of energy intensity in Glass operations	Below 1.5	0.33	0.31	0.45	🔄
ISO14001 certification of operation sites	100% by 2025 (revised from 2019)	87.5%	87.5%	85.7%	➔
Increase share of recycled general waste in Cool operations	100% by 2025 (revised from 90% by 2020)	92.2%	97.3%	96.7%	➔

* The target is the short-term part of our Net Zero commitment with an extended Scope 3 emissions scope vs. the one reported in the “Emissions management and reduction” section. The extended Scope 3 will be valid from 2022 report onwards and includes “purchased goods and services”, “use of sold products” and “end-of-life of sold products” categories for both our Cool and Glass divisions.

** 2021 Scope 1&2 emissions were higher than the base year.

*** 2021 (extended) Scope 3 emissions were significantly reduced in relation to the base year due to reduced production volumes in our Cool Division and thus are not representative of the company’s intensity of operations. In the coming years, we expect production to reach and exceed 2019 levels, presenting representative Scope 3 emission performance.

- ⊕ New commitment
- 📅 Scheduled to begin
- ➔ In progress
- ✓ Achieved
- 🔄 Ongoing



Workplace



At Frigoglass, our people are our greatest asset. We believe that our long-term success depends on our ability to attract, develop and maintain an engaged workforce.

We implement a long-term strategy that focuses on finding and retaining talent, promoting their development whilst supporting and safeguarding their rights. We always strive to attract highly qualified personnel, respect their aspirations and ensure their continued professional growth. We also pay special attention to providing a healthy, safe and supportive working environment. We always operate with the highest ethical standards and promote diversity in the workplace.

Our main areas of focus include maintaining employee satisfaction by creating an inclusive, diverse and safe working environment, promoting their training and development, and encouraging proactiveness in the workplace. We strive to provide an engaging and motivating environment that empowers our people to give their best and develop their full potential.

Due to the pandemic in 2020-'21 we did not manage to follow our plan to certify more operation sites according to SA8000, the Social Responsibility Standard, and ISO27001, the international standard for information security management systems. This remains within our targets to pursue as soon as the situation allows.

An additional area of focus is the information security, where we invest respectively in employee training, we run regular risk assessment within the annual ISO27001 auditing process and we follow the incidence response procedure as per our GDPR policy that defines not only data protection guidelines and actions for Frigoglass and third parties but also data retention and disposal policies.

Material issues:

- Occupational health and safety
- Responsible employer / fair labour practices
- Employee training and development
- Inclusion and equal opportunities

Strategic priorities:

- ✓ Maintain strong Health and safety culture and minimise incidents
- ✓ Ensure compliance with all applicable laws throughout all locations of operations
- ✓ Promote policies against discrimination
- ✓ Maintain fair compensation across our workforce
- ✓ Integrate digital training across all workforce

Related SDGs:

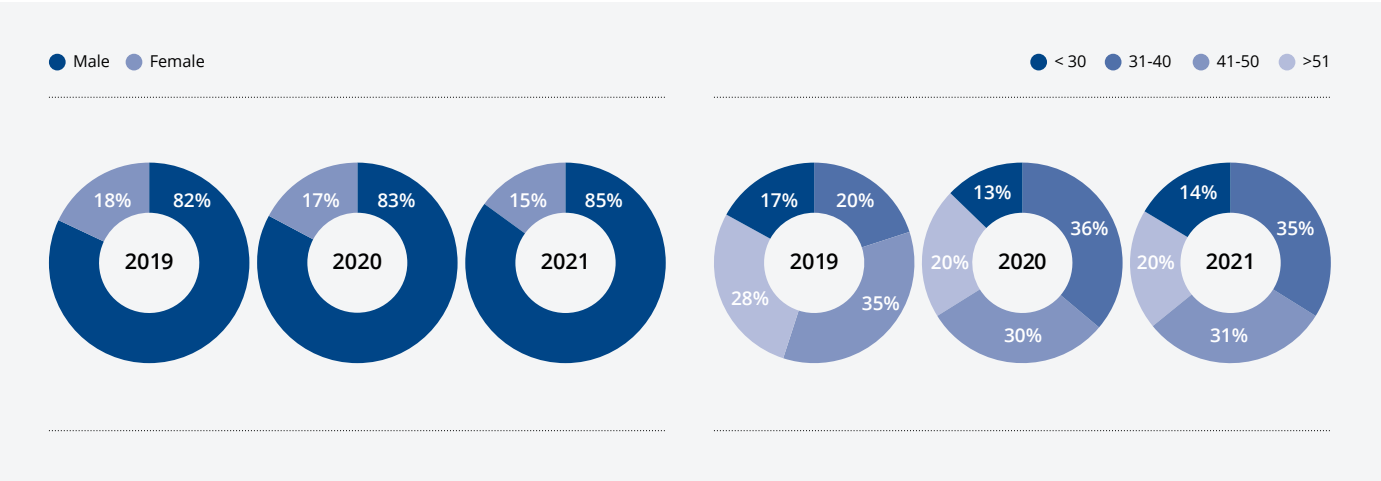


Workplace

The following table refers to Frigoglass permanent employees in operational sites and Head Offices for 2020 and 2021 (not including seasonal staff).

	Permanent employees		Managerial		Non-managerial	
	2020	2021	2020	2021	2020	2021
Head offices	106	111	51	53	55	58
Nigeria	793	839	76	81	717	758
India	236	238	14	15	222	223
Indonesia	174	169	10	10	164	159
Romania	774	601	18	19	756	582
Russia	844	825	16	18	828	807
South Africa	171	231	9	12	162	219
Total	3.098	3.014	194	208	2.904	2.806

We are always looking for ways to attract qualified personnel, to respect their aspirations and we remain committed to their continued professional growth. The data below reports on the diversity of our people for 2021:



	Gender			
	2020		2021	
	Male	Female	Male	Female
Head offices	69	37	74	37
Nigeria	768	25	812	27
India	234	2	235	3
Indonesia	147	27	145	24
Greece	-	-	-	-
Romania	526	248	415	186
Russia	706	138	713	112
South Africa	131	40	182	49
Total	2.581	517	2.576	438
	83%	17%	85%	15%

	Age group							
	2020				2021			
	<30	31-40	41-50	>51	<30	31-40	41-50	>51
Head offices	3	28	47	28	5	27	53	26
Nigeria	58	190	249	296	102	210	250	277
India	25	132	71	8	22	128	77	11
Indonesia	14	92	64	4	10	79	74	6
Greece	-	-	-	-	-	-	-	-
Romania	118	203	242	213	95	157	181	168
Russia	160	379	214	91	142	370	223	90
South Africa	35	87	48	1	50	98	63	20
Total	412	1.110	935	641	426	1.069	921	598
	13%	36%	30%	21%	14%	35%	31%	20%

Labour practices and human rights

Respect for human rights is a fundamental value of Frigoglass. Some countries, where Frigoglass operates, are identified as presenting higher risk of labour and human rights violations. In these locations, we regularly evaluate our standards and procedures for identifying, preventing and mitigating adverse labour practices and adverse human rights impacts in our operations and value chain.

Our Labour Relations policy ensures compliance with the national legislation, and internationally agreed human rights standards and regulations such as the Universal Declaration of Human Rights (UNDHR).

Our Human Rights Policy, which is guided by the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, sets out the principles for how we relate to our employees, contractors, suppliers and partners.

We are committed to respecting all internationally recognized human rights. Forced or slave labour and child labour are strictly forbidden, while we prohibit the employment of persons under 18 years of age in occupations that require exposure to hazardous conditions, as provided for in ILO Convention 182. These principles apply during recruitment process to ensure proper implementation right from the start. Our Human Rights policy, among others, is being regularly communicated to all employees through the Frigoglass Academy e-learning program.

Our employees have the right to join and support a union and be covered by a collective agreement. In the majority of our plants there are unions or authorized employee representatives. We encourage constructive dialogue with our employees' freely chosen representatives and we are committed to bargaining in good faith.

Our Speak up policy, which is intended to allow employees and business partners raise any concerns and indicate any violation of the company policies and procedures, provides a free communication channel around the clock, every day of the year.

At Frigoglass, we aim to provide competitive compensation to our employees, based on a structured remuneration process. We offer wages which are well above the local law, always complying with all national laws on overtimes and working hours. In the case of significant operational changes, our employment contracts contain at least one week's notice to employees, unless otherwise required by local laws.



Diversity and equal opportunity

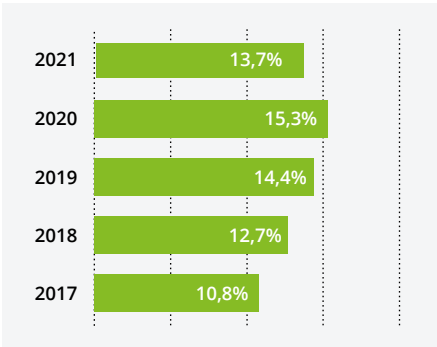
We aim to foster an inclusive environment where our people can meet and exceed their expectations, regardless of race, gender, or socioeconomic background, and conversely benefit from diversity to deliver the highest value to our stakeholders. Diversity and inclusion are a vital part of our corporate culture. During the recruitment process, we undertake a number of steps to ensure workforce diversity without any form of discrimination based on gender identity, ethnicity, national origin, age, disability, marital status or any other characteristics protected by law. We do not tolerate any form of harassment, abuse or exploitation.

Our Code of Business Conduct upholds our commitment to providing equal employment opportunities in the workplace and treating all employees without bias. Our Code of Conduct is read and signed by all employees during the hiring process. Besides that, it is an integral part of the training program of our new e-learning tool.

We provide non-discriminatory, fair employee compensation, and firmly believe that talent diversity has a direct impact on our success. We embrace diversity and celebrate our people's unique qualities, differences and similarities, so much that our success is attributed to it. Diversity is part of our culture that drives creativity and leads to innovative solutions for our customers. We are proud that there have been no recorded incidents of discrimination during the reporting period. Our internal audits and whistleblowing procedures are aiming at maintaining zero incident levels.

Frigoglass is committed to promoting gender diversity and equality in the workplace. We strive to provide equal job and advancement opportunities for men and women in our operations. Our goal is to become more gender balanced and gradually increase the representation of women in leadership positions.

Female representation in governance bodies



	Governance bodies composition					
	2019		2020		2021	
	Male	Female	Male	Female	Male	Female
Head offices	6	0	6	0	6	0
Nigeria	74	7	67	9	73	8
India	14	0	14	0	15	0
Indonesia	6	4	6	4	7	3
Romania	12	4	14	4	16	3
Russia	12	4	12	4	14	4
South Africa	7	3	8	2	8	4
Total	131	22	127	23	139	22
	85,6%	14,4%	84,7%	15,3%	86,3%	13,7%

Occupational health and safety

Occupational health and safety have always been a top priority for Frigoglass. Our manufacturing operations are part of the heavy industry and consequently the work environment and several production processes in our facilities hold potential risks. At Frigoglass, we aim to maintain high level of safety across the business whilst consistently improving our safety culture. It is of outmost importance to ensure that all employees and subcontractors working in our premises are aware of the hazards and potential risks, and always comply with safety standards and regulations. In this respect, at Frigoglass we:

- Provide compulsory training on health and safety (H&S) issues to employees as well as to external partners working at our facilities;
- Offer healthcare programs to all our employees;
- Provide personal protective equipment and follow procedures of handling chemicals and hazardous materials in all our plants, which are regularly inspected and updated.
- Cooperate closely with clinics and/ or hospitals located in the vicinity of our plants;
- Conduct regular risk analysis on H&S issues and implement appropriate measures for controlling risks.

We are committed to keeping workplace accidents at zero levels by applying and implementing various structural and technical measures, as well as conducting risk assessments on our facilities and equipment. More specifically, risk assessments are conducted on a periodic basis in order to promptly identify and mitigate potential hazards. They include the following steps:

- Identification and record of potential hazards
- Identification of the groups of employees exposed to those hazards
- Evaluation of the severity of hazards
- Identification of measures to mitigate risk
- Implementation of corresponding measures
- Re-evaluation and revision of previously conducted risk assessments

In 2021 over 85% of our operational sites were certified per OHSAS 18001/ISO45001. In line with our commitment to workplace health and safety, we target to obtain Occupational health & safety certification for Indonesia operations soon too. In all our plants, we also implement a concrete and comprehensive safety management system, which is subject to strict approval processes. As part of this system, we closely monitor the accident frequency rates in all our plants and we are constantly working towards minimising them.

The above efforts have brought significant improvements in our health and safety performance, demonstrated through decreasing trends in injury rates throughout the past years. Specifically in 2021, injury frequency rate per 1000 hours of work was 0,30% and severity rate 0,18%. Both numbers are well below our targets for the respective KPIs.

Responding quickly and effectively to challenges is part of our DNA as a company.

Since the beginning of the COVID-19 pandemic we had adjusted our operations to address the situation at hand. We focused on the continuous evaluation of the situation and the transparent communication to our employees. We implemented comprehensive hygiene standards across all our locations and provided our employees with clear guidance about the measures they should take – increased disinfection, distancing, use of masks etc.

We quickly facilitated remote working and supported employees in setting up a suitable workplace at home. In addition, we scaled up internal communications and online interaction with employees.

We are concentrated on defining the “new normal” and we will be looking to retain some of the practices we have implemented during the crisis, as they can help us to accelerate the delivery of our business goals



Employee training and career development



At Frigoglass we recognize the importance of employee training and development. We continuously try to provide our people with opportunities to grow professionally and resources to advance their career. The company ensures that all employees are equipped with the right mix of knowledge, skills and abilities to fulfil their job requirements. Frigoglass systematically invests in employee training, providing a wide range of training opportunities. We view employee training and development as an essential element of our success, as it effectively aligns action with objectives.

The company puts emphasis on the development of technical skills and is committed to supporting employee professional advancement. We also provide training on ethical issues, such as anti-corruption, anti-competitive behaviour and human rights, which aim at further promoting an equal and fair working environment. The average hours of recorded training per employee in 2021 amounted to around 4hrs, which is lower than previous years and mainly attributed to the COVID-19 pandemic situation.

2021 was the fourth year of operation of the “Frigoglass Academy”, the online platform that provides a wide range of training courses to our people. The program addresses all our permanent employees with computer access and in the following years will also cover those currently lacking access. The program offers regular training on our Code of Business Conduct, Values and core operating policies i.e. Sustainability, Labor, Environment, Human Rights, Speak-up, Quality, Conflict of interest, Health & Safety, Data protection (GDPR), Cyber Security, Anti-Corruption and Anti-Bribery, as well as the policy against discrimination, violence and harassment at the workplace.

Our policy related to Ethics is described through our Code of Business Conduct and reviewed regularly in order to ensure that it is still relevant and aligned with company goals and local regulations. It is also audited regularly by an internal audit team, to ensure that all risks are covered, controls are effectively applied and everything is working as intended. Our Code of Business Conduct including other policies are publicly available.

Apart from the employee training on aforementioned policies we also run regular due diligence and risk assessment across the company and on third parties we cooperate with in order to confirm compliance with our policies related to ethics topics. We have guidelines in place for interaction with third parties and specific approval procedures for sensitive transactions that are being carefully audited and reviewed.

Performance reviews are also a key component of employee development. At Frigoglass, reviews take place twice a year and give our people the opportunity to provide and receive feedback through individual guidance. 100% of our supervisory and managerial level employees receive annual performance reviews based on pre-determined and agreed-upon performance criteria. Career development needs and actions are often tackled through informal meetings and mentoring, while we always listen closely to our workforce's views on how their career goals can be met.

Employee satisfaction

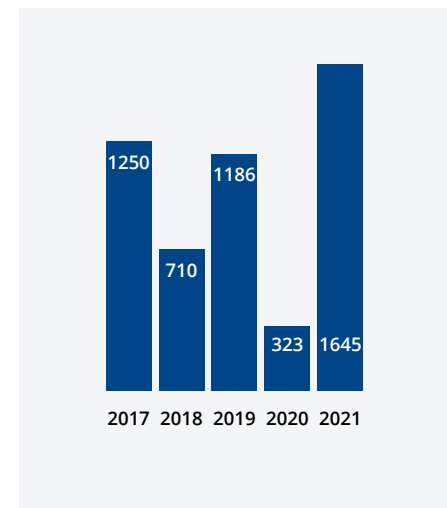
Creating value for our customers and communities begins with building and maintaining strong relationships with our people.

We help our people realize that their daily work and relationships contribute to solving issues not only for our clients, but also for society and the communities in which we live and work. We foster frequent communication and provide open channels for discussion.

Employee turnover



New employee hires



The employee turnover and new hires for 2021 are presented in the tables below. The numbers are affected by each year's changes in production shifts.

	Employee turnover			
	2020		2021	
	Voluntary	Total*	Voluntary	Total*
Head offices	7	33	8	12
Nigeria	14	40	29	84
India	7	14	10	16
Indonesia	0	0	4	6
Romania	244	288	218	384
Russia	124	125	272	381
South Africa	4	161	11	19
Total	400	661	552	902

* Including dismissals and terminations.

	New hires			
	2020		2021	
	Number	%	Number	%
Head offices	12	11,3	19	16,8
Nigeria	22	2,8	159	10,5
India	13	5,5	18	3,5
Indonesia	0	0	1	0,6
Romania	232	30	488	80,7
Russia	20	2,4	790	74,5
South Africa	24	14	170	44,3
Total	323	10	1.645	37,70

* New hires refer only to permanent and not seasonal employees

Commitments and targets

Commitment	Target*	Progress in			Status
		2019	2020	2021	
Maintain zero grievances about discrimination	Zero	Zero	Zero	Zero	🔄
Reduce injury rate	Below 0.5%	0.31%	0.24%	0.30%	🔄
Reduce LTI accident frequency rate	Below 5	3.1	2.4	2.9	🔄
Reduce LTI severity rate	Below 0.05	0.04	0.01	0.02	🔄
ISO45001 / OHSAS18001 certification of operational sites	100% by 2025 (revised from 2020)	75%	87.5%	85.7%	➡️
SA8000 certification of operational sites	100% by 2025	37.5%	37.5%	28.6%	➡️
ISO27001 certification of operational sites	100% by 2026	-	25%	28.6%	🔄
Employees trained on Human Rights and Labor issues	100%	100%	100%	100%	🔄
Successful pass of Frigoglass Academy program and testing by our permanent employees	100% of permanent employees	100%	100%	100%	🔄

*The targets have been revised considering the effects of the COVID pandemic and the fact that some targets have been achieved in 2019

- ⊕ New commitment
- 📅 Scheduled to begin
- ➡️ In progress
- ✓ Achieved
- 🔄 Ongoing



Community



Supporting local communities

At Frigoglass we remain dedicated to having and maintaining a positive impact at a local level. We firmly believe that supporting local economies by providing workplace to local people and empowering local communities contributes to the overall success of our business whilst highlighting our strong commitment to social responsibility values.

We have a long-standing tradition in supporting local communities, either directly through donations or by making in-kind investments in the local infrastructure.

As part of our community investment strategy, every year we donate coolers to charity organizations and support infrastructure improvements of local communities.

In Greece, where our headquarters are located, we continued the successful initiative "Cool for Good", donating beverage coolers to charity organizations and nonprofit institutions.

As every year, in Nigeria we supported the local community through provision of community vans, renovation of the community Health Centre building and provision of medical equipment and instruments, investment in local school infrastructure as well as the water infrastructure for host communities including a solar-powered water pump.

At Frigoglass we also make significant efforts towards employing staff from the local community in which we operate in. Above 90% of our workforce is of local origin and all employment contracts offer wages above local average.

Also in our procurement strategy we do a significant effort to support local companies. Collectively as a Group over 60% of all our suppliers worldwide in 2021 are of local origin and we are planning to maintain levels above our target of 40% in the following years as well.

Material issues:

- Supporting local communities of operation
- Community relations and engagement

Strategic priorities:

- ✓ Hiring local workforce
- ✓ Supporting local suppliers
- ✓ Engaging and investing in local communities

Related SDGs:



Appendices

United Nations Global Compact

United Nations Global Compact principles		Chapter	Page
Human rights			
1	Businesses should support and respect the protection of internationally proclaimed human rights	Responsible procurement and supplier assessment Labour practices and human rights	57
2	Businesses should ensure they are not complicit in human rights abuses		84
Labour			
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Responsible procurement and supplier assessment Labour practices and human rights Diversity and equal opportunity	57 84 85
4	Businesses should uphold the elimination of all forms of forced or compulsory labour		
5	Businesses should uphold the effective abolition of child labour		
6	Businesses should uphold the elimination of discrimination in relation to employment and occupation		
Environment			
7	Businesses should support a precautionary approach to environmental challenges	Emissions management and reduction	66
8	Businesses should undertake initiatives to promote greater environmental responsibility	Energy efficiency of operations	70
		Resource management and efficiency	76
9	Businesses should encourage the development and diffusion of environmentally friendly technologies	Waste management and control	78
		Product environmental stewardship	62
Anti-corruption			
10	Businesses should work against corruption in all its forms, including extortion and bribery	Fair business practices	40
		Responsible procurement and supplier assessment	57

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GRI Standard	Disclosure	Section	Page	Reported	Assurance
GRI 102 General disclosures	102-1 Name of the organization	About Frigoglass	9	●	
	102-2 Activities, brands, products, and services	About Frigoglass	9	●	
	102-3 Location of headquarters	Contact information	102	●	
	102-4 Location of operations	Where we operate	12	●	
	102-5 Ownership and legal form	About Frigoglass	9	●	
	102-6 Markets served	Where we operate	12	●	
	102-7 Scale of the organisation	About Frigoglass	9	●	
	102-8 Information on employees and other workers	Workplace	81	●	
	102-9 Supply chain	Our value chain Supply chain	27 54	●	
	102-10 Significant changes to the organization and its supply chain	About Frigoglass	9	●	
	102-11 Precautionary Principle or approach	Risk management	22	●	
	102-12 External initiatives	Sustainability overview	21	●	
	102-13 Membership of associations	Sustainability overview	21	●	
	102-14 Statement from senior decision-maker	CEO's message	4	●	
	102-15 Key impacts, risks, and opportunities	Risk management	22	●	
	102-16 Values, principles, standards, and norms of behavior	Our values	10	●	
	102-17 Mechanisms for advice and concerns about ethics	Fair business practices	40	●	
	102-18 Governance structure	Corporate governance	14	●	
	102-40 List of stakeholder groups	Engaging with our stakeholders	29	●	
	102-41 Collective bargaining agreements	Workplace	81	●	
	102-42 Identifying and selecting stakeholders	Engaging with our stakeholders	29	●	
	102-43 Approach to stakeholder engagement	Engaging with our stakeholders	30	●	
	102-44 Key topics and concerns raised	Engaging with our stakeholders	30	●	

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GRI Standard	Disclosure	Section	Page	Reported	Assurance
GRI 102 General disclosures (continued)	102-45 Entities included in the consolidated financial statements	About this report	6	●	
	102-46 Defining report content and topic Boundaries	Our approach to sustainability	18	●	
	102-47 List of material topics	Materiality analysis	32	●	
	102-48 Restatements of information	There have been no restatements in this year's report			
	102-49 Changes in reporting	About this report	6	●	
	102-50 Reporting period	About this report	6	●	
	102-51 Date of most recent report	Frigoglass 2020 Sustainability Report			
	102-52 Reporting cycle	About this report	6	●	
	102-53 Contact point for questions regarding the report	Contact information	102	●	
	102-54 Claims of reporting in accordance with the GRI Standards	About this report	6	●	
	102-55 GRI content index	Appendices	92	●	
	102-56 External assurance	About this report	6	●	
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Economic Performance					
GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Management and impact of material issues	34	○	
	103-2 The management approach and its components				
	103-3 Evaluation of the management approach				
GRI 201 Economic performance	201-1 Direct economic value generated and distributed	About Frigoglass Marketplace	13 39		

● Fully ○ Partially

GRI Standard	Disclosure	Section	Page	Reported	Assurance
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	103-2 The management approach and its components				
	103-3 Evaluation of the management approach				
GRI 202 Market presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Workplace	81		
	202-2 Ratios of standard entry level wage by gender compared to local minimum wage	Community	91		
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	103-3 Evaluation of the management approach				
GRI 203 Indirect economic impacts	203-1 Infrastructure investments and services supported	Community	91		
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GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Management and impact of material issues	34		
	103-2 The management approach and its components				
	103-3 Evaluation of the management approach				
GRI 204 Procurement practices	204-1 Proportion of spending on local suppliers	Supply Chain	54		

● Fully ○ Partially

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	301-2 Recycled input materials used				

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	103-3 Evaluation of the management approach				
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	302-3 Energy intensity				
	302-4 Reduction of energy consumption				
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Water					
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	103-3 Evaluation of the management approach				
GRI 305 Emissions	305-1 Direct (Scope 1) GHG emissions	Emissions management and reduction	66	●	✓
	305-2 Energy indirect (Scope 2) GHG emissions				✓
	305-3 Other indirect (Scope 3) GHG emissions				✓
	305-4 GHG emissions intensity				
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GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Management and impact of material issues	34	●	
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	308-2 Negative environmental impacts in the supply chain and actions taken				
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GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Management and impact of material issues	34		
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	103-3 Evaluation of the management approach				
GRI 414 Supplier social assessment	414-1 New suppliers that were screened using social criteria	Responsible procurement and supplier assessment	57		
	414-2 Negative social impacts in the supply chain and actions taken				
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GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Management and impact of material issues	34		
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	103-3 Evaluation of the management approach				
GRI 406 Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Diversity and equal opportunity	85		
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GRI 103 Management approach	103-1 Explanation of the material topic and its Boundary	Management and impact of material issues	34		
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GRI 419 Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	Fair business practices	40		

Contact information

Frigoglass welcomes feedback on our sustainability report. If you would like to comment or require further information, please contact:

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