2023 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

verallia

TABLE OF CONTENTS

2023 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The French version of the Universal Registration Document was filed with the French Financial Markets Authority (Autorité des marchés financiers - AMF) on 28 March 2024, as the competent authority under Regulation (EU) 2017/1129, with no prior approval in accordance with article 9 of such regulation.

The Universal Registration Document may be used for the purpose of offering to the public financial securities or for the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, where appropriate, a summary and its amendment(s). In such event, the securities note, the summary and the amendment(s) made to the Universal Registration Document since its approval are approved separately, in accordance with article 10, paragraph 3, 2nd indent of Regulation (EU) 2017/1129.

This is a translation into English of the Universal Registration Document issued in French and it is available on the website of the issuer.

The Universal Registration Document has been prepared in both French and English. However, in all matters of interpretation of information, views or opinions expressed therein, the original French language version takes precedence over this English one.

Copies of this Universal Registration Document are available free of charge from Verallia, 31 place des Corolles, Carpe Diem Tower, Esplanade Nord, 92400 Courbevoie, France and on the websites of Verallia (www.verallia.com) and the French Financial Markets Authority (www.amf-france.org).

This Universal Registration Document is a reproduction of the official version which has been prepared in ESEF and is available on the website of Verallia (www.verallia.com).

GENERAL COMMENTS

Verallia S.A., a French public limited company (société anonyme), with share capital of €408,321,248.14, registered at 31 Place des Corolles, Tour Carpe Diem, Esplanade Nord, 92400 Courbevoie, France, under the identification number 812 163 913 (Nanterre Trade and Companies Register) is referred to as the "Company" in this Universal Registration Document. The term "the Group" used herein, unless otherwise stated, refers to the Company, its subsidiaries and its direct and indirect equity interests.

This Universal Registration Document contains information on the outlook and growth vectors for the Group. This information is sometimes identified by the use of the future tense, the conditional tense and forward-looking terms, such as "consider", "plan", "think", "have the objective", "expect", "intend", "should", "aim", "estimate", "believe", "wish", "could" or, as applicable, the negative form of these terms or any other variant or similar terminology. This information is not historical data and must not be interpreted as guarantees that the facts and data set forth will occur. This information is based on data, assumptions and estimates that the Group believes are reasonable. Moreover, the occurrence of certain risks described in Chapter 4 "Risk Factors" of this Universal Registration Document could have an impact on the activities, financial position and the results of the Group and its ability to achieve its objectives.

Investors are invited to carefully consider the risk factors described in Chapter 4 "Risk Factors" of this Universal Registration Document. The realization of all or some of these risks could have a significant unfavorable impact on the Group, its activity, its financial position, its results or its outlook. Moreover, other risks not yet identified or not considered material by the Group could have the same adverse impact.

This Universal Registration Document contains information about the Group's markets and its competitive positions, including information on the size and growth outlook of these markets and the Group's market share. In addition to the estimates made by the Group, the items on which the Group's declarations are based come from studies and statistics of third-party organizations (see Section 9.1.3 "Information from third parties, expert's reports and declarations of interest" in this Universal Registration Document) and from professional organizations or even from data published by competitors, suppliers and customers of the Group. Some information contained in this Universal Registration Document is publicly available information that the Company believes is reliable, but that has not yet been verified by an independent expert. The Company cannot guarantee that a third party using different methods to collect, analyze or calculate the data on the business segments would obtain the same results. The Company makes no commitment and no guarantee as to the accuracy of this information. It is possible that this information is incorrect or is no longer up to date. The Group makes no commitment to publish updates of this information except in the context of any legal or regulatory obligation to which it is subject.

Certain calculated data (including data expressed in thousands or millions) and percentages presented in this Universal Registration Document have been rounded. In that case it is possible that the totals presented in this Universal Registration Document may present insignificant differences with the totals that would have been obtained by adding the exact values (not rounded) of these calculated data.

In this Universal Registration Document, except where otherwise indicated, a reference to the Southern and Western European market or the Latin American market, as applicable, should be understood as a reference to the corresponding operational segment, i.e., the operating segment of, respectively, (i) Southern and Western Europe, consisting of the production sites located in France, Italy, Spain and Portugal, and (ii) Latin America, composed of the production sites located in Brazil, Argentina and Chile. References to the Northern and Eastern Europe market include Germany, Russia Ukraine and Poland.

A glossary providing the definitions of the main technical terms and financial aggregates used herein appears at the end of this Universal Registration Document.

MESSAGE FROM
PATRICE LUCAS

Chief Executive Officer of Verallia

In an ever-changing world, Verallia was able to maintain its trajectory in 2023 thanks to its solid fundamentals and the unfailing commitment of its teams and partners. We are proud to declare that our company is not simply an economic entity but a robust model fuelled by a shared undertaking to achieve operational excellence.

This Universal Registration Document therefore reflects our commitment to responsible governance, robust financial management and active corporate and social responsibility. We firmly believe that lasting success can only be achieved in harmony with our environment, our employees and the communities we serve. This approach to sustainability, just like the material we produce - glass, is deeply rooted in our DNA.

The past year came with challenges but also presented opportunities which showcased our Group's resilience, especially as the economic uncertainty in Europe triggered by inflation and the drop in demand since August slowed our business down. We had to take certain measures to adjust our production rates to this level of demand and therefore keep our inventories of finished goods under control. We also took action to control our expenditure, with the aim of ending financial year 2023 at the level we had committed to. And I would like to thank all our staff for their involvement in implementing these measures.

But we also proved agile, thereby consolidating our position as a major player in the global glass industry. The key to our success is our capacity to innovate, adapt and plan ahead for market trends.

We were indeed rewarded for our efforts in 2023: Verallia's financial strength and robust business model geared towards profitable growth were fully acknowledged by the rating agencies, with Standard & Poor's upgrading the Group's credit rating from BB+ to BBB- with a positive outlook and Moody's revising its long-term credit rating for Verallia upwards from Ba1 to Baa3.

As you browse through these pages, we invite you to share our vision, delve into the descriptions of our various achievements and look ahead to the prospects that lie before us.

Patrice Lucas,
Chief Executive Officer of Verallia

OUR
KEY FIGURES

Further profitable growth and remarkable performances across the board

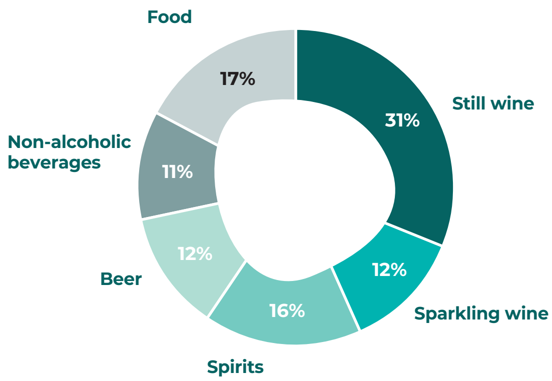
#1 in Europe

#2 in Latin America

#3 worldwide

	Key **2023** financial figures	**2023-2025** financial objectives
Revenue	**€3,904m** *(+21.4% organic growth)*	**+ 4-6%** organic sales CAGR (1)
Adjusted EBITDA	**€1,108m** *(+28.0% vs. 2022)*	
Adjusted EBITDA margin	**28.4%** *(+256bp vs. 2022)*	**28%-30%** in 2024
Free cash flow (2)	**€365m** *(vs. €364m in 2022)*	Approx. **€900m** in total over 3 years
Earnings per share (excluding PPA (3))	**€4.40** *(vs. €3.30 in 2022)*	Approx. **€3** in 2024
Annual dividends distributed (4)	**€171m** *(an increase of 33.6% vs. 2022)*	Growth in dividends per share **>10% p.a.** + accretive share buybacks
Net debt leverage (5)	**1.2x** *(vs. 1.6x at 31/12/2022)*	Investment grade trajectory (net debt leverage **< 2,0x**)
Total capex	**€418m** *(vs. €367m in 2022)*	Recurring and strategic capex at approximately 10% of sales, including CO_2-related capex and 3 new furnaces by 2024

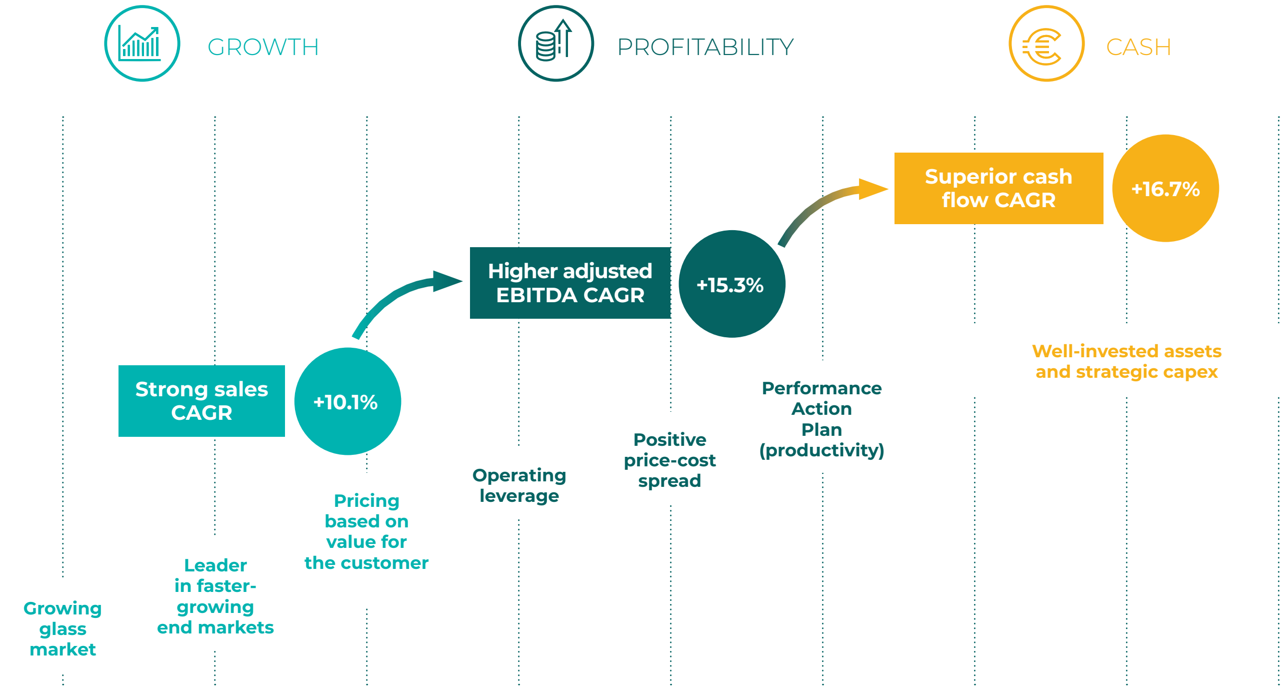
Distribution of revenue by end market (6)



(1) At constant exchange rates and scope.
(2) Defined as Operating cash flow - Other operating impacts - Financial interest paid and other financing costs - Taxes paid.
(3) Net earnings per share excluding an amortisation expense for customer relationships recognised upon the acquisition of Saint-Gobain's packaging business of approximately €0.38 / share (net of taxes).
(4) Including the amount of dividends corresponding to treasury shares at the date of payment.
(5) Net debt / last 12 months adjusted EBITDA.
(6) Based on revenue earned exclusively from the sale of jars and bottles, which represented 98% of the Group's consolidated revenue in the financial year ended 31 December 2023. The consolidated financial statements are presented in millions of euros, with amounts rounded up or down to the nearest million. So rounding differences may appear between different financial statements.

N.B. The definition of adjusted EBITDA and of CAGR can be found in this document's glossary.

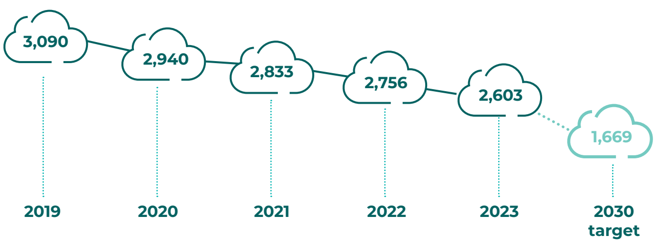
Proven financial performance
(Compound annual growth rate (CAGR) 2018-2023)



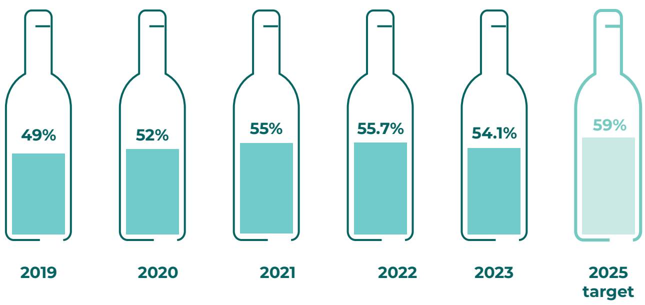
A GROWING AND CASH-GENERATIVE BUSINESS THAT PROVED RESILIENT DURING THE PANDEMIC

ESG commitments to build a sustainable future

Reduction in CO_2 emissions



External cullet usage rate



OUR GOALS

Reduction of CO_2 emissions of
46%
by 2030*

35%
female managers

5% **employee share ownership**

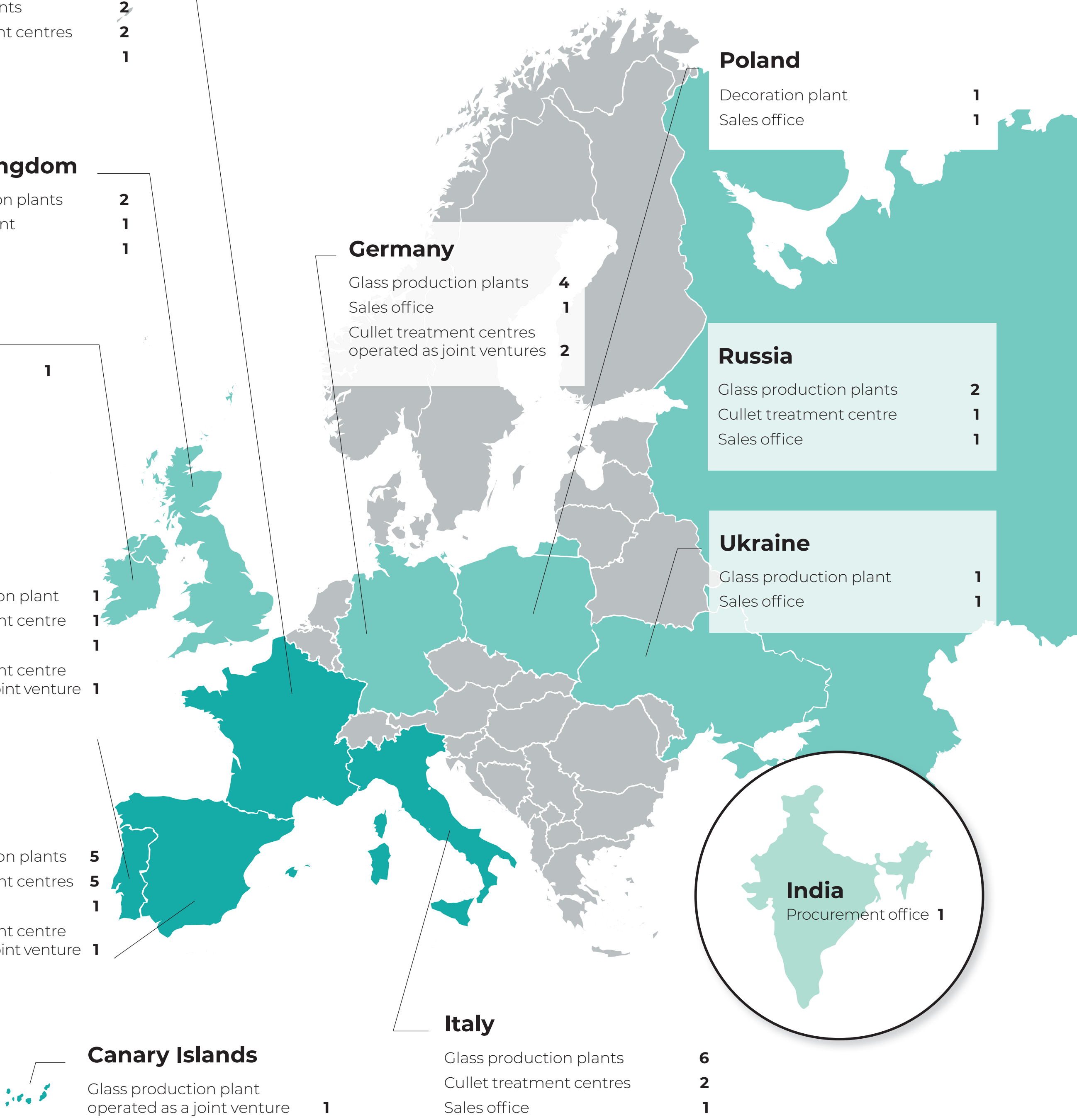
** Reduction in 2030 of scope 1 & 2 emissions in absolute data (reference year 2019).*

OUR
OPERATIONS

Global presence in 3 major geographic segments

As the European leader and world's third-largest producer of glass packaging for beverages and food products, we want to redefine how glass is produced, reused and recycled in order to make it the world's most sustainable packaging material.

With 34 glass production plants, 5 decoration plants and 19 cullet (used glass) treatment centres across 12 countries, we produce more than 16 billion glass bottles and jars each year to supply 10,000 customers, ranging from local family producers to major international brands.



France

Glass production plants	7
Decoration plants	2
Cullet treatment centres	2
Sales office	1

United Kingdom

Glass production plants	2
Decoration plant	1
Sales office	1

Ireland

Sales office	1

Portugal

Glass production plant	1
Cullet treatment centre	1
Sales office	1
Cullet treatment centre operated as a joint venture	1

Spain

Glass production plants	5
Cullet treatment centres	5
Sales office	1
Cullet treatment centre operated as a joint venture	1

Canary Islands

Glass production plant operated as a joint venture	1
Cullet treatment centre operated as a joint venture	1

Germany

Glass production plants	4
Sales office	1
Cullet treatment centres operated as joint ventures	2

Italy

Glass production plants	6
Cullet treatment centres	2
Sales office	1
Cullet treatment centre operated as a joint venture	1

Poland

Decoration plant	1
Sales office	1

Russia

Glass production plants	2
Cullet treatment centre	1
Sales office	1

Ukraine

Glass production plant	1
Sales office	1

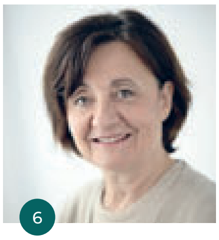
India

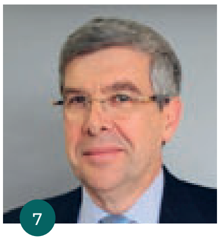
Procurement office	1

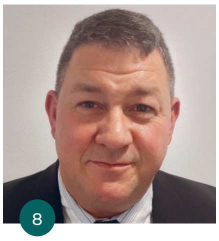
OUR
GOVERNANCE

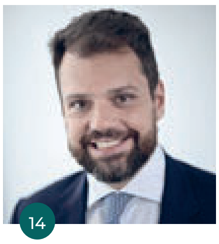
Board of Directors at 31 December 2023

1. **Michel Giannuzzi**, Chairman of the Board of Directors
2. **Patrice Lucas**, Chief Executive Officer









5 INDEPENDENT DIRECTORS

3. **Didier Debrosse**
4. **Marie-José Donsion**
5. **Virginie Hélias**
6. **Cécile Tandeau de Marsac**
7. **Pierre Vareille**

2 DIRECTORS REPRESENTING EMPLOYEES

8. **Oliver Späth**
9. **Xavier Massol**

1 DIRECTOR REPRESENTING EMPLOYEE SHAREHOLDERS

10. **Beatriz Peinado Vallejo**

REPRESENTATIVE OF BW GESTÃO DE INVESTIMENTOS LTDA. (BWGI)

11. **João Salles**

REPRESENTATIVE OF BRASIL WARRANT ADMINISTRAÇÃO DE BENS E EMPRESAS S.A. (BWSA)

12. **Marcia Freitas**

REPRESENTATIVE OF BPIFRANCE INVESTISSEMENT

13. **Sébastien Moynot**

NON-VOTING BOARD MEMBER

14. **Guilherme Bottura**

Audit Committee *Nominations Committee* *Compensation Committee*
Sustainable Development Committee *Strategy Committee* ★ *Committee chairperson*

93% attendance

50% independent directors

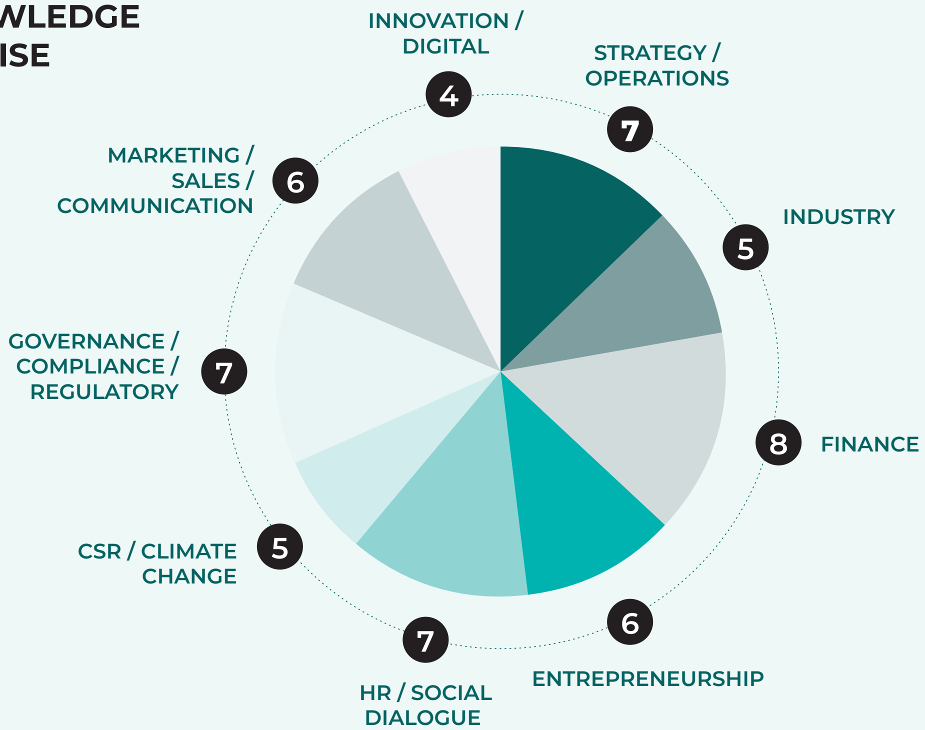
57 Average age

46% of foreign nationality

40% Percentage of women

MAJOR KNOWLEDGE AND EXPERTISE

Total number of directors: 13



5 SPECIALISED COMMITTEES

Audit

Marie-José Donsion ★
Didier Debrosse ⓘ
BWSA, represented by Marcia Freitas

3 members | **5** meetings | **100%** attendance | **66%** independent

Nominations

Cécile Tandeau de Marsac ★ ⓘ
Virginie Hélias ⓘ
BWGI, represented by João Salles
Pierre Vareille ⓘ

4 members | **3** meetings | **100%** attendance | **75%** independent

Compensation

Cécile Tandeau de Marsac ★ ⓘ
Marie-José Donsion ⓘ
Oliver Späth ⓢ
BWGI, represented by João Salles
Pierre Vareille ⓘ

5 members | **2** meetings | **90%** attendance | **60%** independent

Sustainable Development

Virginie Hélias ★ ⓘ
Michel Giannuzzi
Bpifrance Investissement, represented by Sébastien Moynot
Beatriz Peinado Vallejo ⓢ
Xavier Massol ⓢ

5 members | **4** meetings | **100%** attendance | **20%** independent

Strategy

Michel Giannuzzi ★
Pierre Vareille ⓘ
BWGI, represented by João Salles
Didier Debrosse ⓘ

4 members | **4** meetings | **100%** attendance | **50%** independent

ⓘ *Independent*
ⓢ *Representing employees or employee shareholders*
★ *Committee chairperson*

Oliver Späth was appointed as a member of the Compensation Committee by the Board of Directors on 18 January 2024.

Executive Committee at 31 December 2023

Verallia's Executive Committee centres around its operations and comprises directors responsible for Group functions and key regional general managers. The body focuses on steering and implementing the Group's strategy, monitoring performance and coordinating projects in the Group's different countries and regions.

Patrice Lucas
Chief Executive Officer

55%
of foreign nationality

27%
Percentage of women

Romain Barral
Director of Operations

Dirk Bissel
General Manager
Germany and Eastern Europe

Nathalie Delbreuve
Chief Financial Officer

Pierre-Henri Desportes
General Manager
France

Alan Henderson
General Manager
United Kingdom

Wendy Kool-Foulon
CSR Director and
General Counsel

Paulo Pinto
General Manager
Iberia

Marco Ravasi
General Manager
Italy

Katia de Saint Germain
Director of Human
Resources

Quintin Testa Dominguez
General Manager
Latin America

WE ARE VERALLIA

Proud of what we do, passionate about glass and committed to securing our company's long-term future by taking on the social and climate challenges we all face.

We have devoted all our know-how and passion to the glass industry for the past 200 years. Our story began with a glass plant in Vauxrot, in northern France. We can therefore claim to have been glass industry experts since 1827.

With its 34 glass plants spanning 12 countries, the Group is the European leader and world's third-largest producer of glass packaging. Each day, our nearly 11,000 dedicated men and women do their utmost to ensure that our 10,000 customers worldwide can enjoy beverages and food products in glass packaging that is hygienic, attractive and sustainable. That is our mission. It is what makes us proud to be able to offer innovative, customised and environmentally-friendly solutions.

The Veralia Group also stands for the strong values that guide our action and inspire us each day.

- **Customer care**
- **Respect for people, laws and the environment**
- **Empowerment and accountability**
- **Teamwork**

The glass production process has remained the same for centuries. Our world, meanwhile, is continually changing at an accelerating pace.

We ensure Verallia is firmly embedded into society's expectations in a broader sense, by addressing people-centric matters such as health and safety, inclusion and diversity, talent and skills, and aspirations to work differently, as well as the critical issues of global warming, resource scarcity and environmental emergencies.

As an industry leader, we have responsibilities. We are a driving force, spurring the industry's transformation, going above and beyond, and enhancing the circular and virtuous aspects of glass packaging.

This is why our purpose is to "Re-imagine glass for a sustainable future". It is what makes up the Group's DNA and gives meaning to the action we take.

Given the environmental challenges facing our planet, we need to undertake this transition in order to secure our company's long-term future. We wish to put our purpose to good use in order to redefine the way in which glass is produced, reused and recycled. Our aim is to make glass the world's most sustainable packaging material and turn the glass industry into a truly circular economy.

This purpose requires us to be open to new ideas and new methods for producing, reusing and recycling glass packaging.

In terms of concrete measures, we must:

- Step up innovation in our value chain in order to reduce carbon emissions. We have pledged to reduce our CO_2 emissions by 46% by 2030*;
- Turn glass reuse into a win-win solution for the planet and for glass packaging;
- Rally our own efforts and those of our partners to make greater use of recycled glass as a raw material.

** Versus 2019 in absolute value.*

WE SEEK TO BE NOT THE BIGGEST BUT THE BEST IN OUR INDUSTRY

To fulfil our long-term aspirations, our strategy consists of four lines of action:

1 // Pursue disciplined growth

- Improve the customer experience in order to develop our business activity
- Identify value-creating acquisitions and organic growth projects
- Roll out a pricing policy based on the value-added offered by our products.

2 // Increase operational excellence

- Achieve zero work accidents by paying closer attention to dangerous behaviour
- Continue implementing performance action plans
- Roll out Verallia's industrial management system (VIM).

3 // Invest wisely for a sustainable future

- Improve working conditions
- Reduce CO_2 emissions and energy consumption
- Step up our control over manufacturing processes.

4 // Foster a strong and inclusive entrepreneurial culture

- Continue promoting our purpose and developing our engagement with local communities
- Promote diversity and inclusion
- Plan ahead and support the professional development of our employees' skillsets.

Each of these pillars helps us attain the level of excellence to which we aspire. With our nearly 11,000 employees all working to create Verallia's success, we can together "Re-imagine glass for a sustainable future".

Our history

1827 CREATION OF **THE VAUXROT GLASS PLANT** (FRANCE)

1918 START OF **INTERNATIONAL OPERATIONS**

2010 **ADOPTION OF THE** VERALLIA **TRADEMARK**

2015 VERALLIA BECOMES AN **INDEPENDENT GROUP**

2019 VERALLIA BECOMES A **LISTED COMPANY**

2020 DEFINITION OF VERALLIA'S **PURPOSE**

2022 **CHANGE** OF GOVERNANCE

2022 ACQUISITION OF **ALLIED GLASS IN THE UNITED KINGDOM**

OUR
CSR OBJECTIVES

Our CSR objectives have been built on three pillars and are guided by our purpose:

PURPOSE

RE-IMAGINE GLASS FOR A SUSTAINABLE FUTURE

3 AXES

ENHANCING THE CIRCULARITY OF GLASS PACKAGING	DECARBONISING OUR ACTIVITIES	ENSURING A SAFE AND INCLUSIVE WORK ENVIRONMENT FOR ALL
Maximise the use of cullet in our products	**Increase** the proportion of low-carbon raw materials	**Guarantee** teams' safety
Expand glass reuse	**Optimise** the energy consumption and **develop** low-carbon furnaces	**Promote** diversity and inclusion
Raise awareness and expand glass recycling	**Increase** renewable or low-carbon energy	**Support** the development of our employees' skills
Develop eco-design for sustainable products	**Reduce** our Scope 3 emissions	**Foster** employee well-being
Optimise water use and reduce our waste	**Contribute** to soil regeneration	**Partner** with our communities

CSR ACTIONS

FOUNDATION

COMPLYING WITH OUR VALUES AND OUR ETHICAL PRINCIPLES WITH OUR SUPPLIERS, CLIENTS AND EMPLOYEES

1. Chalon-sur-Saône plant
2. Paris-La Défense offices

Our CSR ratings and CSR initiative memberships

We work year in year out to improve our environmental and social impact. The following ratings and initiative memberships aim to compare and acknowledge these efforts through the use of renowned and independent methodologies.

Our memberships

SCIENCE BASED TARGETS

Validation of our target to reduce our CO_2 emissions by 46% between 2019 and 2030 in alignment with the 1.5°C trajectory.

EURONEXT

Listed in the **CAC SBT 1.5° index** (a CAC 40 index centred around the climate).

UN GLOBAL COMPACT

Verallia has participated in the United Nations Global Compact since 2016 and pledges to shape its strategy and operations in accordance with the principles of human rights, labour laws, the environment and anti-corruption efforts, and to take measures that will draw it closer towards its objectives.

Sedex

A data platform through which our customers can access the 4-pillar SMETA audits performed at our sites, which cover all aspects of responsible business practices.

Our ratings

	2022	2023	
CDP	A-	A-	Climate Change ● **A- rating maintained in 2023** ● Effective measures taken to tackle climate change and transparent reporting
		B	Water Security ● Having participated in this category for the first time, Verallia obtained a **B rating in 2023** ● Effective measures and water management
ecovadis	78	85/100	**Platinum medal** For the third year running, Verallia wins the platinum medal, placing it among the top 1% of the 90,000 most virtuous companies in the world in terms of social and environmental responsibility. The efforts of our teams have been rewarded in 2023 with the highest score ever achieved by Verallia: 85/100.
MSCI	BBB	A	2023 ESG rating **upgraded to A**
SUSTAINALYTICS	14.2	14.7	Low risk

OUR **BUSINESS MODEL**

OUR RESOURCES

EMPLOYEES WHO CREATE VERALLIA'S SUCCESS

- Around 11,000 employees
- 4 shared values: customer care; respect for people, laws and the environment; empowerment and accountability; teamwork
- 195 job functions [(1)]
- 1,587 employees hired in 2023, including 438 women (28%)
- 11% managers and executives

PARTNERS WHO SHARE OUR VALUES

- FEVE (European Container Glass Federation)
- Bpifrance

INDUSTRIAL POSITIONS WORLDWIDE

- 34 glass production plants
- 63 furnaces
- 19 cullet treatment centres
- 5 decoration plants
- 5 technical centres
- 12 development centres

A COMMUNITY PLAYER

- More than 340 employees in our sales teams [(2)]

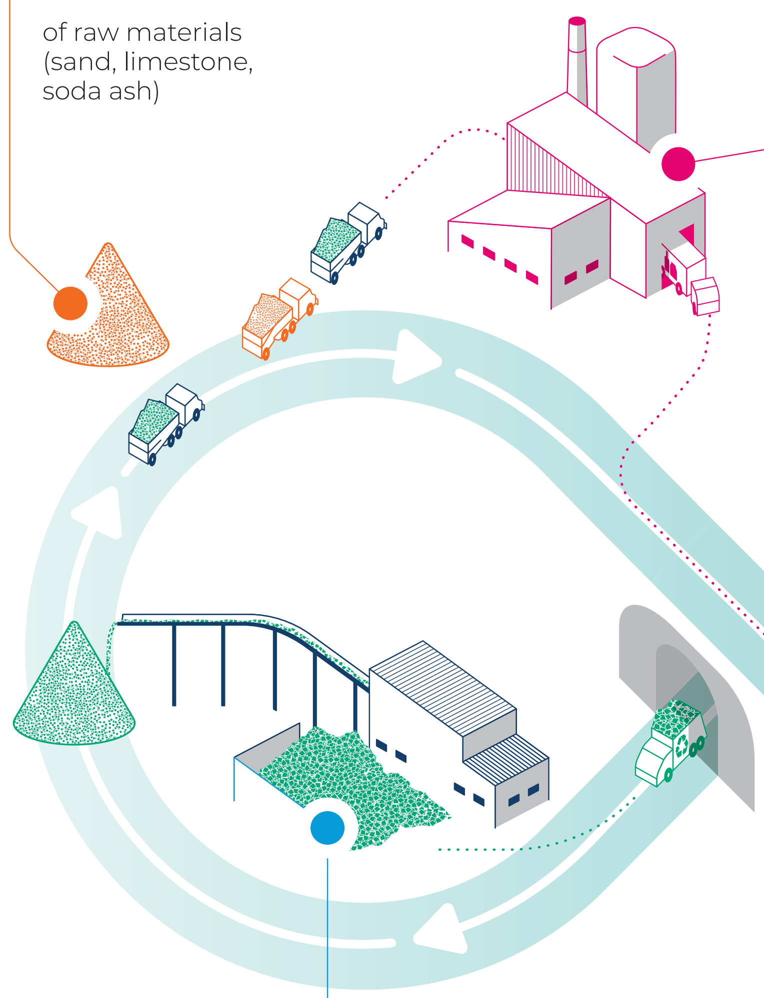
OUR ENVIRONMENTAL RESOURCES

- 54.1% external cullet used in our production processes (53.9% including Verallia UK)
- 0.56 m^3 of water consumed per metric ton
  of packed glass
- 1.9 MWh of energy consumed per metric ton of packed glass

OUR 2023 BUSINESS MODEL:

EXTRACTION AND TRANSFORMATION

of raw materials (sand, limestone, soda ash)



54.1%

external cullet used in our production processes (53.9% including Verallia UK)

TRANSFORMATION OF COLLECTED GLASS INTO CULLET

through the recovery of domestic glass in Verallia or partner processing plants

Our business model data include Verallia UK.

Data regarding percentages of external cullet used and CO_2 emissions are expressed first without Verallia UK and then in brackets including Verallia UK. See the table in the annexes to chapter 2.7 for full data including and excluding Verallia UK.

(1) The 195 job functions are divided into different categories, including technical/ production, sales, R&D, purchasing, supply chain, health/safety/environment, HR, legal, CSR, audit and internal control, and finance.

(2) Job functions identified in the sales and marketing departments.

AT THE HEART OF THE CIRCULAR ECONOMY

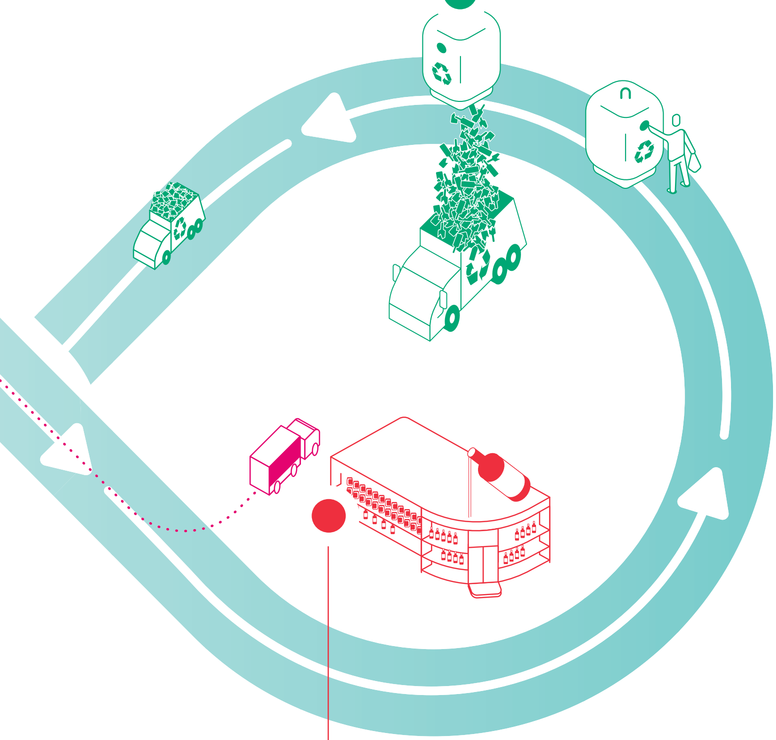
OVER
16
billion bottles and jars produced

ECODESIGN AND PRODUCTION

of quality glass packaging

COLLECTION AND AWARENESS-RAISING

for sorting and recycling



PACKAGING AND MARKETING

Verallia adds value to customers' products and enhances the well-being of end consumers

RESULTS TO FOSTER SHARED PROFITABLE GROWTH

A SOUND FINANCIAL POSITION

- €475 million in net income
- €958 million in equity
- €475 million in cash and cash equivalents
- €582 million in operating cash flow

CUSTOMERS

- €3.9 billion in revenue
- Over 16 billion bottles and jars produced
- Approx. 20% of sales generated from the Ecova product line [3]

EMPLOYEES

- €642.1 million in salaries paid (including social security contributions) [4]
- Employer's contributions: approx. €156 million or 24%

SUPPLIERS

- €2.12 billion in operating expenditure
- €418 million in capital expenditure

INVESTORS

- €164 million in dividends
- €1.40 dividend per share
- €41.7 million in share buybacks

SPECIAL ATTENTION TO THE ENVIRONMENT

- In our glass production plants, the proportion of non-glass waste recycled: 73% [5]
- Scope 1 & 2 CO_2 emissions: 2,603 kt (2,712 kt including Verallia UK) [6]

WORKPLACE SAFETY

- Work accident frequency rate (TF2): 3.1 [7]

(3) Sales of the Ecova and EGO product lines as a proportion of total sales.
(4) Including employee benefits (profit sharing), excluding temporary staff.
(5) Including waste from furnace rebuilds.
(6) Scope 1 'Direct emissions' = CO_2 emissions within the physical perimeter of the plant = carbonated raw materials, heavy and domestic fuel oil, natural gas (melting and non-melting activities). Scope 2 "Indirect emissions" = emissions linked to electricity consumption required for the operation of the plant.
(7) TF2 corresponds to the work accident frequency rate with or without lost days per million hours worked.

OUR
2023 HIGHLIGHTS

April

Furnace no. 2 comes back on stream at our Ukraine plant

May

Verallia's financial strength and robust business model geared towards profitable growth, underpinned by its efforts in the environmental and social responsibility arena, are fully acknowledged in the form of upgrades to the Group's credit ratings by Standard & Poor's, from BB+ to BBB- with a positive outlook, and by Moody's, which revises its long-term credit rating upwards from Ba1 to Baa3. This positive appraisal is confirmed by social and environmental responsibility assessments performed by the CDP, which raises Verallia's Climate Change rating from B to A-, and by MSCI, which upgrades its rating for Verallia to BBB

October

Verallia steps up its glass reuse projects in Europe

November

Verallia pursues its commitment to sustainability and its efforts to maximise the use of recycled glass in its packaging by reaching an agreement with the Santaolalla group to purchase five of its cullet treatment centres in Iberia

November

Verallia presents its first sustainable supplier award to Cartonplast Ibérica in recognition of its commitment to sustainability and the tangible results achieved from its CSR initiatives

November

Verallia revolutionises the timeless Bordelaise bottle by introducing one of the most innovative bottles in the market: the BORDELAISE AIR 300G

1

THE GROUP AND ITS OPERATIONS

1.1. Glass packaging market

The Group operates in the food and beverage glass packaging market where it is, in terms of revenue, the third largest producer in the world and the leading producer in Europe[1]. In terms of volumes sold, it is the second largest producer in Latin America[2].

1.1.1. Trends in the glass packaging market

1.1.1.1. General trends

The glass packaging market benefits from favourable trends, mainly fuelled by the increasing appreciation of glass by consumers[3]. It is thus fuelled by the shift away from alternative materials, in particular plastic, and the choice for glass, because of its environmental qualities, its ability to be fully recycled and its inert properties (no risk of migration of chemical products, such as Bisphenol-A, which is a health hazard), and its ability to protect flavours.

Glass is the preferred choice for upmarket products because of its inherent premium image, particularly for sparkling wines, spirits and still wines, products in which the Group has a strong presence. Specialty beers are also turning to glass to emphasise their premium positioning.

Following a strong upturn in activity in 2021 (with volumes sold by the Group returning to their 2019 level by the third quarter), demand for the Group's products remained strong in 2022 across its end markets. However, in 2023 the market saw a clear drop in demand due to two factors: a decline in end-user consumption in an uncertain economic environment, and a destocking phenomenon throughout the downstream value chain. This slowdown in no way alters the very solid fundamentals of demand for glass.

Volumes sold by the Group remained stable overall between 2021 and 2022 due to capacity constraints (with a greater number of furnaces repaired in 2022 compared to 2021 and the new Jacutinga furnace in Brazil coming on stream only at the end of the 2022). Volumes rose in premium segments (notably sparkling wines and spirits), where demand growth proved very strong. In 2023, sales volumes fell back in line with the global trend, with a sharper contraction in beer and more resilient activity in food jars, soft drinks and sparkling wines.

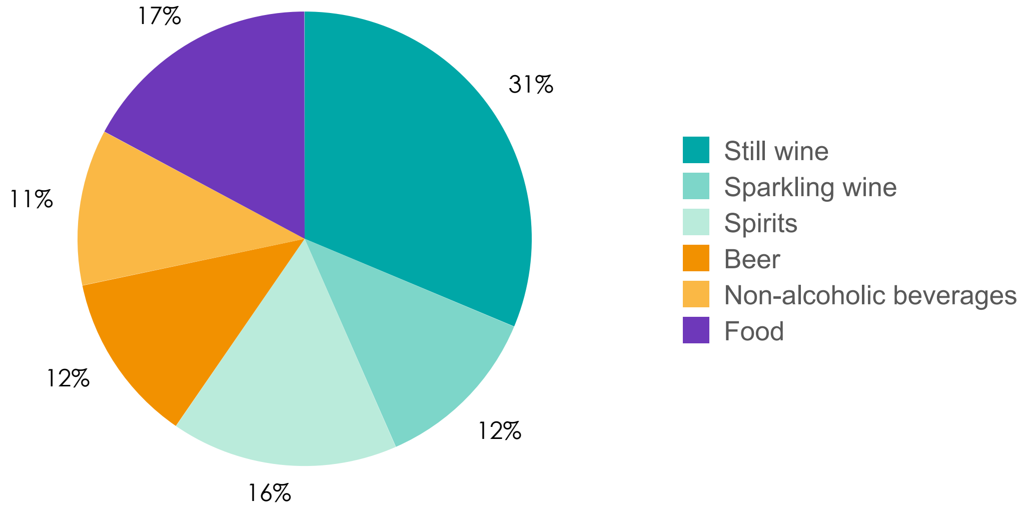
The impact – on an annual basis – of the price increases implemented in 2022 to pass on the sharp rise in costs (especially energy and raw materials) to its customers enabled the Group to record organic growth of 21.4% (14.3% excluding Argentina) in 2023. The acquisition of Allied Glass (since renamed Verallia UK and consolidated over 12 months in 2023), the UK's leading producer of premium bottles, notably for premium spirits, also enables the Group to strengthen its exposure to the premium segment and to the fast-growing high-end gin and whisky markets.

The Group addresses a wide variety of end markets, ranging from bottles for still and sparkling wines to containers for spirits, bottles for beer, and jars and bottles for food and soft drinks. The Group's revenue[4] for the year ended 31 December 2023 was as follows:

1 On the basis of the revenue earned in 2022 by market players in Europe (as defined by these players), as extracted from publicly available information (annual reports and press releases in particular) and on the basis of Company estimates.
2 Based on volumes sold in 2022 in Argentina, Brazil and Chile.
3 Source: Verallia (2021 Capital Markets Day), McKinsey Packaging Survey (December 2020), the European Container Glass Federation (FEVE) (InSites Consulting "Packaging & Recycling" independent consumer survey (2020)).
4 Based on revenue earned exclusively from the sale of jars and bottles, which represented 98% of the Group's consolidated revenue for the financial year ended 31 December 2023.

Distribution of revenue by end market [5]

For the year ended 31 December 2023



Still and sparkling wines

The still and sparkling wine bottle market is the Group's largest market, which represented 43% of its consolidated revenue for the year ended 31 December 2023. It is driven by consumer habits in traditional wine consuming countries, such as France, Spain and Italy, and by the consumption modes of new consumers, such as in the United States, the United Kingdom and emerging markets (mainly Brazil and China). These trends impact exports from historical producing countries such as France, Spain and Italy, the world's three largest producers, as well as from the producers of the "New Winemaking World", such as Argentina, Chile, Australia and South Africa.

The still and sparkling wine bottle market, impacted in 2020 by the first Covid-19 pandemic wave, is mainly driven by exports.

The Group's operations in the still and sparkling wine market are more particularly exposed to the exports made by its winemaking customers. The three most significant countries for the Group in terms of revenue, namely France, Spain and Italy, are the main exporters of still and sparkling wines in the world. After a difficult year in 2020, in 2021 the Group's operations in these markets benefited from both a recovery in the hotel and catering sector with the mitigation of the Covid-19 pandemic, but also from a suspension of trade barriers imposed by the United States on certain exporting countries of still and/or sparkling wines. This trend continued into 2022, notably in the high-end wines segment, albeit to a lesser extent, with the impact of strong inflation and a difficult geopolitical environment, which also affected business in 2023, particularly in still wines.

Glass is the preferred material for packaging still wines and even more so for sparkling wines, because of the product's image, wine-making processes, requirements for pressure resistance and its exceptional organoleptic qualities. Substitution possibilities by other packaging materials are also limited due to consumers' preference for glass and the image of quality associated with this packaging, the existence of glass bottling infrastructure and the existence of pressure resistance requirements for sparkling wines. The Group is nevertheless competing with alternative types of packaging, such as the bag-in-box in still wines, primarily for down-market wines, and brick pack containers, especially in certain geographic areas such as Argentina, Spain, and Portugal, and, to a lesser extent, bottles made from polyethylene terephthalate ("PET"). After sustained growth in 2020, followed by a sharp downturn in 2021, particularly in France, the bag-in-box format for still wines stabilised overall in 2022-2023.

[5] The consolidated financial statements are presented in millions of euros, with amounts rounded up or down to the nearest million. Rounding differences may therefore appear between different financial statements.

Containers for spirits

Containers for spirits represented 16% of the Group's consolidated revenue for the year ended 31 December 2023.

Growth in the spirits market is mostly driven by exports intended primarily for the United States and Asia. Cognac, brandies and gin have found valuable export niches (in neat form and in cocktails). This market is characterised by a sharp increase in upscale packaging, similar to that seen in the perfume market. In terms of customers, the sector is highly consolidated, with the major global trademarks in spirits owned by a limited number of companies. In each region, however, a large number of local spirit trademarks remain independent and active.

The global spirits market rebounded strongly in 2021 after being impacted in 2020 by the Covid-19 pandemic and temporary closures in the hotel and catering sector. Demand picked up significantly in several countries and regions, especially in China, while the consumption of premium spirits appeared to experience structural growth in most parts of the world and in the United States. This trend broadly continued into 2022, another year of strong growth. In 2023, after a fairly resilient first half, a decline in volumes was observed in the second half under the combined effect of lower end demand and strong destocking downstream in the value chain.

The risk of packaging other than glass being used is very limited in the spirits segment, mostly because of producers' desire to use glass bottles (often customised) to maintain the image and recognition of their trademarks. However, certain containers (more than one litre, pocket flasks or miniatures) may be packaged in PET, marginally and in low-end segments, and mostly in the United States.

Beer

Beer bottles represented 12% of the Group's consolidated revenue for the year ended 31 December 2023.

The highly concentrated beer market, considered a "mass market", is growing, particularly in emerging markets. Glass packaging is particularly favoured by certain brewers to provide up-market appeal, especially in developed countries, to create value in a market that has historically had little differentiation.

However, certain customers may periodically or permanently substitute traditional glass packaging, which has a premium positioning, for packaging in metal cans. This change may be made for sales and marketing reasons, to control costs in view of the economic context, or due to changes in strategy. In the beer packaging market, glass remains the preferred packaging for brewers in the premium beer growth segment seeking to make their products stand out from the competition with an up-market image designed to highlight the distinctive taste of their beers. This is especially true for local or craft brewers. This market faces competition from other modes of consumption, particularly the mini-barrel and draught beer. Plastic is more marginal, except for specific uses (during sports events, for example) and for large containers, particularly in the Russian and Ukrainian markets. In Latin America, the traditional returnable beer bottle is progressively being replaced with single-use aluminium or glass packaging. This trend is expected to continue in the future, particularly in Brazil, and should contribute strongly to fuelling demand for glass packaging.

Bottles for soft drinks

Bottles for soft drinks represented 11% of the Group's consolidated revenue for the year ended 31 December 2023.

In this market, packaging in materials other than glass have already largely replaced glass packaging. Substitution may still occur in the fruit juice segment, where glass is nevertheless well positioned in small containers, particularly for restaurants and cafés and upmarket products. High value-added niches have also developed in recent years, for which glass is particularly well positioned, such as table waters, energy drinks and certain sodas. The Group's activity in this end market remained mixed in 2022 before becoming one of the Group's most resilient markets in 2023.

Jars and bottles for food

Jars and bottles for food represented 17% of the Group's consolidated revenue for the year ended 31 December 2023.

The food jar and bottle market consists of a very large number of niche markets, including traditional jams and yoghurt, baby food, certain types of sauces and jarred food, and even soluble products that vary depending on the eating habits of each country. Overall, glass occupies relatively stable positions compared with other materials. The growth of this market is primarily driven by that of household consumption. The intrinsic, technical qualities of glass – particularly the possibilities for sterilisation and high-temperature cooking, as well as the innovation potential it offers – allow for a diverse range of food products to be packaged in glass compared with products packaged in other materials.

In the food packaging market, substitution mainly occurs in jars and bottles for condiments, sauces and dairy products, where consumers are more indifferent to the use of PET. However, the favourable positioning of glass for small containers, the unsuitability of plastic for certain techniques in the food industry (such as sterilisation and high-temperature cooking), and the development of niche markets where the use of glass is associated with the perceived qualities of the product or when it is the preferred medium for innovation (such as packaging for spreads), allow glass to maintain, and even increase, its market share. In featured or premium segments, glass is often used as a substitute for other types of packaging. Consolidation of the customer base in this market is moderate.

The Group's operations in the food jars and bottles segment, which were particularly buoyant in 2020 before falling back in 2021, took a positive turn in 2022 and went on to show good resilience in 2023. Nevertheless, the Group believes that its operations in this segment continue to benefit from a trend that is favourable to glass compared to other forms of packaging.

1.1.2. Overview of the geographic markets

In terms of revenue, the Group is the third largest producer in the world and the leading producer in Europe of glass packaging. In addition, in terms of volumes sold, it is the second largest producer in Latin America.
The Group conducts its operations in the following geographic markets, which make up its three operating segments: (i) Southern and Western Europe, consisting of the production sites located in France, Italy, Spain and Portugal, which represented 65% of the Group's consolidated revenue for the year ended 31 December 2023; (ii) Northern and Eastern Europe, consisting of the production sites located in Germany, Russia, Ukraine, Poland and now the UK, which represented 25% of the Group's consolidated revenue for the year ended 31 December 2023; and (iii) Latin America, consisting of the production sites located in Brazil, Argentina and Chile, which represented 10% of the Group's consolidated revenue for the year ended 31 December 2023.

Due to the local nature of the markets, companies in this sector establish their production sites near food and beverage production and packaging sites (such as in wine-making regions or near large breweries).

These geographic markets reflect the trends common to the entire glass packaging market described in Section 1.3.3 below, as well as their own specific trends.

1.1.2.1. Southern and Western Europe

Southern and Western Europe accounted for 65% of the Group's consolidated revenue for the year ended 31 December 2023.

In terms of volumes sold, the Group is the largest producer of glass packaging in Southern and Western Europe.

In 2023, the main end markets in Southern and Western Europe in terms of bottled volumes were still- and sparkling-wine bottles and containers for spirits.

In 2023, sales in this region will be up on the previous year, thanks to the year-on-year impact of the price increases effected in 2022, and despite lower overall volumes than in 2022. In terms of demand, a decline has been observed in all the Group's end markets, with beer being the sector most affected.

1.1.2.2. Northern and Eastern Europe

Northern and Eastern Europe accounted for 25% of the Group's consolidated revenue for the year ended 31 December 2023.

In terms of volumes sold, the Group is the second largest producer of glass packaging in Northern and Eastern Europe.

Jars and bottles for food products was the largest end market in Northern and Eastern Europe in 2023. The share of spirits has also increased significantly with the full-year consolidation of Verallia UK, which the Group acquired in November 2022 and for which spirits represent the main market.

In 2023, volumes are set to rise, thanks to the consolidation of Verallia UK and the resumption of business in Ukraine (re-opening of the second furnace at the Zorya plant).

1.1.2.3. Latin America

Latin America accounted for 10% of the Group's consolidated revenue for the year ended 31 December 2023.

In terms of volumes sold, the Group is the second largest producer of glass packaging in Latin America.

Bottled beer is now the largest end market in Latin America, notably in Brazil. This end market is currently enjoying sustained growth that is set to intensify, driven in particular by craft and premium beers, as well as the development of single-use bottles in Brazil.

Bottles for still wines are the second largest end market in Latin America, particularly in Argentina and Chile. Volumes were impacted in 2023 by the loss of certain export volumes with our Chilean customers, as well as by the delicate political and economic context in Argentina (presidential election year, extremely high inflation and sharp devaluation of the Argentine Peso).

1.2. The Group's strategy and competitive advantages

1.2.1. The Group's strengths and competitive advantages

1.2.1.1. Glass packaging, a market supported by favourable global trends and benefiting from attractive dynamics in the Group's end markets

Global trends favouring the use of glass

The glass packaging market is driven by favourable trends, mainly fuelled by the growing use of glass by consumers. According to a study conducted for the FEVE in 2020 by the Friends of Glass organisation, more than half of European consumers indicated that they increased their consumption of glass packaging in the last three years (2016–19) and 91% of them recommended glass as the best packaging material to their family or friends (11% more than in 2016).

Glass is the preferred choice for upmarket products because of its inherent premium image, particularly for spirits (nearly 100% penetration[6] in 2021) and wine (around 90% penetration in 2021), products for which the Group has a strong presence. Glass is also used to package beer, but to a lesser extent (70% penetration in 2021 for the "beer and cider" category).

A European market that has been significantly consolidated and benefits from a dynamic offer and favourable demand

The European glass packaging market has undergone significant consolidation in the last 20 years. The top five market players, including the Group, accounted for almost 70% of market shares in Europe in 2021[7].

Furthermore, the Group believes that the overall production capacity utilisation rate in the glass packaging market fell back during financial year 2023, particularly in the second half of the year when demand slowed. In Southern and Western Europe[8], and in Northern and Eastern Europe, the Group nevertheless believes that the production capacity remains structurally in line with domestic demand for glass packaging, even if this balance was momentarily challenged in the second half of 2023.

A market characterised by strong technical, logistical and capital constraints

Glass packaging production operations require a command of complex technologies and know-how, as well as the investment of significant amounts of capital.

The Group's operations require proficiency in industrial processes with a strong technical component, in order to guarantee the safety, quality and durability of products for consumers, as well as the use of qualified labour and a first-class procurement policy. Furthermore, geographical proximity to customers is a key factor in glass production operations, due to the significant impact of transportation costs, the need to be responsive in terms of services, and the determination of both the Group and its customers to reduce the carbon footprint of their activities.

In order to maintain a high level of technical expertise, the Group uses a qualified and experienced labour force (furnace operators, a highly technical profession, have on average 20 years of experience) and has put in place significant employee training plans, such as talent development programmes, online training and the creation of glass manufacturing schools. The Group also relies on the density of its industrial facility network, the local establishment of its production sites and its first-class logistics processes to maintain geographic proximity with its customers.

6 The penetration rates presented correspond to the portion represented by glass (in terms of volumes), over a scope of 23 European country members of FEVE in 2020; source: Vivid Economics 2020 "Food & beverage container glass market statistics 2020" study.
7 Based on revenue generated in 2021 by market players in the EU 28 countries and in Switzerland, Ukraine, Turkey and Russia, as extracted from publicly available information (annual reports and press releases in particular).
8 Excluding Poland

Glass production operations also require the investment of significant amounts of capital. In particular, the cost of building an entire plant with a single furnace (and its associated facilities, such as mixing equipment, a distribution channel, feeders, blowing machines, annealing lehrs and inspection and palletisation equipment) represents more than €100 million for one site with an annual production capacity of around 100,000 tonnes, according to Group estimates. Furthermore, the commissioning of a new production site takes a relatively long time, with a typical two-year period between the start of construction and the start of production. Lastly, plants have to be operated around the clock and at high capacity to ensure the profitability of invested capital, requiring the precise planning of production capacities.

In addition, profitability is linked to achieving significant minimum production volumes, given the large fixed cost base and high level of initial investment inherent in the glass production sector. Achieving these minimum production volumes requires having an established customer base and a strong local presence.

The Group believes that these characteristics of the glass production sector give it a significant competitive advantage, due to its size, the density and strong local presence of its industrial facilities, combined with its cutting-edge technical expertise derived from its extensive experience in this industry.

Positioning at the heart of a circular economy

The Group's activities are part of a circular economy approach in which glass – which can be recycled an infinite number of times, without alteration regardless of how many times it is recycled – fits in naturally, where recycled bottles and jars become new packaging once again. In this context, cullet (used glass from selective sorting) is a key link in the circular chain (see Chapter 2 of this Universal Registration Document).

1.2.1.2. A differentiated positioning with a strong value proposal for the Group's customers

A solid competitive positioning in the global glass packaging market's main geographic areas

The Group is the world's third largest producer and Europe's leading producer[9] of glass packaging for food and beverages in terms of revenue for 2023. The Group considers itself in particular to be a co-leader in the European market for still wines and sparkling wines and spirits – a market that is mainly driven by exports. The Group also enjoys strong positioning in all other markets (beers, soft drinks and food products).

Additionally, in terms of volumes sold, the Group is the second largest producer in Latin America (10% of the Group's consolidated revenue for the year ended 31 December 2023). In this region, it leads the still and sparkling wine market, historically the largest market in Argentina and Chile, where it is mainly driven by exports. The Brazilian beer bottle market is both significant and fast-growing, fuelled by the increase in demand for beer and by a shift towards the use of single-use bottles.

A mix of attractive end markets[10]

The Group serves a large, diversified range of end markets, broken down into bottles for still wine (31% of the Group's revenue for the year ended 31 December 2023), bottles for sparkling wine (12% of the Group's revenue for the year ended 31 December 2023), containers for spirits (16% of the Group's revenue for the year ended 31 December 2023), bottles for beer (12% of the Group's revenue for the year ended 31 December 2023), jars and bottles for the food market (17% of the Group's revenue for the year ended 31 December 2023) and bottles for soft drinks (11% of the Group's revenue for the year ended 31 December 2023).

The Group considers itself to be the world co-leader (in terms of revenue) in the still wine and sparkling wine markets, and enjoys a significant presence in the spirits market. These markets offer numerous competitive advantages due to the low concentration of customers and the structural trend for premium products; they accounted for 59% of the Group's revenue in the year ended 31 December 2023. This presence has been reinforced with the acquisition, in November 2022, of Verallia UK, the United Kingdom's leader on the premium segment, and mainly present in spirits.

---

[9] On the basis of the revenue earned in 2021 by market players in Europe (as defined by these players), as extracted from publicly available information (annual reports and press releases in particular) and on the basis of Company estimates.

[10] Based on revenue earned exclusively from the sale of jars and bottles, which represented 98% of the Group's consolidated revenue for the financial year ended 31 December 2023. The consolidated financial statements are presented in millions of euros, with amounts rounded up or down to the nearest million. Rounding differences may therefore appear between different financial statements.

The markets for still wines and sparkling wines are characterised by a fragmented customer base, composed of a large number of local and regional wine producers, thus reducing the Group's dependency on a single customer or a small number of significant customers. On the other hand, the beer market is much more concentrated, in particular in the United States, where the Group is not present. Sales of beer bottles, representing a significant portion of the revenue generated by certain major players in the glass packaging market, accounted for only 12% of the Group's revenue for the year ended 31 December 2023.

Strong presence on premium products

A significant portion of the Group's revenue (59% for the year ended 31 December 2023) comes from the sale of bottles for still wines, bottles for sparkling wines and containers for spirits.

The Group has a particularly strong presence in countries that produce premium wines and spirits, such as France, Italy, Spain and Portugal.

The Group has developed strong exposure to premium products: firstly by relying on its dense industrial network, which allows it to forge long-term relationships with locally established champagne and cognac producers; and secondly by offering a diverse range of products, including its Selective Line trademark, which allows it to provide customised packaging solutions for premium products in particular. The Group's customer base includes leading premium trademarks. The Group has expanded its portfolio of premium customers, particularly in whisky and gin, and increased its exposure to this segment with the acquisition, in November 2022, of Verallia UK, the United Kingdom's leader on the premium segment, with a very high exposure to the upmarket spirits segment.

Premium products are characterised in particular by lower sensitivity to price fluctuations compared to other more standardised products. This is because the customisation and high quality of these products are strong factors in the purchasing decisions of this customer segment, for whom the cost of glass packaging, even for premium products, remains marginal compared to the total cost and sales margin of the final product.

A large range of products and flexible production facilities to address a significant and diversified customer base

Packaging is a major component of the marketing strategy of the Group's food and beverage producing customers, which it supports throughout the glass packaging creation process.

To meet the needs of its customers, the Group designs and manufactures a large range of products covering the entire spectrum of the food and beverage glass packaging end market, with the ability to propose each product in a range of colours, shapes, sizes and styles.

The Group also stands out for its proven capacity to improve its standard products, allowing for even more customisation. In 2022, 95% of the revenue earned by the Group in Southern and Western Europe and in Northern and Eastern Europe (excluding Ukraine, Russia and the UK) was generated by the sale of 51% of the items in its product range. The sale of the remaining 49% of items represented 5% of revenue for the same period. The margin earned on the sale of the 49% of items representing 5% of revenue is, on average, around 10 percentage points higher than the margin earned on the sale of 51% of the remaining items[11].

In order to offer differentiated products, the Group mainly relies on its decoration operations, run by its Saga Décor and Société Charentaise de Décor subsidiaries in France, and Verallia Polska in Poland. These subsidiaries specialise in bottle finishing, utilising glass decoration techniques such as satin-finishing, lacquering, screen-printing, decal transfers and hot marking. Verallia UK, which has been part of the Group since November 2022, also has a decoration business, largely used in the premium spirits segment on which Verallia UK is focused.

On the strength of the Group's innovative capabilities and technical expertise, it has repeatedly won prestigious design awards. In 2022, the "Flute Gothic" bottle won the Packaging Oscar in Paris and the Formes de Luxe Prize at the Luxepack trade fair in Monaco. Verallia UK also won the 2023 « Design of the Year - Container » award with the « Isle of Barra Distilleries » team and agency D8. The Barra Gin bottle was custom designed by artist Jemma Lewis and also focuses on sustainability. Produced by Verallia France, this bottle was selected thanks to its astute balance of innovation and eco-responsibility – an eco-design that perfectly epitomises the rural luxury image sought by our customer Domaines Paul Mas.

[11] Effect calculated on European producer countries, excluding Russia, Ukraine and the United Kingdom. With Verallia UK's decorated and premium products, the effect is further enhanced.

In 2020, the Group also won the Emballages Magazine's Packaging Oscar for the Manon rosé bottle (designed for Ravoire et Fils in France), the international ARCA 2020 drink packaging design award in Spain for the bottle designed for Font Major (Grupo Damm), and the Good Design Award for the Prosecco Zonin 1861 bottle. In 2019, the Group won the A'Design Award and the Italian Packaging Institute's Packaging Oscar (Quality Design category) for the Estathé glass bottle (used for Ferrero's iced tea, which is one of the Group's flagship products in Italy).

In order to best respond to the marketing expectations and economic needs of its customers, as well as to the growing trend in the glass packaging market towards upmarket products and customisation, the Group also offers a range of high value-added services.

The Group thus offers a joint development service, in which it designs unique models (specialty products) with its customers at 12 product development centres located in each country where the Group operates. Thanks to their technical know-how, the teams at these centres rework the customer's projects to ensure the industrial feasibility of the bottle or jar.

Furthermore, in order to respond to the growing demand for upmarket glass bottles from its most demanding international customers in still and sparkling wines, spirits, beers and mineral water, the Group has developed the Selective Line, which became a registered trademark in 2008 and offers an upmarket catalogue of models.

In order to address the desire of some of its customers to offer products that are attractive to the consumer while guaranteeing reduced environmental impact over their entire life cycle, the Group offers a range of eco-designed products, ECOVA.

More recently, the Group launched a series of digital applications for its customers in order to support them in the context of joint development operations (see Section 1.3.2.2 "Services" - "Digital applications" of this Universal Registration Document).

Lastly, each year, the Group organises design competitions in several countries. Known as the "Verallia Design Awards", these competitions bring together hundreds of participants from the best design and packaging schools, invited to propose projects for bottles and jars, thus paving the way for future developments in glass packaging and making it possible to offer customers a portfolio of innovative designs that are ready to be developed (see Section 1.3.2.2 "Services - Joint development" of this Universal Registration Document).

Furthermore, the Group applies significant industrial resources to offer its customers products that meet the highest market standards for quality. In this way, the Group endeavours to constantly improve the quality of its products through cutting-edge quality control systems, a comprehensive employee training programme and a very rigorous control of production processes. The Group's historic presence in the glass packaging market and the quality and reliability of its products underpin its status as a glass packaging producer with recognised expertise.

The Group's strong historic presence in the glass packaging market has also enabled it to forge strong, long-term relationships with more than 10,000 customers[12], including both locally based small companies (such as regional wine producers or local breweries) and leading multinationals (such as Pernod Ricard, LVMH, Heineken, Andros and Nestlé). In order to develop long-term relationships and retain the loyalty of its customers, the Group relies on its strong local presence, and on the strength of its sales and marketing teams comprising more than 340 people.

The Group's customer base is not very concentrated, with its top ten customers representing less than 18% of consolidated revenue, and the Group's most significant customer representing approximately 5% of consolidated revenue for the year ended 31 December 2023. The concentration of customers varies depending on the markets concerned.

The customer base for still and sparkling wine bottles – the Group's largest end market in terms of revenue (43% of the Group's revenue for the year ended 31 December 2023[13]) – is highly fragmented and locally based. In order to forge long-term relationships with wine producers, the Group relies on its strong local presence in wine-growing regions and its capacity to offer products and services that are tailored to the needs of its customers.

[12] Customers who placed at least one order during the 2021-2023 period.

[13] Based on revenue generated exclusively by the sale of jars and bottles, which represented 98% of the Group's consolidated revenue for the financial year ended 31 December 2023. The consolidated financial statements are presented in millions of euros, with amounts rounded up or down to the nearest million. Rounding differences may therefore appear between different financial statements.

The customer base for beer bottles, bottles for soft drinks and containers for spirits (respectively 12%, 11% and 16% of the Group's revenue for each of these market segments for the year ended 31 December 2023) is concentrated and represented mainly by a limited number of leading global players, although a number of local players exist in the spirits market. The concentration of customers for jars and bottles for the food market (17% of the Group's revenue[14] for the year ended 31 December 2023) is moderate, with a number of local players existing alongside a limited number of leading global players.

1.2.1.3. Operational excellence initiatives to support increased profitability

The implementation of a performance action plan (PAP) to support robust financial performance

The Group makes significant efforts to achieve a high level of operational excellence, relying in particular on cutting-edge industrial facilities and solid procurement organisation in each geographic area and country. The Group also benefits from the support of an integrated network of industrial experts, capable of assisting the Group's management and operational teams in all of its investments and projects.

The Group's industrial policy is based in particular on regular audits of production sites and the constant upgrading and adaptation of its industrial facilities, in order to meet the needs of the Group's customers and changing regulations in each of the countries where it operates.

The Group also continuously implements measures to improve the operational efficiency of its production sites. As part of its industrial strategy, the Group has implemented an operational excellence program over the past few years. This has been significantly enhanced since the beginning of the 2018 financial year with the roll-out of the Verallia Industrial Management (VIM) 2.0 initiative, focused on safety, quality, industrial performance and reducing manufacturing costs, thanks in particular to a performance action plan (PAP) and the management of team skills.

By way of example, under this plan, more than 900 projects managed by 300 managers at the production site level are continuously being deployed by the Group, with the goal of systematically reducing cash production costs[15] by 2% per year. This objective was reaffirmed during the Group's Capital Markets Day on 7 October 2021. The Group applies costs optimisation measures inspired by World Class Manufacturing to all its production sites, based mainly on cost deployment[16], and has developed more generally an in-depth industrial methodology based on root cause analysis[17] with its employees and within its sites, in order to optimise its costs while improving the quality of its products. The Group also implements measures to optimise inventory management and improve the flexibility of its production lines, with the introduction of new scheduling processes and tools (weekly production plans and monthly industrial and commercial plans). Furthermore, the Group continuously improves its logistics processes to ensure on-time delivery to its customers. Lastly, the Group conducts in-depth comparative analyses on its production sites in order to align its industrial processes with best practices.

The PAP implemented by the Group has led to an increase in its production capacities and improved the effectiveness of its production sites while improving product quality, all for a relatively limited level of investment. This had a positive impact on the Group's net income over the 2017–2022 period. As such, the Group has increased its production capacities[18] over the last three years while improving the yield of its production sites, and has significantly reduced the rate of customer claims.

---

[14] Based on revenue earned exclusively from the sale of jars and bottles, which represented 98% of the Group's consolidated revenue for the financial year ended 31 December 2023. The consolidated financial statements are presented in millions of euros, with amounts rounded up or down to the nearest million. Rounding differences may therefore appear between different financial statements.

[15] Production costs excluding commercial, general and administrative costs, transport costs, depreciation and amortisation and provisions for claims.

[16] World Class Manufacturing is based on 10 pillars, one of the most fundamental of which is cost deployment, which consists in associating a cost with the various problems identified and taking precise measures to reduce them.

[17] This method involves addressing the causes of a problem, rather than treating its immediate symptoms.

[18] Measured by the ratio of saleable glass tonnage to pulled glass tonnage. One tonne of packed glass corresponds to one tonne of pulled glass measured straight out of the furnace and taking into account production losses linked in particular to shutdowns of the furnace or other equipment for maintenance or quality issues.

In 2023, the Group continued to implement these initiatives and reduced its cash production costs[19], with an impact, net of industrial gaps, of €52.5 million on the Group's adjusted EBITDA in 2023, i.e. 2.1% of its cash production costs.

In addition to improving the Group's industrial and financial performance, the roll-out of the Group's operational excellence goal is also reflected through its sustainable development policy (see Chapter 2 of this Universal Registration Document).

Investments that have supported the development of a dense and flexible industrial base and top-notch technical expertise

The Group develops, produces and sells a large range of products, designed to address the specific needs of the local markets in which it operates. The performance of the Group's production sites and their ability to adapt to different markets are essential in light of the high investment costs required by glass packaging production. To achieve this objective, the Group has developed an operational model known as "Glo-Cal", based on the combination of the strength of its international network – illustrated by an industrial presence in 12 countries, with 34 glass production sites comprising, as at 31 December 2023, 63 operational furnaces, 5 decoration plants, 5 technical centres, 12 product development centres and 19 cullet treatment centres (6 of which are part of a joint venture) – and the close relationship maintained with its customers by more than 10,000 employees, including sales and marketing teams with more than 340 employees.

By developing a flexible and standardised industrial base, the Group can effectively optimise its production and logistics costs and temporarily transfer production from one site to another, within the same geographic area, if ever furnaces or other equipment need to be repaired, or in the event of a one-off increase in demand at the local level.

In order to maintain leading industrial facilities, the Group makes significant investments, based on strict commitment criteria. Thus, during the year ended 31 December 2023, the Group's capital expenditure[20] totalled €418.0 million.

Most of the Group's capital expenditure is made up of so-called recurring investments, the main ones being furnace rebuilding and heavy maintenance operations on IS machines. The Group's recurring investments amounted to €234.4 million for the year ended 31 December 2023. The Group's investment strategy in recent years has been more particularly focused on standardising and streamlining its industrial facilities, as well as on research and development programmes mainly aimed at spurring the innovation of the production process and reducing the environmental impact (reduction of carbon dioxide emissions in particular) of the Group's operations.

The Group regularly repairs or rebuilds its furnaces in order to maintain efficient and fully operational industrial facilities, thus maximising the use of its production capacities. A complete reconstruction of a furnace is generally necessary after a production period of twelve years, at a cost of around €10 to €20 million.

Repairing and rebuilding furnaces can also be an opportunity for the Group to make changes in its equipment, in order to improve productivity.

Apart from these recurring investments, the Group also made a number of strategic investments, which include, since 1 January 2021, the majority of those made in the context of its CO2 emissions reduction plan. At the presentation of its CSR roadmap in January 2021, these investments were estimated at approximately €200 million and classified as strategic investments.

The Group's strategic investments amounted to €183.6 million for the year ended December 31, 2023, corresponding mainly to capital expenditure associated with capacity increases (Campo Bom in Brazil and Pescia in Italy) and decarbonisation, in particular that linked to the opening, in 2024, of the Group's first electric furnace in Cognac.

For a more detailed presentation of the Group's investments, see Section 5.3 "Capital expenditure" of this Universal Registration Document.

---

[19] Production costs excluding commercial, general and administrative costs, transport costs, depreciation and amortisation and provisions for claims.

[20] The Group's capital expenditure (Capex) represents acquisitions of property, plant and equipment and intangible assets necessary to (i) maintain the value of an asset and/or adapt to market demands and to environmental, health and safety requirements (together, "Recurring Capex"), or (ii) increase the Group's capacities. The acquisition of securities is excluded from this category.

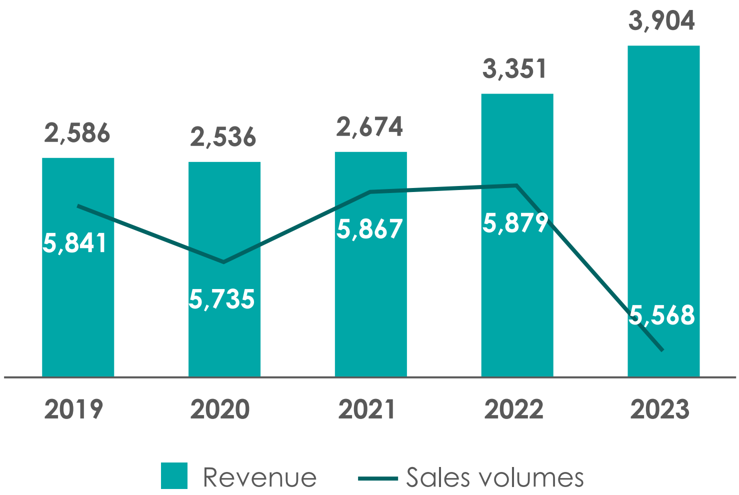
1.2.1.4. An attractive and resilient financial profile generating continuous growth of the Group's profitability and cash flow

The Group has demonstrated its capacity to grow its business consistently, while significantly improving its margins and profitability.

The 2016–2023 period was marked by a significant improvement in the Group's financial performance. This performance, which was particularly pronounced from 2017 onwards, has been driven by: (i) the growth in sales volumes (where 2023 is an exception); (ii) a pricing policy that allowed it to absorb the increase in production costs and generate, from 2018 onwards, a positive spread[21] on its sales; (iii) the significant improvement in the Group's operational efficiency, chiefly as a result of the implementation of the PAP as part of the roll-out of the Verallia Industrial Management (VIM) 2.0 initiative. This improvement, which was particularly strong in 2018 and 2019, continued to a lesser degree in 2020 before picking up again in 2021 and gaining traction in 2022, thanks to the gradual improvement of the health context then, in 2023, the ongoing improvement of the Group's profitability.

Trend in 2019–2023 consolidated revenue and sales volumes

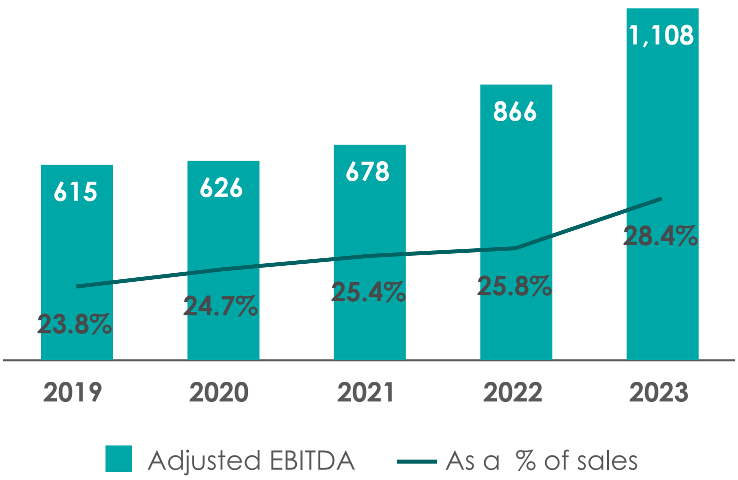
(in millions euros and kt)



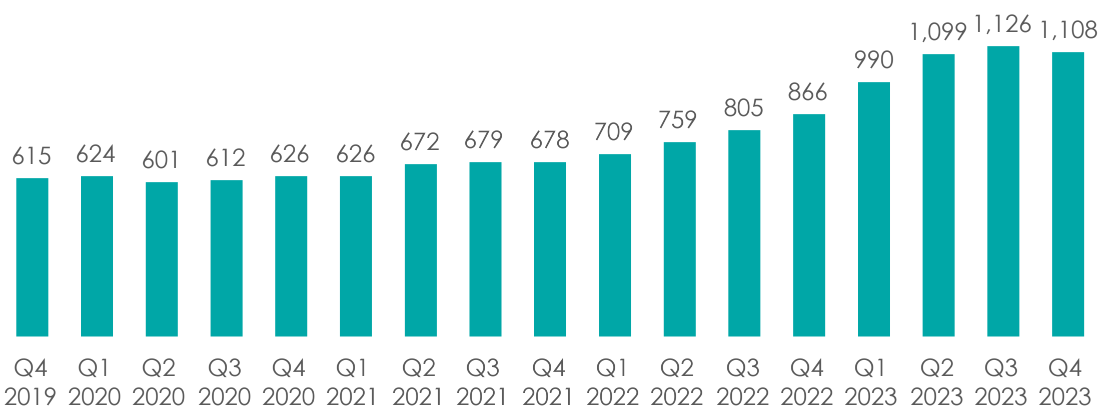
[21] The spread corresponds to the difference between (i) the increase in selling prices and the mix applied by the Group after passing any increase in production costs onto these selling prices, and (ii) the increase in production costs. The spread is positive when the increase in sales prices applied by the Group is greater than the increase in its production costs. Higher production costs are recognised by the Group at constant production volumes and before any industrial variance or impact resulting from the Performance Action Plan (PAP).

The Group's adjusted EBITDA also recorded steady growth, with a CAGR of 15.9% over the 2019–2023 period, representing an improvement of 459 basis points in the adjusted EBITDA margin[22].

Trend in 2019–2023 adjusted EBITDA *(in EUR million)*



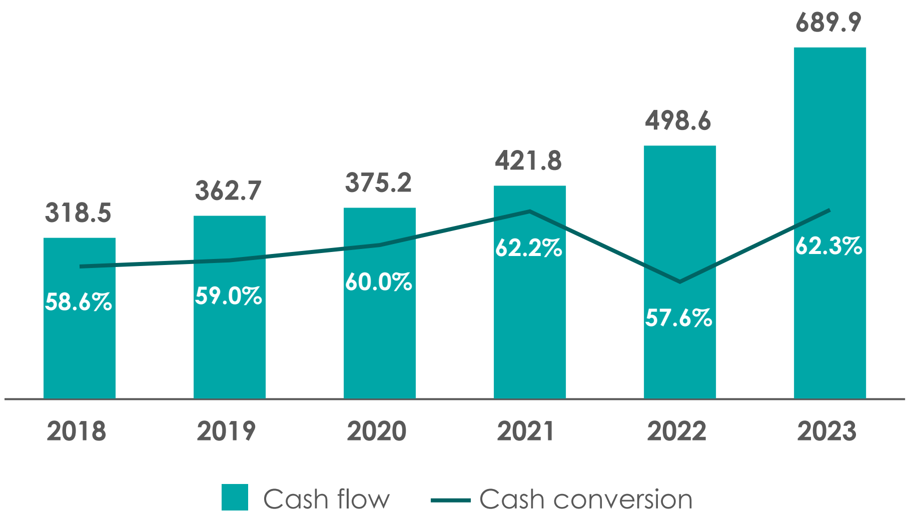
Trend in adjusted EBITDA for the last 12 months over the 2019–2023 period *(in EUR million)*[23]



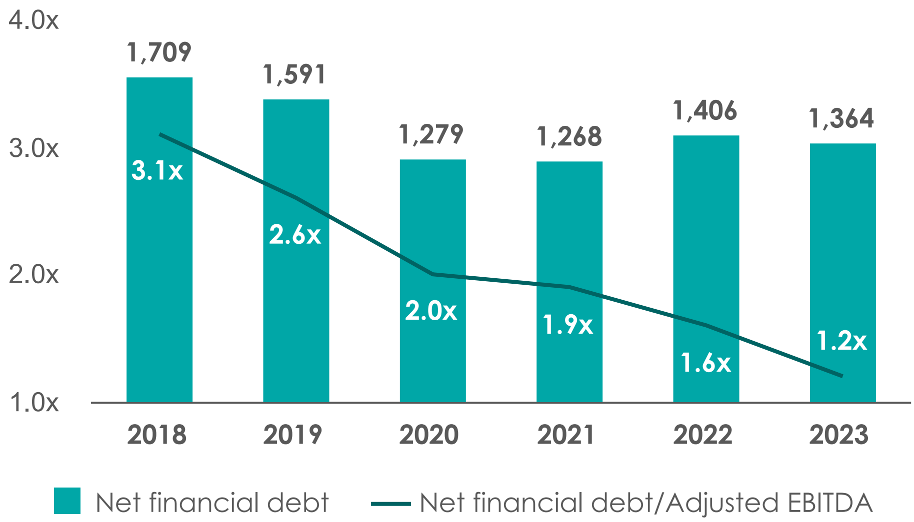
In addition, the Group's level of capital expenditure, combined with financial and operational discipline focused on project profitability and a reduction in working capital requirements (see Section 5.3 of this Universal Registration Document), has enabled it to generate strong cash flows and significantly increase its cash flows and cash conversion[24] over the 2019–2023 period. This cash flow generation has enabled the Group to record a continuous reduction in its net financial debt and its net financial debt/adjusted EBITDA ratio.

22 The adjusted EBITDA margin corresponds to the amount of adjusted EBITDA relative to revenue.
23 Including the positive impact of IFRS 16 on adjusted EBITDA as of 1 January 2019.
24 Cash conversion is defined as the ratio between cash flows and adjusted EBITDA: cash flows correspond to adjusted EBITDA minus capex. A reconciliation of adjusted EBITDA and cash conversion to the Group's accounting aggregates is presented in Section 5.2.2 of this Universal Registration Document.

Cash flows and cash conversion *(in EUR million and as a % of adjusted EBITDA)*



Ratio of net external financial debt to adjusted EBITDA *(in EUR million)*[25]



The Group's steady cash flow generation has permitted an active capital allocation strategy. The Group therefore intends to use its disposable cash as follows: (i) repayment of its financial debt; (ii) strategic projects such as the construction of new production sites (greenfield projects), new furnaces for its existing sites (brownfield projects), projects related to its **CO_2** emissions reduction plan or value-creating external growth transactions, such as the recent acquisition of Verallia UK; and (iii) operations to return surplus cash to shareholders, particularly through the payment of dividends as well as share buybacks, including the latest €50m program for the period December 2022 to November 2023.

[25] Net financial debt contracted with third parties.

1.2.1.5. An experienced management team with solid industrial experience

The Group's development is led by a management team organised around Patrice Lucas, Chief Executive Officer of the Company since May 2022, and Michel Giannuzzi, Chairman and Chief Executive Officer up until May 2022 and now Chairman of the Board of Directors following this Board's decision to separate the roles of Chairman and Chief Executive Officer (see chapter 3.2 of this Universal Registration Document).

Patrice Lucas benefits from 30 years of experience in the automotive sector, having held various managerial positions in the Valeo, PSA and, more recently, Stellantis groups, both in France and internationally (Europe and Latin America in particular). Before joining Verallia, Patrice Lucas was Deputy Chief Engineering Officer of the Stellantis group, having been PSA's Executive Vice President and member of the Executive Committee in charge of the Plan, Programmes and Strategy, before taking the helm of the Latin America region.

Michel Giannuzzi also benefits from a solid industrial background gained from his previous position as Chairman of the Management Board of Tarkett from 2007 to 2017, where he successfully completed its IPO on the regulated market of Euronext Paris in 2013. He was previously in charge of various profit centres in the automotive market with parts makers Valeo and Michelin, in both France and abroad.

Many of the members of the Group's management team also have extensive backgrounds in the glass packaging and automotive production sector.

The Group has a decentralised organisation, ideal for ensuring quick response times and close relationships with its customers. The CEOs of each of the geographic areas are independent and free to implement the Group's strategy as they see fit. Furthermore, a large number of the Group's key operations, such as marketing, sales and production, are carried out and managed locally, under the functional supervision of the Group's central divisions. The Group's international customer base is monitored by experienced country managers who work closely with the local Sales and Marketing Directors of the customer's other countries.

1.2.2. The Group's strategy

The Group strives to be the preferred glass packaging supplier to the food and beverage manufacturing sector, building on its leading industrial performance and strong financial performance, while developing the diversity and talent of its teams and actively contributing to preserving environmental and community development.

To back this ambition, the Group has built its strategy on the four main pillars below, which it reasserted and clarified at its Capital Markets Day on 7 October 2021, presenting its new roadmap:

1.2.2.1. Pursue disciplined growth

This development pillar is built around three key principles: improve customer experience to develop the Group's operation; generate a positive inflation spread; and proactively seek value-creating acquisitions or new greenfield/brownfield organic growth projects.

Accordingly, the Group intends to continue growing its operations while improving its customer satisfaction rate, in order to enhance customer loyalty and generate recurring income, and continue to improve the efficiency of its logistics processes. Improving logistics, reliability and delivery lead times is a major objective for the Group, which has invested significantly in planning and product portfolio management tools. In addition, the Group seeks to better identify the needs of its customers that have not yet been addressed; in this respect, the Group's ambition is to develop its continuous customer experience improvement programme, using the NPS (Net Promoter Score, indicating customer recommendation intentions) as a monitoring tool, which is currently being selectively rolled out within the Group.

The Group also intends to continue its disciplined pricing policy in order to offset the impact of growing production costs, in particular the cost of energy, and thus maintain its margins – a particularly acute issue in the current inflationary context. The Group additionally aims to implement a pricing policy based on the added value of its products and reflecting the specificities of its different customer segments. The Group has also set a target of increasing the margin generated on its products by relying on software with an AI-based price optimisation model, and will continue to optimise its product portfolio.

To generate additional revenue growth, the Group plans to pursue its value-creating acquisitions strategy. In this regard, the acquisition of Verallia UK in the United Kingdom was a founding step at the end of 2022. In addition, the Group will soon be opening two new furnaces in Italy (Pescia) and Brazil (Campo Bom), and has launched technical studies for the opening of two additional furnaces in Spain and Italy, although construction will not begin until demand picks up again.

Furthermore, on 28 February 2024, Verallia has entered into an agreement to acquire Vidrala's glass business in Italy. This transaction reflects Verallia's willingness to further invest in a strategic and growing market and reinforce its glass container offering for the food and beverage industry in Italy for the benefit of all its customers. With this acquisition, Verallia would expand its capabilities in the Italian market, where the Group would operate 7 production sites. Consideration for the transaction amounts to €230 million in enterprise value and will be financed by external debt.

The completion of the transaction is subject to the approval of the Italian Competition Authority under the Italian merger control law and of the Italian Government under foreign investment rules as well as the customary conditions precedent. The Group aims to complete the acquisition between the second and third quarters of 2024.

1.2.2.2. Increase operational excellence

This development pillar is built around three main principles: reach "zero accidents" at the workplace with a special focus on dangerous behaviours; pursue the implementation of performance action plans in all the Group's countries to achieve a reduction of more than 2% in cash production costs; and roll out the Verallia Industrial Management (VIM 2.0) system.

First of all, the Group intends to speed up the Verallia Industrial Management (VIM) 2.0 initiative, by focusing more particularly on the elimination of unsafe practices in order to reach "zero accidents" and improving working conditions in order to position the Group's work environment as one of the safest in the sector. As part of VIM 2.0, the Group intends to further improve its industrial performance based on root cause analysis in order to increase the number of issues solved and by getting more managers and all employees involved. Lastly, the Group will continue to implement measures to improve the daily management of its production sites, standardising management processes at the plant level and implementing Shop Floor Management routines[26].

In addition, the Group is continuing its efforts to further the quality of its products, improving the ratio of products that are compliant on the first attempt (through increased responsiveness of production teams in the decision-making process).

Furthermore, the Group intends to continue improving the overall equipment effectiveness (OEE) of its sites, by minimising capacity bottlenecks and optimising potentially under-utilised furnaces, and increasing the output of its IS machines in order to improve its yields.

The Group will also continue to rigorously implement targeted action plans as part of its industrial performance action plan (PAP), notably by intensifying its comparative analysis efforts for its 34 glass production sites and by systematically implementing a cost deployment method across all of its production sites, with the goal of systematically reducing cash production costs[27] by 2% a year. To this end, more than 900 projects involving approximately 300 managers are continually being rolled out and monthly reviews have been implemented to ensure that goals are achieved.

Furthermore, the Group continues to implement its projects initiated at the end of 2018 aimed at bettering the performance of its logistics chain, in particular to improve the rate of on-time delivery to customers, and intends to strengthen its measures to reduce storage and transport costs.

The Group also continues to rigorously manage its working capital, having eliminated excess inventory prior to 2020, and is now focused on maintaining a level of inventory consistent with an optimal level of service to its customers, while keeping the value of finished goods, moulds and spare parts inventories under control.

1.2.2.3. Invest wisely for a sustainable future

This development pillar is built around three key principles: improving work conditions; reducing CO_2 emissions and energy consumption; and intensifying the control of manufacturing processes by relying on data analytics and artificial intelligence.

The Group intends to optimise the allocation of its capital expenditure, by pursuing a disciplined investment policy aimed at maintaining total annual investments (recurring and strategic) at around 10% of consolidated revenue (excluding capitalisation of the right to use an asset as required by the application of IFRS 16), in order to maintain the operational excellence of its production facilities and a solid return on invested capital.

[26] Lean management method specific to production workshops, that involves the development of overall workshop management, including with respect to inventory, equipment, operations, manufacturing and treatment, and based on direct cooperation between employees and managers in order to resolve issues directly on-site and continuously improve the production process.
[27] Production costs excluding commercial, general and administrative costs, transport costs, depreciation and amortisation and provisions for claims.

The Group continues its research and development programmes focused on innovation in industrial processes and on its sustainable development strategy. The Group thus intends to build on its strong industrial expertise and innovation capacity in order to reduce carbon dioxide emissions and energy consumption (see the Extra-Financial Performance Statement appended in chapter 2 to this Universal Registration Document).

The Group also intends to rely on the development of Industry 4.0, and in particular on data analytics and artificial intelligence. As part of its research and development activities, the Group is considering an IA-based software that will be ultimately applied to the entire production process and will specifically enable the optimisation of furnace combustion settings at the glass melting stage, the optimisation of IS machine settings when transitioning to the "hot end" sector, and the improvement of control processes, including through improved use of information supplied by the control machines that detect defects. In September 2020, the Group won the Trophée Intelligence Artificielle et Entreprise awarded by the RH&M Group, intended to highlight the transformative role of artificial intelligence in organisations.

1.2.2.4. Develop a strong entrepreneurial culture

This development pillar is built around five key principles: anchoring a strong entrepreneurial culture; consolidating the Group's purpose and values; increasing sense of responsibility, speed and agility; improving learning capacities and strengthening talents; and promoting diversity.

The glass production sector requires permanent commitment and advanced technical skills. That is why the Group's human resources are essential for its development and the pursuit of profitable growth. The Group considers the safety of its employees as a key priority, and is committed to supporting them in their professional development in order to develop a strong entrepreneurial culture.

To back this ambition, the Group intends to further strengthen the application of its values within the Group, including (i) customer care, (ii) respect for individuals, laws and the environment, (iii) empowerment and accountability and (iv) teamwork.

The Group also strives to encourage its teams to assume responsibility, take quick action and be responsive, notably by helping production site managers to become genuine business leaders, and by developing communication within the teams through cross-functional workshops, established to reflect specific goals and based on advanced comparative analyses.

The Group also wishes to continue its training efforts, relying in particular on sharing the know-how of its most experienced technicians, in order to improve the learning capacity of its teams and train them more specifically in project management. Lastly, the Group may use external talent in order to further enhance its know-how and the diversity of its teams, and has set ambitious goals in terms of gender equality. Indeed, Verallia aims to increase the number of women managers to 35% by 2025.

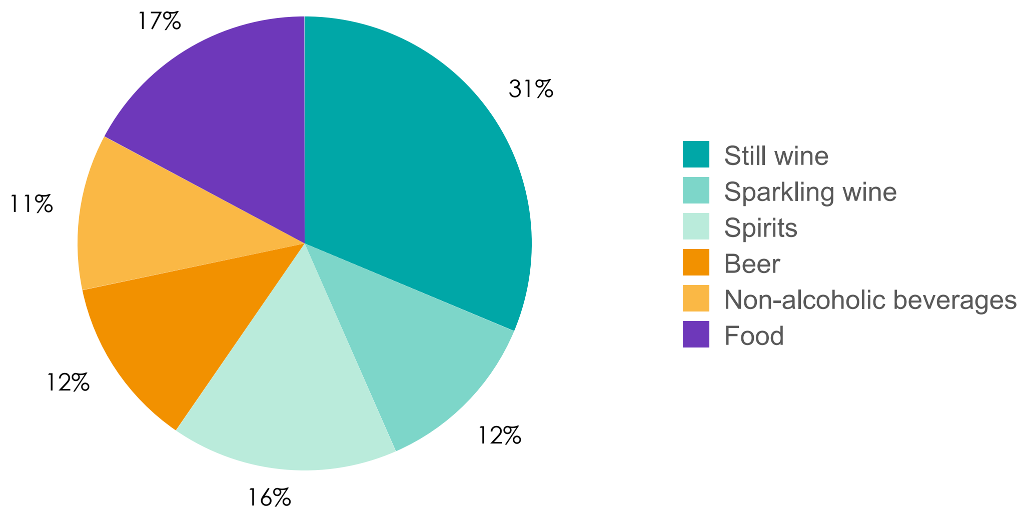
A dynamic employee share ownership policy is a strategic focus to share the Group's profitable growth, by involving all employees in the Company's development. In this respect, as a result of the Group's 8 operations launched between 2016 and 2023, more than 4,000 employees have become shareholders of the Company through FCPE Verallia (see Section 7.2.5.2.3 "Employee savings plans, similar plans and employee share ownership" in this Universal Registration Document) and, as such, hold 3.8% of Verallia's share capital. Employees were able to acquire 6% of Verallia capital. In addition, those who so wished were able to sell available shares after the 5-year holding period or as part of early releases under the terms of the Group Savings Plan. Following this year's sales, the level of capital held by employees stabilised at 3.8%. In addition, the Group should launch a share capital increase in the next few months for employees who are members of a Group corporate savings plan. The Company thus plans to actively continue its employee share-ownership development policy, with the goal of increasing the equity stake of the Group's employees in its share capital by around 5% by 2025.

1.3. The Group's main operations

The Group is the third largest producer in the world and the leading European producer[28] (based on revenue) of glass packaging for food and beverages. In terms of volumes sold, it is the second largest producer in Latin America[29]. The Group offers innovative, customised and environmentally friendly solutions to more than 10,000[30] customers worldwide.

In the financial year ended 31 December 2023, the Group produced approximately 16 billion glass bottles and jars (pro forma of the acquisition of Allied Glass) to meet the needs of a diversified customer base in the still wines, sparkling wines, spirits, food, beers and soft drinks markets and including both locally based small-sized companies, such as regional wine producers or local breweries, and leading multinationals, such as Pernod Ricard, LVMH, Heineken, Andros and Nestlé.

Breakdown of revenue[31] by end market (year ended 31 December 2023)



Still wines and spirits

Packaging is a major component of the marketing strategy of the Group's food and beverage producing customers, which it supports throughout the glass packaging creation process.

To meet the needs of its customers, the Group designs and manufactures a broad range of standard products tailored to both local and international markets. The Group stands out from its competition both by the scope of its offering, which encompasses a large variety of shades, finishing and containers, and through its capacity to upgrade its standard products for enhanced customisation.

In addition to its glass packaging production operations, the Group also offers its customers a range of extended services tailored to their marketing and economic needs.

28 On the basis of the revenue earned in 2022 by market players in Europe (as defined by these players), as extracted from publicly available information (annual reports and press releases in particular) and on the basis of Company estimates.
29 Based on volumes sold in 2022 in Argentina, Brazil and Chile.
30 Customers who placed at least one order during the 2021-2023 period.
31 Based on revenue earned exclusively from the sale of jars and bottles, which represented 98% of the Group's consolidated revenue for the financial year ended 31 December 2023. The consolidated financial statements are presented in millions of euros, with amounts rounded up or down to the nearest million. Rounding differences may therefore appear between different financial statements.

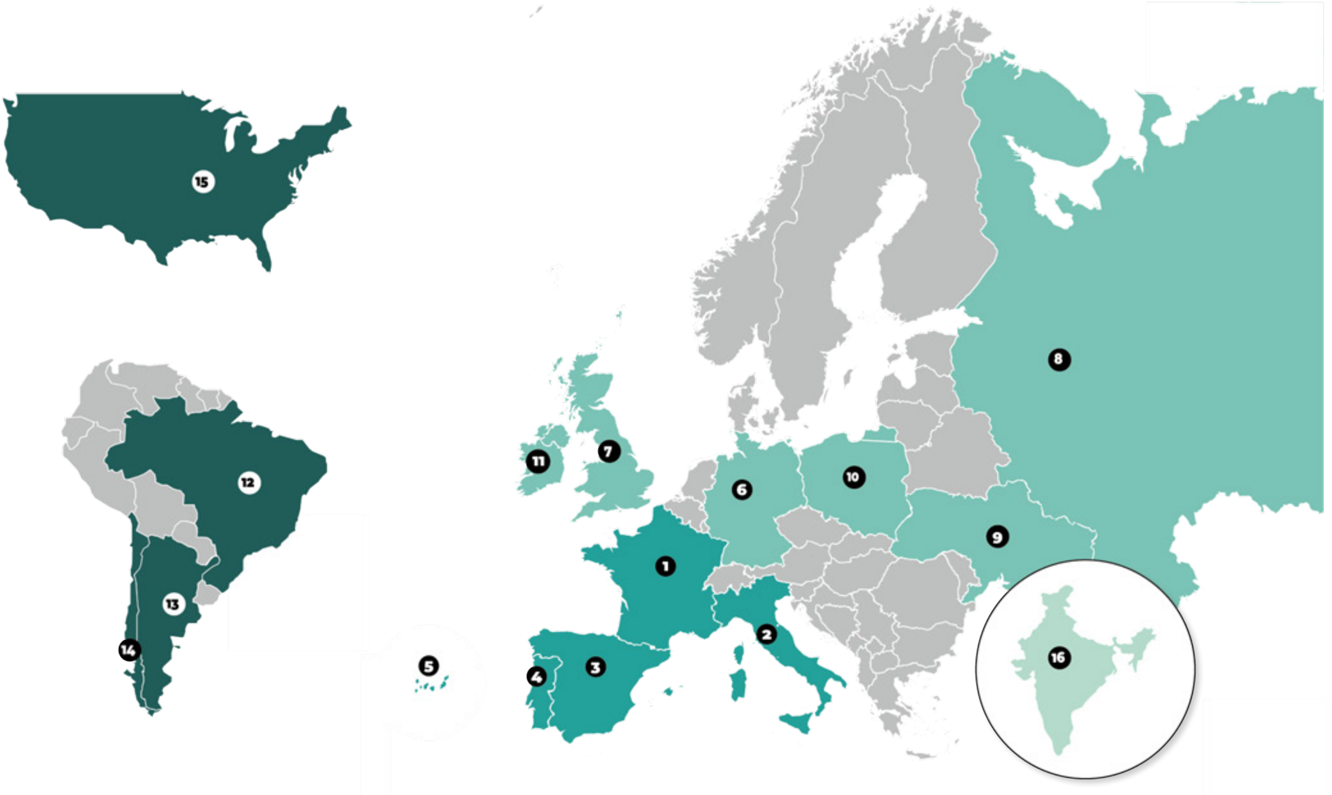
Lastly, the Group's desire to propose diversified, customised and high-end products has led to the creation of a global upmarket trademark known as the Selective Line with a dedicated marketing team. This line is designed to address the growing demand for upmarket glass bottles from Verallia's most demanding international customers in still and sparkling wines, spirits, beers and mineral water.

The Group's "Glo-Cal" business model is built on the strength of its international network – illustrated by an industrial presence in 12 countries, with 34 glass production sites comprising, as at 31 December 2023, 63 operational furnaces, 19 cullet treatment centres (6 of which are part of a joint venture), 5 decoration plants, 5 technical centres and 12 product development centres – combined with the close relationship maintained with its customers by more than 10,000 employees, including sales and marketing teams comprising more than 340 employees.

On the one hand, the Group's strong global presence enables it to meet the needs of its international customers, such as leading multinational companies, by implementing a global commercial approach, while ensuring that all countries in which it operates can benefit from its innovation capacities and leading technical expertise. Furthermore, the Group's international organisation allows it to establish the best industrial and commercial practices at Group level, which it then strives to share consistently across its different sites, and also provides the means to develop a global purchasing policy and obtain the best conditions for its procurement operations.

On the other hand, the local establishment of the Group's production sites, based on a decentralised organisation relying on local entities with a broad capacity for action, allows it to benefit from commercial and industrial flexibility, enabling it to adapt to the needs of its customers according to local specificities. Furthermore, in order to establish long-term relationships with its customers, the Group relies on strong sales and marketing teams of more than 340 employees, based locally, and is able to propose co-development offerings to its customers, while implementing flexible production facilities adapted to their needs. Moreover, the Group tailors its offering to the specific features of each regional or local market by proposing a large portfolio of differentiated products according to the geographic area or country. Lastly, this densely woven geographic presence means the Group can offer its customers premium-quality service while reducing delivery deadlines, transport costs, customs duties, working capital requirements and CO_2 emissions.

The Group's production facilities and sales presence



1 France

Glass production plants	7
Decoration plants	2
Cullet treatment centres	2
Sales office	1

2 Italy

Glass production plants	6
Cullet treatment centres	2
Sales office	1
Cullet treatment centre operated as a joint venture	1

3 Spain

Glass production plants	5
Cullet treatment centres	5
Sales office	1
Cullet treatment centre operated as a joint venture	1

4 Portugal

Glass production plant	1
Cullet treatment centre	1
Sales office	1
Cullet treatment centre operated as a joint venture	1

5 Canary Islands

Glass production plant operated as a joint venture	1
Cullet treatment centre operated as a joint venture	1

6 Germany

Glass production plants	4
Sales office	1
Cullet treatment centres operated as joint ventures	2

7 United Kingdom

Glass production plants	2
Decoration plant	1
Sales office	1

8 Russia

Glass production plants	2
Cullet treatment centre	1
Sales office	1

9 Ukraine

Glass production plant	1
Sales office	1

10 Poland

Decoration plant	1
Sales office	1

11 Ireland

Sales office	1

12 Brazil

Glass production plants	3
Decoration plant	1
Sales office	1

13 Argentina

Glass production plant	1
Cullet treatment centre	1
Sales office	1

14 Chile

Glass production plant	1
Cullet treatment centre	1
Sales office	1

15 United States

Sales office	1

16 India

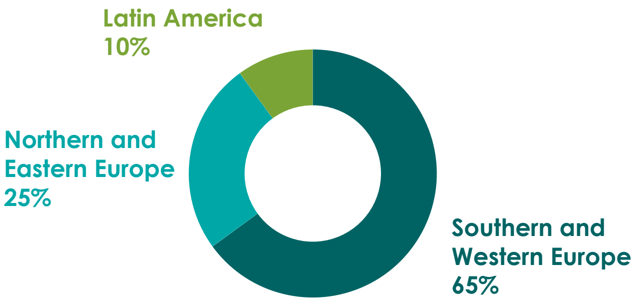
Procurement office	1

The Group's operations are organised into three segments:

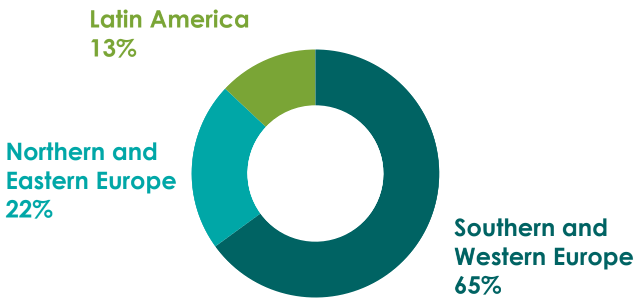
- Southern and Western Europe, comprising production sites located in France, Italy, Spain and Portugal. Southern and Western Europe accounted for 65% of consolidated revenue and 65% of the Group's adjusted EBITDA for the year ended 31 December 2023. The Group's operations in Southern and Western Europe mainly involve bottles for still and sparkling wines and containers for spirits, which are export-driven market segments;
- Northern and Eastern Europe, comprising production sites located in Germany, the United Kingdom, Poland, Ukraine and Russia. Northern and Eastern Europe accounted for 25% of consolidated revenue and 22% of the Group's adjusted EBITDA for the year ended 31 December 2023. The Group's operations in Northern and Eastern Europe mainly involve bottles for beer, particularly in Germany, and food jars and bottles, mostly for local markets. Since the acquisition of Verallia UK, operations in Northern and Eastern Europe have also been extended to the premium glass packaging market in spirits;
- Latin America, comprising production sites located in Brazil, Argentina and Chile. Latin America accounted for 10% of consolidated revenue and 13% of the Group's adjusted EBITDA for the year ended 31 December 2023. The Group's operations in Latin America mainly involve bottles for still wines, an export-driven market segment, as well as bottles for beer in Brazil.

The Group's exposure to the end markets thus differs by geographical area. It adapts its offer to the local and regional specificities of the various markets in order to best meet its customers' needs. Its flexible industrial facilities, adapted to these specificities, also allow production to be temporarily transferred from one site to another in the event of repairs to furnaces or other equipment, or the occasional spike in local demand.

Breakdown of revenue across the three operating segments (year ended 31 December 2023)



Breakdown of adjusted EBITDA among the three operating segments (financial year ended 31 December 2023)



1.3.1. Key factors impacting results

The main factors with an impact on the Group's operations are (i) changes in supply and demand for glass packaging; (ii) changes in raw materials and energy prices; (iii) changes in production costs and improved operational efficiency; (iv) optimal use of production capacity; and (v) investments.

1.3.1.1. Changes in the supply of and demand for glass packaging

The Group's results are mainly impacted by the volumes of products sold and their sale prices. These vary according to changes in the supply of and demand for glass packaging, which are themselves dependent on various factors.

The demand for glass packaging is affected by factors such as changes in consumer trends, which in turn are driven by changing lifestyles and food preferences, legislative and sociological developments, and public health and safety considerations. In recent years, the demand for glass packaging has been driven by favourable structural market trends. These include the growing demand for European wines and spirits in Asia and the United States, economic growth and its positive impact on consumption in general in Latin American countries, and the growing trend for replacing plastic with glass, largely due to the brand image of glass and the associated health and environmental benefits (see Section 1.1 of this Universal Registration Document). These trends have had a positive impact on the Group's revenue over the year.

Demand for glass packaging may also change due to the seasonal nature of some of the Group's products, or to weather and climate conditions.

In some cases, the glass packaging market may also experience a surge in demand for certain types of packaging, which cannot be fully met by suppliers due to insufficient production capacity. In the event of a structural increase in demand, the Group must create extra production capacity by expanding its production sites or commissioning new furnaces. These generally take 18 to 24 months to build, during which time the imbalance between supply and demand may continue.

Severe tensions observed in 2021 on available capacities in most of the Group's markets, particularly in Southern and Western Europe and in Latin America due to high demand, continued in 2022. In order to address changes in demand, the Group commissioned two new furnaces in 2021, one on the Azuqueca (Spain) site and the other on the Villa Poma (Italy) site. For the 2022-2024 period, three new furnace deployments have been announced, two of which in Brazil (on the Jacutinga and Campo Bom sites), and one in Italy on the Pescia site. At the end of 2022, the Jacutinga 2 furnace was successfully started. The Campo Bom 2 and Pescia 2 furnaces are now scheduled to start operation in 2024; these two new furnaces will use the oxy-combustion technology, which serves to reduce CO2 emissions by 18% compared with a traditional furnace. The Group also strives to maintain flexible, efficient production facilities, which allow it to rapidly adjust its production capacity whenever there is a change in demand.

Generally, the increase in demand for glass packaging, in particular when the demand exceeds supply, tends to promote the Group's operations and its capacity to pass on possible increases in costs to its customers through price increases. Conversely, a reduction in demand and/or an oversupply of glass packaging – particularly in the event of excessive new production capacity in a regional market, particularly by the Group's competitors – could force the Group to lower its prices in order to maintain production volumes or cause it to stockpile unsold products, which could have a negative impact on its results.

However, the Group's flexible and standardised industrial facilities mean that if there is a surge in demand, it can temporarily transfer production between plants in the same region or, in the event of a drop in demand, temporarily shut down lines.

1.3.1.2. Changes in raw material and energy prices

The Group's manufacturing operations use large amounts of raw materials for the production of glass. These raw materials include glass sand, limestone, natural and synthetic soda ash, and cullet (recycled glass), in variable proportions depending on the type of product that is being manufactured. The expenses associated with the purchase of raw materials are entirely variable. Raw material purchases accounted for 22% of the Group's cost of sales for the year ended 31 December 2023.

The purchase price of raw materials depends on market conditions, the location of the raw materials and the type of associated transport, relations with suppliers, purchasing volumes and purchasing terms negotiated with suppliers. The purchase price may vary significantly both over time and depending on the region concerned.

For example, the price of cullet, a raw material that accounted for approximately half of raw material purchases for the year ended 31 December 2023, varies widely from one region to the next, mainly because of regulatory and financial disparities concerning the collection and recycling of used glass, as well as the distance of cullet supply centres from production sites. As at 31 December 2023, the Group had no raw materials hedging instruments in place. To mitigate the impact of differences in the prices of raw materials, the Group seeks, wherever possible and by relying on its Purchasing Department, to negotiate the best price structure with its suppliers in view of expected changes in raw material costs (see Section 4.1.1.3 "Risks related to changes in the price and shortages of raw materials and cullet" of this Universal Registration Document). The Group also endeavours to pass on the increase in raw material costs to its selling prices, whether directly or indirectly. It does this in particular through price revision clauses included in some of its multi-year contracts with key customers or, in the majority of cases, through commercial negotiations with customers placing orders or renewing annual contracts.

The Group's manufacturing operations are also energy-intensive, particularly in natural gas, electricity and fuel oil, since the furnaces used for glass production must operate continuously at very high temperatures.

The purchase price of energy depends on market prices. Expenses relating to energy costs are partly fixed, because of the need to keep furnaces at a certain temperature so as not to damage them. The purchase price for energy also varies significantly both over time and depending on the region concerned, mainly due to regulatory differences and market structures between countries. In Germany and Italy, for example, energy costs are subsidised annually by the government, mainly in the form of lower energy taxes in those countries (see Section 1.5.3 "Regulatory environment" of this Universal Registration Document). Lastly, the Group's energy costs depend on the age of its furnaces (at comparable technology, an old furnace will need more energy to operate at an adequate level). In this respect, the Group carries out specific actions in its plants to reduce furnace consumption, such as improving seals and insulation, optimising the glass temperature and combustion settings, and adjusting the volumes of combustion air. In addition, other circular economy-based initiatives allow the energy consumed to be recovered by extracting the heat from furnaces and using it to heat buildings, as seen at the different sites. Finally, the Group seeks to use all the cullet at its disposal to optimise production costs, especially energy costs, since the lower melting point of cullet reduces energy consumption (on average, a 10 point increase in the use of cullet leads to a 2.5% reduction in energy consumption).

Most of the Group's sales contracts are entered into for one year and may be renewed with the agreement of both parties. These contracts do not include price adjustment clauses allowing a percentage of the increase or decrease in energy costs to be reflected automatically in selling prices. Passing on increases in the Group's production costs is therefore negotiated with customers when placing orders or renewing annual contracts, on the basis of recent and expected changes in these costs. However, there may be a time lag and the price increases may only be passed on partially. A small share of the Group's sales are also generated in the scope of contracts containing price revision clauses (generally multi-year and entered into with the Group's key customers). These take into account fluctuations in energy costs and inflation and provide the Group with a contractual basis for the annual renegotiation of its selling prices. Lastly, the Group hedges some of the risks relating to energy costs if contractual adjustment mechanisms are not in place (see Section 4.1.1.2 "Risks related to energy shortages and costs" of this Universal Registration Document). Note that the unprecedented inflation in energy costs in 2022 as a result, among other things, of the conflict in Ukraine, led the Group to repeatedly renegotiate its selling prices in Europe in order to be able to pass on this significant inflation.

The Group was able to pass on changes in its production costs to its selling prices during the 2019 to 2023 financial years thanks to its dynamic pricing policy, which enables it to generate a positive spread[32] on its sales, yielding an improvement in its profitability during the aforementioned period.

The positive spread generated since 2018 is mainly thanks to the introduction of a new pricing policy starting in 2018. Under this policy, the Group negotiates higher selling prices with its customers when they place orders or renew annual contracts at year-end, depending on production cost estimates. These estimates are based on prices negotiated with its suppliers for the coming year, or on the parameters of any derivative instrument put in place (in case of energy purchases, for example), thus giving it visibility over the impact of production costs for that year and allowing it to pass this on to its selling prices as much as possible (see Sections 4.1.1.2 "Risks related to energy shortages and costs" and 4.1.1.3 "Risks related to changes in the price and shortages of raw materials and cullet " of this Universal Registration Document).

Lastly, as a manufacturer of glass packaging, the Group is subject to the provisions of the EU Emissions Trading Scheme Directive (see Section 1.5.3 "Regulatory environment" of this Universal Registration Document).

Under Phase IV (2021-2030), as defined by the Emissions Trading Scheme Directive, emission projections were calculated based on the detailed estimates made periodically by the Group's industrial management. These estimates assess the use of the production facilities according to the markets and the improvements made to the production facilities. Under Phase IV, the Group already anticipates that the number of free allowances allocated to it will be lower than under Phase III and that, in any case, it will probably not be allocated enough to meet its allowance return obligations in respect of its carbon dioxide emissions, which means it will have to continue purchasing large amounts of allowances on the market (see Section 4.1.3.1 "Risks related to environmental regulations" of this Universal Registration Document).

In order to secure the prices at which it will have to acquire allowances in 2023, the Group has made forward purchases of carbon dioxide allowances on the market.

1.3.1.3. Change in production costs and improved operational efficiency

The Group's production costs include fixed costs and variable expenses, including: (1) raw material costs (22% of cost of sales for the year ended 31 December 2023), which are entirely variable; (2) energy costs (27% of cost of sales for the year ended 31 December 2023), partly fixed (due to the need to maintain furnaces at melting temperature) and partly variable (linked to production itself); (3) costs of purchasing carbon dioxide emissions allowances, which are mainly variable; (4) personnel expenses (19% of cost of sales for the year ended 31 December 2023), which are mainly fixed; (5) packaging materials (cardboard, pallets, plastic film) and freight costs (11% of cost of sales for the year ended 31 December 2023), which are mainly variable; and (6) plant depreciation and maintenance costs, which are mainly fixed. The most significant costs for the Group are raw material costs, energy costs and personnel expenses. Personnel expenses can vary considerably depending on the production region. This is particularly apparent between developed and emerging countries, where personnel expenses are lower, although the gap is closing. The cost of packaging materials, which is mainly variable, primarily includes the cost of pallets, dividers and plastic film. The Group's transport costs make up a significant portion of the cost of sales. This prompts it to operate its glass packaging production activity regionally or locally in order to be as close as possible to its customers' production sites and thus reduce transport distances and the associated costs. As a rule, it is difficult to adjust fixed costs, for example in response to a drop in demand, and even if an adjustment is possible, it might involve a time lag. The Group's adjusted EBITDA margin therefore depends on the Group's ability to absorb fixed costs through its production volumes and to reduce the share of fixed costs in its overall cost of production for a given production level.

[32] The spread represents the difference between (i) the increase in selling prices and the mix applied by the Group after passing on any increase in production costs and (ii) the increase in production costs. The spread is positive when the increase in selling prices applied by the Group is greater than the increase in its production costs. The increase in production costs is recorded by the Group at constant production volumes and before industrial variance and the impact of the Performance Action Plan (PAP).

The Group also continuously implements measures to improve the operational efficiency of its production sites. As part of its industrial strategy, the Group has implemented an operational excellence programme for the past few years. In early 2018, this was ramped up with the launch of the Verallia Industrial Management (VIM) 2.0 initiative, which focuses on safety, quality, industrial performance, lower manufacturing costs – mainly through the implementation of the Performance Action Plan (PAP) – and team management (see Section 1.2.2 of this Universal Registration Document).

Under this programme, more than 900 projects at the production site level were rolled out by the Group in 2023. The Group also applies cost optimisation measures inspired by World Class Manufacturing to all its production sites, based mainly on cost deployment[33], and has developed more generally an in-depth industrial methodology based on root cause analysis[34] with its employees and within its sites, in order to optimise its costs while improving the quality of its products. The Group also implements measures to optimise inventory management and improve the flexibility of its production lines, with the introduction of weekly production plans and monthly industrial and commercial plans. In addition, the Group actively pursues the roll-out of continuous improvement initiatives in its logistics processes in order to ensure on-time delivery to its customers and reduce storage and transportation costs. Lastly, the Group conducts in-depth comparative analyses on its production sites in order to align its industrial processes with best practices. This plan has reduced production costs in various areas, such as raw materials, packaging, energy, wages and maintenance costs.

This performance action plan has increased production capacity and boosted the efficiency of the Group's production sites while improving product quality for a level of investment in line with the medium-term plan (see Section 5.3.2 of this Universal Registration Document), positively impacting the Group's results between 2019 and 2023.

1.3.1.4. Optimal use of production capacity

The Group's results largely depend on optimal use of its production capacity, especially its furnaces, to maximise the performance of its industrial facilities.

Factors affecting the optimal use of furnaces are scheduled or unscheduled furnace repairs, the number of changes in glass colour and optimisation of the packaging mix on all lines, so as to make maximum use of the furnace draft. In addition, in order to minimise the time taken to change the glass colour or type of packaging on its production line, the Group develops production facilities offering the flexibility to quickly change the necessary tools.

Unscheduled furnace repairs or furnace incidents, such as the fire on the Mendoza site in Argentina in late 2021, may thus affect the Group's results, reduce the production capacity utilisation rate, lead to a lower absorption of fixed costs such as wage costs, and increase other costs such as transport costs due to the additional imports required to make up for the production shortfall.

To optimise production capacity utilisation, the Group makes targeted investments (see Section 5.3 "Capital expenditure" of this Universal Registration Document) to ensure that its furnaces are operational and efficient (particularly in terms of energy consumption). It also seeks to adjust the size of its production facilities in line with expected changes in market supply and demand. Accordingly, the Group temporarily adjusted its production capacities downwards in the second half of 2023 to fall in line with the rapid decline in demand and prepare for 2024 under optimum conditions.

[33] World Class Manufacturing is based on 10 pillars, one of the most fundamental of which is cost deployment, which consists in associating a cost with the various problems identified and taking precise measures to reduce them.
[34] This method involves addressing the causes of a problem, rather than treating its immediate symptoms.

1.3.1.5. Seasonality

The Group's revenue may be affected by the seasonal nature of the products sold to its customers. For example, demand for glass packaging is typically higher in the first six months of the year, particularly in Europe. In practice, customers in this geographical region generally place their orders during this period in order to anticipate the increase in demand for their products, such as beer and rosé wine, experienced in summer. Higher temperatures can therefore have a positive effect on the Group's operations, as an increase in demand for products sold by its customers will result in them buying more glass packaging. Conversely, abnormally low temperatures during the summer may result in a drop in demand for certain beverages contained in packaging sold by the Group, resulting in a reduction in orders from its customers.

In addition, changes in the Group's working capital requirement during the year reflect the seasonality of its operations. The high working capital requirement, particularly from April to August, is due to the build-up of inventories and the increase in trade receivables ahead of significant deliveries that take place during the summer, as mentioned earlier. The working capital requirement gradually decreases in the second half of the year, generally reaching its lowest point in December.

During financial year 2023, the Group was able to rebuild its inventories, which had fallen very low since the Covid period, and bring them up to a satisfactory level by the end of the first half. The Group went on to adjust its production capacities in the second half of the year to maintain inventories at a constant level despite the temporary drop in demand.

1.3.2. Overview of the Group's products and services

1.3.2.1. Bottles and jars

The Group proposes a diversified product offering including a range of both standard and specialised products that are designed in collaboration with the Group's customers and tailored to their specific needs (joint-development).

Bottles for still wines

In response to market market demands, the Group offers a wide range of bottles in various shapes and sizes adapted to the different regional markets, in order to address two powerful market trends: the growing appeal of premium products and the development of rosé wine, for which differentiation is mainly based on the packaging used.

The Group proposes a broad range of shades that allows its customers to customise their products. In addition to the "green" bottles, generally considered as atraditional shadesshade, the Group has developed other shades tailoredcolours adapted to its markets, such as the "tradiver" colour, a luxury dark greenshade with a filter that protects the organoleptic properties of wine. More recently, the Group developed a new ebony shade in Chile, France and Spain: almost black and with a high density, it protects the contents against the effects of light and gives products a touch of class and refinement, ideal for meeting upmarket demands.
In addition to its wide range of coloursshades, the Groupalso offers a large selection of bottle sizes that differ according to the market, including 18.5 cl ("aviation" sized), 37.5 cl, 50 cl and 75 cl, each with varying finishes. Following market trends, the Group gives its customers the ability to provide consumers with packaging that keeps up to date with changes in consumption and lifestyle. For example, the Group increasingly offers standard bottles equipped with screw-on tops to its customers, particularly for exports, considering the growing demand from consumers worldwide for this type of finishing.

The elegant Bordelaise conical format shown here is used for the Terrazas de los Andes wine by Chandon. This silky, vibrant Cabernet Franc is made from grapes – undergoing a transition to organic farming – grown in the hills of the Licán vineyard in Los Chacayes, in the Uco valley. Thanks to the fresh mountain air, the red fruit flavours of this Mendoza red wine are enlivened by hints of mountain herbs.

Bottles for sparkling wines

The Group offers a wide range of standard products to bottle champagne, crémant, mousseux, cider and their foreign equivalents such as Sekt (Germany), Spumante (Italy), Prosecco (Italy) and Cava (Spain).

The Group produces packaging in various sizes according to each market, ranging from very small bottles (18.7 cl) to large capacity bottles such as the Magnum (1.5 litres), Jeroboam (3 litres), Methuselah (6 litres) and even the Nebuchadnezzar (15 litres). Most of the Group's production, however, focuses on the 75 cl bottle which, in the majority of markets in which the Group is present, is the standard size for these beverages.

Depending on models and markets, the Group offers a broad range of standard products in different shapes and shades, allowing its customers to differentiate their products. In addition to its standard products, the Group offers specialised packaging designed in cooperation with the customer, including the use of embossment and/or decorating techniques to better meet their marketing needs.

Lastly, certain bottles for upmarket sparkling wines are developed by the Group as part of its "Selective Line" trademark (see Section 1.3.2.3 "Selective Line" of this Universal Registration Document).

Since 1898, Café de Paris has embodied French art de vivre, perfectly reflecting the elegance of the Parisian Belle Époque. The influence of this period is manifest in the bottle's refined design.

Graceful, slender and eco-designed, it is produced in Oiry and Albi, using up to 85% recycled glass in the green version. Thanks to its eco-design and reusability, the Café de Paris bottle is not only a symbol of elegance, it is an ecological option.

Verallia France won the Packaging Oscar for this bottle, attesting to the excellence and innovation that characterise this remarkable product.

Containers for spirits

In this market, the Group offers a wide range of standard products to its customers. However, the majority of sales are high value-added customised products, particularly in terms of specific shapes and engravings.

Container sizes vary according to the market (between 5 cl and 4.5 litres), giving customers access to a wide range of products.

In addition to this diversified offer of different sized containers, the Group provides its customers, depending on the market, with several choices of shades (such as green, extra-white, cinnamon or ebony) and a large number of original shapes, drawing on its industrial expertise in light colouring, decoration and the creation of new shapes. This allows customers to adapt the image of their products.

A large volume of containers for upmarket spirits are developed by the Group under its Selective Line trademark (see Section 1.3.2.3 "Selective Line" of this Universal Registration Document).

At the recent Glass Focus 2023 Awards ceremony, Verallia UK scooped the prestigious "Design of the Year - Container" award for its outstanding collaboration with the creative team at the Isle of Barra and the agency D8. The Barra Gin bottle, custom designed by hand-marbling artist Jemma Lewis, wowed the judges with its originality and aesthetic quality. In addition, the Isle of Barra prioritised sustainability by opting for a custom-designed glass bottle made from 52% recycled glass and lightening the bottle by 17%.

Beer bottles

The Group produces a standard range of beer bottles in different sizes and shades.

In order to better meet the expectations of its customers, the Group offers a wide choice of finishes and closure systems, adapted to the different ways in which beer is consumed in different markets.

Moreover, as with its other products and to complement its standard range of bottles, the Group shares its innovative and creative skills with its customers via the joint-development of specific products, including highly personalised designs for the increasingly popular micro-breweries all over the world.

Gaffel Wiess - the mild, naturally cloudy beer also appeals to those who appreciate other types of beer in beer gardens, restaurants, bars and pubs. Gaffel Wiess is available in Verallia's retro, weight-optimised 0.33-litre glass bottle.

As well as using a reusable bottle, the sustainability aspect is further backed thanks to fully recyclable labels.

Bottles for soft drinks

The Group proposes a large standard range of bottles for soft drinks, such as fruit cordials, fruit juices, lemonades, oils and mineral water.

It offers a range of colours, depending on the model and market, and several types of finishes, in order to meet the specific needs of its customers.

Bonneval mineral water springs naturally from the heart of the French Alps.

Bonneval has taken another step forward towards its sustainable vision by producing a tailor-made glass bottle for professionals in the hotel and catering industry.

For special occasions such as the holidays, anniversary editions and other events, the Group creates personalised ranges in collaboration with certain customers.

The Group also offers a standard range of glass packaging for oils, including round and square shapes in different sizes and colours. Some of its products, in particular bottles for mineral water, are also designed under the Group's Selective Line trademark (see Section 1.3.2.3 "Selective Line" of this Universal Registration Document).

Jars and bottles for the food market

The Group offers a wide range of standard jars and bottles for food, tailored to each market.

This range is highly diversified, especially in terms of shape, capacity and closing systems.

The Group is mainly present in the following markets:

- baby food;
- dairy products;
- solid food products;
- jam, honey and spreads;
- condiments, sauces and vinegars; and
- vegetables, meat, seafood and soup ("preserves").

For example, in order to support its customers in the snack market, which continues to grow every year, the Group offers a range of heat-sealable jars, such as heat-sealable, sterilisable and pasteurisable glass jars or trays for ready meals, infant nutrition or sauces, or heat-sealable glass jars with transparent lids for yoghurts, cream desserts and other solubles, which were previously sealed with aluminium lids.

In this sector in particular, the Group complies with strict regulations in terms of food safety. Verallia therefore ensures that all of its teams comply with strict quality standards, such as Hazard Analysis Critical Control Point (HACCP - see Section 1.5.3.1) and/or ISO 22000. The Group also controls the quality of its products using visual, mechanical, video and light beam technology to check the capping, dimensions and glass thickness and appearance. Any container that does not comply with the Group's quality standards is automatically rejected and recycled.

1.3.2.2. Services

In addition to its core glass packaging production operations, Verallia offers customers a range of high value-added services tailored to their marketing and economic needs.

Co-development

In addition to its standard offer, the Group co-develops unique speciality models with its customers. The Group has at least one product development centre in each country where it operates, with the expertise to ensure that a creative idea can be transformed into an industrial reality. Thanks to their technical expertise, these 12 product development centres improve on customer proposals to ensure the industrial feasibility of the bottle or jar. Adjustments to the model are required to guarantee the best breakdown of the glass, its mechanical strength, its fitness for labelling, its stability on filling lines and the optimisation of palletisation. These centres also design the drawings for the moulds that will be used to manufacture the bottle.

To successfully complete these glass projects, the development centres provide the Group's customers with advanced tools such as computer-aided design (CAD), 3D printers, physical-realistic computer-generated images and methods for calculating mechanical strength by finite element. In this way, the Group thus allows its customers to participate interactively, directly or remotely, in the development of their model, using 3D visualisation, computer generated images or scale models, while ensuring the product's weight and mechanical performance are optimised.

Finally, each year and in several countries, the Group organises the "Verallia Design Awards", which bring together hundreds of participants from the best design and packaging schools. They are invited to propose bottle and jar designs, paving the way for future developments in glass packaging and providing customers with a portfolio of innovative, ready-to-develop designs.

For the 14th edition of this competition in France, almost two-thirds of the 672 students who took part were trained in the glass-making process, thanks to a major investment by our plants. The work on glass is highly acclaimed by the students, 94% of whom asserted that they would recommend the competition after taking part. The competition has prompted innovative designs, such as the Flute Gothic bottle chosen by Domaines Paul Mas, which won a packaging Oscar and the Formes de Luxe prize.

Glass packaging decoration

The Group's glass decoration operations are mainly carried out by its subsidiary Saga Décor and Société Charentaise de Décor, which are major players in glass bottle decoration in Southern and Western Europe, and through Verallia's Polish subsidiary Verallia Polska, which operates in the Northern and Eastern European spirits market and also with a decorating plant within the Verallia UK perimeter.

Saga Décor, Société Charentaise de Décor and Verallia Polska are specialised in bottle finishing. They use glass decoration techniques such as satin-finishing, lacquering, screen-printing, decal transfer and hot marking. The Group continuously improves its finishing techniques and production processes through its research and development operations, in order to maintain its competitive advantage in the glass bottle and jar decoration sector. The Group adopts structural measures to minimise the impact of its decoration operations on the environment, for example by using lead-free enamels.

The ECOVA products range

The Group offers a range of eco-designed products, ECOVA, enabling the Group's customers to design products that are attractive to their consumers while guaranteeing a reduced environmental impact over the product's entire lifetime, essentially through a significant reduction in weight: from raw materials, to the end consumer (including selective sorting of packaging after use), and finally to recycling (see the Extra-Financial Performance Statement in chapter 2 to this Universal Registration Document). The products in this range are aimed at the still and sparkling wine markets and the food market, and are adapted in each country by the Group's local sales and marketing teams to meet the needs of the local market.

Launched 15 years ago, the Ecova brand, which stands for Ecology and Value, is more relevant than ever. All of Verallia's business units continue to add lighter models to their ECOVA ranges. Among all the new products, a special mention goes to the new range of Ecova spirit bottles from Verallia UK.

Comprising four elegant 500 g bottles, the range is suitable for both start-up distilleries and large companies expanding into new spirit drinks.

Mobile bottling

The Group has 15 mobile bottling units in France, run by its subsidiary Thierry Bergeon Embouteillage, allowing wines to be bottled on the wine estate. Although this activity is not significant in relation to the Group's overall operations, it represents part of its strategy of proximity and service, particularly for the Bordeaux wine industry, among others.

Daily support for its customers

The Group strives to stay close to its customers and thus offers an extensive range of services to support them in their daily operations and in their development projects, such as digital apps, training programmes and studies on specific topics.

Digital apps

Virtual Glass

Initially developed in 2014 and proposed in 2019 in an enhanced version with hyper-realistic results, the "Virtual Glass" app seeks to allow the Group's customers to reduce the development time needed for new products by visualising different models of bottles and jars, labelled and capped, full or empty. The app continues to be updated, and 2022 saw the release of a new version.

Virtual tours

This app, used at trade shows, training courses and shop floor events, offers virtual tours of plants and cullet sorting centres. It also shows a series of images representing the different stages in the glass production process and in household glass sorting.

MyVerallia

This portal, rolled out in France, Spain, Germany, Italy, Brazil and Argentina, and also available on computers and tablets, offers the Group's customers access to catalogues where they can place and track their orders or use the Virtual Glass application. The Group's customers also have access to Verallia's news.

Glass School

Each year, the Group proposes several training cycles to its customers to increase their knowledge of the production process, to present the marketing trends and introduce them to the circular economy. In view of the Covid-19 global health crisis, this training has been provided electronically, particularly in Ukraine, in order to maintain the training link with the Group's customers who chose this option.

Studies and Conferences

In France, the Group helps its wine-growing customers and traders better understand the challenges of the wine markets by commissioning in-depth studies to analyse and understand consumer perceptions of the wine and spirits markets. The results are shared at the "Vin & Sens" workshops. For example, in 2019 the Group presented two studies, one on the promotion of responsible wine practices among distributors and consumers, and the other on the impact of neuroscience in packaging. In Italy, the Group presented a study on Italian sparkling wines.

In 2020, the Group focused on the spirits market to better grasp the attitudes and expectations of the French in terms of craft spirits, and thus to help new players in the French craft spirits market to position themselves well with their target audience.

An initial study, carried out on a representative sample of young French people (20-35 years old), highlighted the development potential of French whisky. The second study, performed in a laboratory setting using advanced neuroscience methods, demonstrated favourable thoughts and emotions triggered by whisky contained in the Arsène bottle – the new bottle with a rooster as a branding element, created this year by Verallia in partnership with micro-distillers.

1.3.2.3. Selective Line

Selective Line is Verallia's upmarket international trademark. With more than 300 standard references, the Selective Line collection responds to the premiumisation of the markets for still and sparkling wines, spirits and beers, offering one of the largest product catalogues on the market. Our customers can choose from the bottles available in our collection or develop custom bottles with the help of our design centres.

Selective Line relies on a dedicated marketing team at the Group level and on a network of local marketing teams and leading technical experts located in several glass production sites around the world, as well as two decoration units in France (Saga Décor and Société Charentaise de Décor), Verallia Polska in Poland and Verallia UK (see Section 1.3.2.2 "Services" - "Glass packaging decoration" of this Universal Registration Document). Our ambition is to support our customers in their premiumisation strategy to effectively enhance the perceived value of their products and brands. Selective Line promotes the Group's brand image.

1.3.2.4. Procurement and assembly of components and spare parts for industrial equipment

The Group's operations include the procurement, assembly, quality control and sale (mostly to Group companies but also to third parties) of components and spare parts for industrial equipment used in the composition of glass packaging, through a site located in Pune, India, run by Accuramech. This activity represented a very limited share of the Group's operations for the year ended 31 December 2023.

1.3.3. Operations by geographic area

1.3.3.1. The Group's operations in Southern and Western Europe

For the year ended 31 December 2023, the Group's operations in Southern and Western Europe generated revenue of €2,527 million[35] (65% of the Group's consolidated revenue) and adjusted EBITDA of €725 million (65% of the Group's consolidated adjusted EBITDA). The Group's total capital expenditure in Southern and Western Europe for the year ended 31 December 2023 amounted to €226 million (8.9% of revenue in this segment).

As at 31 December 2023, the Group had 5,502 employees in Southern and Western Europe and operated 20 production sites and 35 furnaces, as well as 14 cullet treatment centres (including four under joint venture) and 2 decoration plants. In the year ended 31 December 2023, the volume of jars and bottles sold by the Group in Southern and Western Europe totalled 3,431 kt.

Production facilities in Southern and Western Europe as at 31 December 2023

❶ France

Glass production plants	7
Decoration plants	2
Cullet treatment centres	2
Sales office	1

❷ Italy

Glass production plants	6
Cullet treatment centres	2
Sales office	1
Cullet treatment centre operated as a joint venture	1

❸ Spain

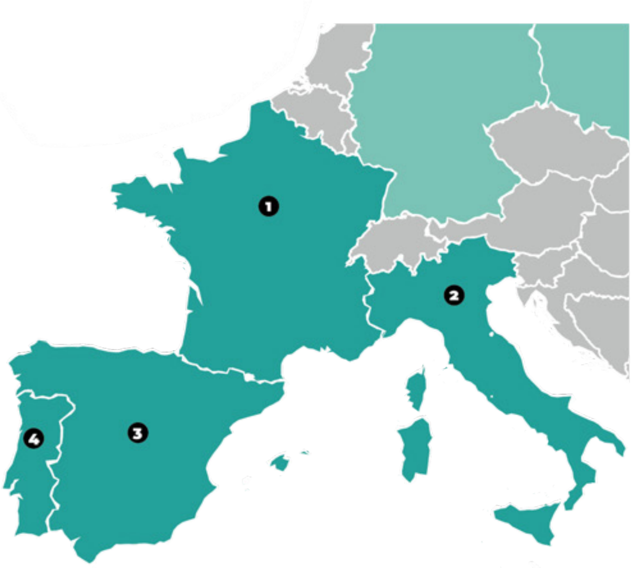
Glass production plants	5
Cullet treatment centres	5
Sales office	1
Cullet treatment centre operated as a joint venture	1

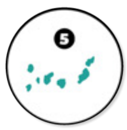
❹ Portugal

Glass production plant	1
Cullet treatment centre	1
Sales office	1
Cullet treatment centre operated as a joint venture	1

❺ Canary Islands

Glass production plant operated as a joint venture	1
Cullet treatment centre operated as a joint venture	1





In Southern and Western Europe the Group is present in France, Spain, Portugal and Italy.

The Group's operations in Southern and Western Europe are primarily focused on bottles for still and sparkling wines and containers for spirits, products with relatively high margins for which the Group is a market leader.

The Group offers a broad range of products to the Southern and Western European markets tailored to the local needs of each country. Bottles for still and sparkling wines account for a significant portion of the Group's operations in France, Italy and Spain.

The Group's customer base in Southern and Western Europe in bottles for still wines is highly fragmented, mainly local and regional winegrowers, as well as leading wine merchants. Furthermore, the Group has a large number customers for sparkling wine bottles, including local or regional producers as well as a number of leading world-class players such as LVMH and Pernod Ricard, with certain prestigious brands, such as Dom Perignon and Ruinart for champagne.

In the food, spirits and beer market, the Group serves both international customers and local customers.

Lastly, the Group provides glass packaging to customers specialised in empty bottle retailing, which represents a limited portion of its revenue.

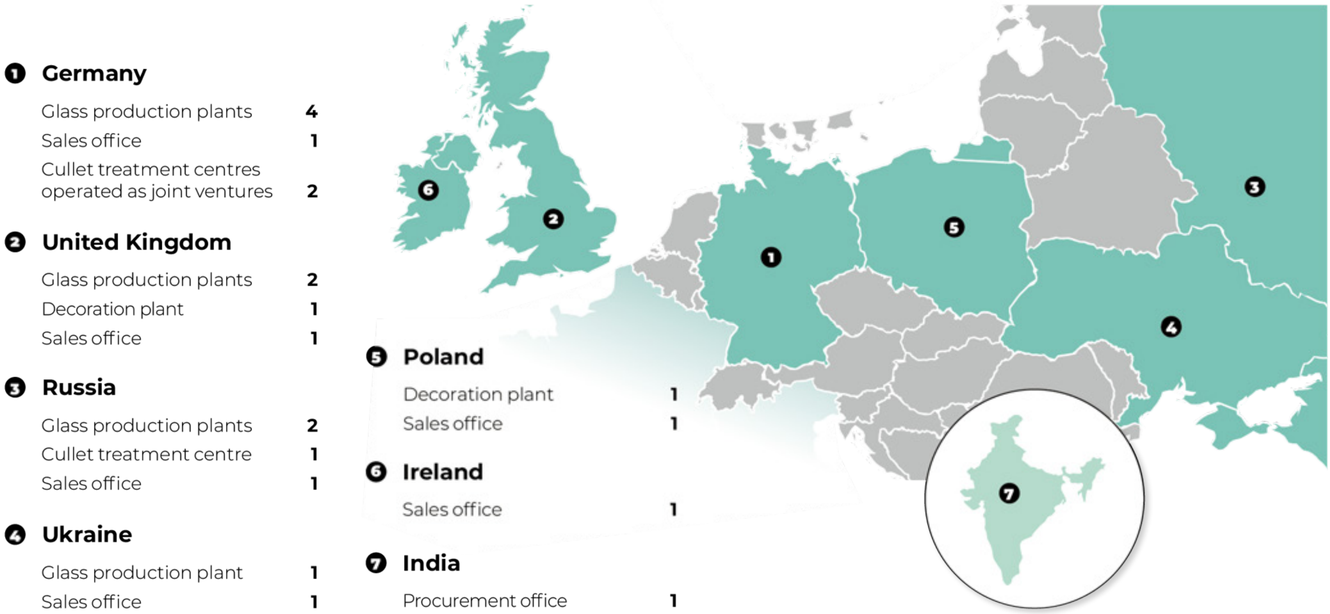
[35] Excluding inter-segment revenue.

1.3.3.2. The Group's operations in Northern and Eastern Europe

For the year ended 31 December 2023, the Group's operations in Northern and Eastern Europe generated revenue of €980 million[36] (25% of the Group's consolidated revenue) and adjusted EBITDA of €244 million (22% of the Group's consolidated adjusted EBITDA). The Group's total capital expenditure in Northern and Eastern Europe for the year ended 31 December 2023 amounted to €95 million (9.7% of revenue in this segment).

As at 31 December 2023, the Group had 3,882 employees in Northern and Eastern Europe where it operated 9 production sites, 21 furnaces, 3 cullet treatment centres (including two under joint venture) and 2 decoration plants. In the year ended 31 December 2023, the volume of jars and bottles sold by the Group in Northern and Eastern Europe totalled 1,443 kt.

Production facilities in Northern and Eastern Europe as at 31 December 2023



In Northern and Eastern Europe, the Group is present in Germany, the United Kingdom, Poland, Ukraine and Russia. This region's largest geographical market in terms of revenue is Germany, where the Group operates through its subsidiary Verallia Deutschland AG.

The most significant products in terms of revenue for the Group in Northern and Eastern Europe are bottles for beer, especially in Germany, jars and bottles for the food market and bottles for premium spirits in the United Kingdom.

In the beer, food and spirits market, the Group serves both international customers and local customers.

The Group's customers for still and sparkling wines, mainly in Germany, include local or regional wine producers and leading merchants for still wines.

1.3.3.3. The Group's operations in Latin America

For the year ended 31 December 2023, the Group's operations in Latin America generated revenue of €397 million[37] (10% of the Group's consolidated revenue) and adjusted EBITDA of €139 million (13% of the Group's consolidated adjusted EBITDA). The Group's total capital expenditure in Latin America for the year ended 31 December 2023 amounted to €97 million (24.4% of revenue in this segment).

36 Excluding inter-segment revenue.
37 Excluding inter-segment revenue.

As at 31 December 2023, the Group had 1,528 employees in Latin America and operated 5 production sites, 7 furnaces, 2 cullet treatment centres and 1 decoration plant. In the year ended 31 December 2023, the volume of jars and bottles sold by the Group in Latin America totalled 695 kt. Considering the topographical and geographic constraints in this area, and in order to facilitate the logistics process, in particular the transportation of goods, the Group has optimised its industrial location by setting up its production sites close to those of its customers, especially in wine-growing areas.

Production facilities in Latin America as at 31 December 2023

1 Brazil	
Glass production plants	3
Decoration plant	1
Sales office	1
2 Argentina	
Glass production plant	1
Cullet treatment centre	1
Sales office	1
3 Chile	
Glass production plant	1
Cullet treatment centre	1
Sales office	1
4 United States	
Sales office	1

The Group has been present in Latin America since 1960s, when it began operations in Brazil through its subsidiary Verallia Brazil. In Latin America, the Group is present in Brazil, Argentina and Chile. The largest geographical market for the Group in terms of revenue is Brazil. In terms of volumes, the Group is the second largest producer on the glass packaging market in Latin America, with a strong competitive positioning for bottles for still wines and bottles for sparkling wines.

The Group's operations in Latin America are mainly oriented towards bottles for still wines, an export-driven market segment, as well as bottles for beer, in Brazil. The Group prioritises a strong industrial presence in wine-growing areas and a positioning tailored to local specific needs outside these areas, depending on the specific features of each country.

In the still wines, sparkling wines and food market, the Group serves both international customers and local customers.

1.4. Research and innovation

1.4.1. Innovation

Innovation is an ongoing challenge for all the Group's companies as part of its broader strategy to position its products at the top end of the market and to sell products and services using efficient and environmentally friendly production facilities with high added value.

Innovation within the Group takes place at three levels: product and service innovation, material innovation and process innovation, which are all areas of research and development.

The Group's innovation policy is based on:

- a multidisciplinary team of in-house researchers and engineers;
- diverse resources for mathematical modelling of processes, an adapted design server, a laboratory for analysis and expert appraisals, a melting laboratory and an on-site physical measurements team;
- collaborations with external research laboratories.

The Group's research and development expenses for the year ended 31 December 2023 amounted to €5.7 million.

1.4.1.1. Innovation in products and services

The Group has 12 product development centres operating as a network, covering all of the regions in which it operates, based at the following sites: Albi (France), Chalon (France), Bad Wurzach (Germany), Dego (Italy), Gazzo Veronese (Italy), Kavminsteklo (Russia), Azuqueca (Spain), Figueira da Foz (Portugal), Normanton (United Kingdom), Zorya (Ukraine), São Paulo (Brazil) and Mendoza (Argentina).

These teams come up with new designs at the request of their customers and/or marketing teams.

This work involves the transformation of innovative ideas into glass products that can be manufactured and marketed at a competitive price. This work is frequently based on a joint development approach with the Group's customers.

The Group is therefore able to offer its customers new product ranges on a fairly regular basis.

Selective Line is Verallia's top tier international trademark. With more than 300 standard references, the Selective Line collection represents the premiumisation of the markets for still and sparkling wines, spirits and beers, offering one of the largest product catalogues on the market. Our customers can choose from the bottles available in our collection or develop custom bottles with the help of our design centres. By analysing socio-economic trends, each year Selective Line proposes, in its trend book, innovative shapes to enhance its customers' products.

The second major concern is designing products that are environmentally friendly.

In this regard, the ECOVA range proposes "eco-designed" bottles and jars which are lighter and therefore more energy-efficient to produce than regular bottles, while retaining an elegant shape (see Section 1.3.2.2). With this range, the Group seeks to offer more environmentally-friendly products while maintaining a high level of quality.

With regard to lightweight and eco-designed bottles, in 2023 Verallia launched the Bordelaise Air 300G, one of the lightest Bordeaux bottles ever made, while preserving the shape that has defined the classic Bordelaise bottle for generations.

In addition, the range of standard products and the significant number of specialised products developed by the Group are indicative of its capacity for flexibility and technical innovation.

Initially developed in 2014 and relaunched in 2022 in an enhanced version with hyper-realistic results, the "Virtual Glass" app seeks to allow the Group's customers to reduce the development time needed for new products by visualising different models of bottles and jars, labelled and capped, full or empty.

Furthermore, certain additional designs requiring specific technical innovations are developed at the customer's request.

The Group also offers its customers new glass packaging possibilities through its pasteurisable and sterilisable heat-sealing innovation: this new feature allows them both to redesign their product ranges and to consider a change of packaging material to glass packaging.

Our customer focus is one of our values. Since 2019, Verallia has implemented a Net Promoter Score (NPS) programme to measure customer feedback at every step in their journey. Its purpose is to improve customer satisfaction. Through automated surveys, Verallia identifies weak points and defines improvement action plans to resolve them and increase customer satisfaction.

1.4.1.2. Innovation in materials

The Group works to develop the technical and economic performance and properties of glass as a packaging material for food and beverages. It relies on experienced chemical engineers who specialise in the study and analysis of glass composition.

1.4.1.3. Innovation in glass melting and forming processes

In addition to glass composition, the Group carries out research and development on strategic industrial processes such as melting and forming.

Using modelling tools, the Group seeks to optimise its "hot" and "cold" processes.

Research and development related to forming are aimed in particular at improving the operation of certain forming machines by optimising the heat exchanges that take place during forming operations; but also at reducing the lubrication of moulds, or else automating them, with the dual objective of protecting occupational health and the environment.

Research and development activities related to melting operations have the dual aim of improving furnace performance by optimising the flame and reducing consumption, and reducing greenhouse gas emissions and pollutants.

To achieve the latter objective, one of the research areas is the massive electrification of furnaces, which requires a complete rethink of how furnaces are designed and operated.

This is completed by the use of renewable energy, which not only reduces the plants' carbon dioxide fossil fuel emissions, but also helps reduce the environmental impact in the geographic area in which they are located through waste recovery. Lastly, work on replacing carbonaceous raw materials with alternative materials will enable us to move towards glass that is even more carbon-free.

1.4.2. Trademarks, patents and licences

1.4.2.1. Patents

The Group has an industrial protection policy that protects its inventions and ideas using one of three possible solutions:

- applying for a patent, which presents advantages in terms of the legal protection afforded but exposes the Group to high costs, particularly when applying for international patent protection;
- applying for a "Soleau envelope", which presents the advantages of low cost and a high level of confidentiality, but does not allow the Group to oppose the development of the same application by a rival; and
- the sale of the invention or transfer of rights of use by a partner, in the case of equipment not expected to be subject to absolute exclusivity.

At the date of this Registration Document, the Group had approximately 41 patent families in effect or in process, most of which were obtained or applied for in a number of countries, representing a total of over 325 patents.

1.4.2.2. Trademarks

With the exception of the Verallia trademark, a central trademark for the Group's communication, and its punt marks, trademark protection does not represent a fundamental challenge for the Group because of the characteristics of the industry in which it operates: an expertise-based industry with business-to-business products targeted at industrial customers.

Trademarks are registered and used in countries where the Group has production facilities and in which it sells its products.

1.4.2.3. Design

The Group's policy for protecting intellectual property rights associated with the designs it uses depends on the type of design used:

- when the Group is the original creator of the design and believes that it is sufficiently original, an application can be made to protect the design. This is the case, for example, for standard designs that can be offered to all customers and developed by the Group for its own marketing needs;
- when the Group is limited to using shapes designed by the customer, the intellectual property rights related to these shapes are generally owned by the customer.

1.4.2.4. Domain names

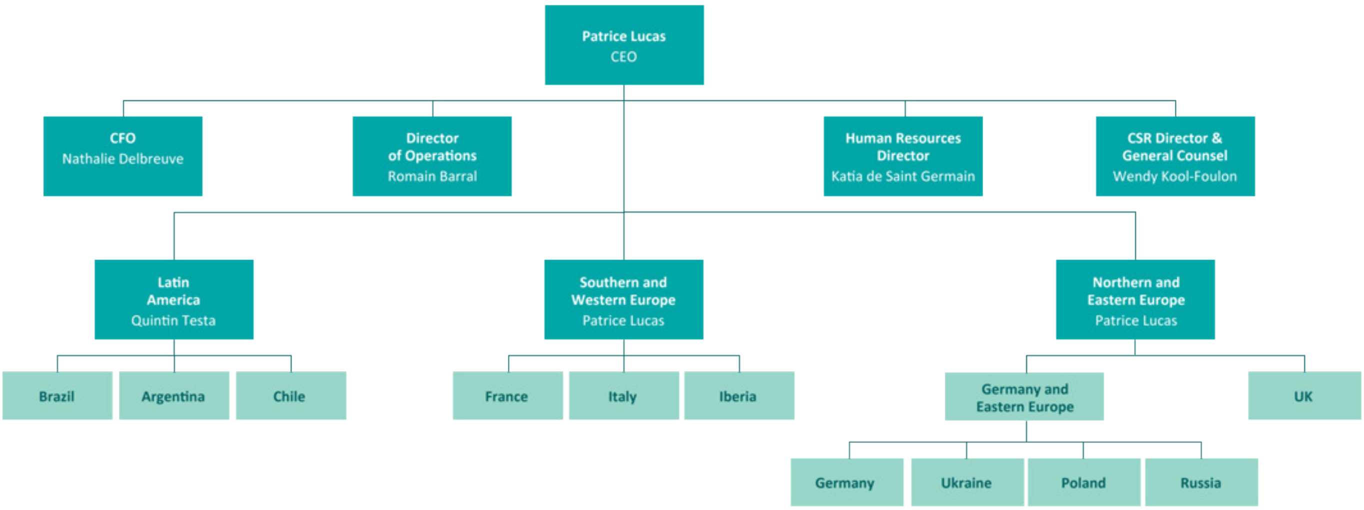
The Group has a policy of registering and obtaining licences to use and manage the domain names needed to conduct its operations. At the date of this Universal Registration Document, the Group owned or had a licence allowing it to use a broad portfolio of domain names, both active and inactive, enabling it to list its products and services and share its communications with a wide audience.

1.4.3. Dependency factors

Information on the Group's dependency factors is provided in Chapter 4 "Risk Factors and Risk Management" of this Universal Registration Document.

1.5. The industrial process

Simplified organisation chart of the Group as at 31 December 2023



The Group's organisation is decentralised and divided into three separate operating segments: Southern and Western Europe, Northern and Eastern Europe, and Latin America.

Certain functions, such as technology, industry, research and development, financing, purchasing and procurement, human resources, legal, marketing and communication are also managed at the Group level.

Other functions, particularly those linked to customer relationships and production activities, are only managed locally. The Group's local CEOs are independent and free to implement their local strategy. In addition to the local CEOs, the Group has sales and marketing teams in each of its operating segments. The local management teams work in close collaboration with local managers, thus allowing the Group to develop products tailored to the specific needs of its customers. Furthermore, thanks to the decentralisation of the Group's industrial processes, it is able to optimise the use of its local production capacities to quickly respond to the needs of its operations and optimise its production costs.

1.5.1. The manufacturing process

1.5.1.1. Purchases and supplies

The Group's main purchases and supplies are as follows:

- energy (gas, fuel oil, electricity);
- raw materials (mainly, soda ash, glass sand and cullet);
- transport of finished goods (mainly by road);
- packaging (cardboard, plastic film, pallets, spacers);
- industrial equipment; and
- moulds.

The Group's purchases and supplies are under the responsibility of the Group's Purchasing Department, comprising a Director who coordinates the Group's entire purchasing function and assisted by buyers in charge of strategic families of purchasing, including purchases of investments. The Group's purchasing department is more generally in charge of carrying out or coordinating the purchases of the most strategic products.

The Group also has Purchasing Departments within its subsidiaries or in countries where the Group operates, which are generally responsible for operational purchases (such as transport or packaging). Some purchases are pooled regionally between different Group companies, generally under the responsibility of the Group's Purchasing Department (in particular energy and raw materials purchases, as well as investments).

Raw materials

Raw materials costs account for a significant portion of the Group's production costs.

Glass for packaging is composed (by volume), excluding cullet, of glass sand (between 60% and 70%), soda ash (between 10% and 20%), limestone (between 15% and 20%) and other substances, such as colourants (between 0.5% and 5%). This composition varies significantly depending on the colours. Cullet, either from waste from the glassmaking process or from cullet treatment centres, accounted for just over half of the Group's raw material purchases for the year ended 31 December 2023. Cullet is used to optimise production costs, particularly as it reduces energy consumption due to its lower melting temperature (an increase in the use of cullet by 10 points reduces energy consumption by an average of 2.5%). The use of cullet significantly varies depending on the type of glass produced, and its utilisation rate can reach 95% for certain types of glass. The Group's goal is to use all the cullet at its disposal in order to reduce its energy consumption and its carbon dioxide emissions and thus improve the carbon footprint of the glass packaging that it produces. To this end, the Group has developed a wide range of initiatives, such as improving the collection of domestic glass, improving the quality of cullet during its treatment or increasing the use of cullet in glass production. Furthermore, to improve the cullet treatment process and increase recycling, the Group has made long-term investments in its 19 cullet treatment centres: 2 in France, operated through Everglass; 3 in Italy, 2 of which are operated through Ecoglass and one in partnership with Vetreco; 2 in Germany, operated through a joint venture known as Verre Recycling GmbH; and 7 in Spain, including a site operated in partnership with Calcin Iberico and one with REVICA, allowing it to directly power its glass production sites located close by (see the Non-Financial Performance Statement appended in chapter 2 to this Universal Registration Document); 2 in Portugal, including 1 in joint venture; 1 in Russia and 2 in Latin America. In the case of furnaces that use cullet intensively, partial repairs at a cost of around €5 to €10 million must be planned after six to eight years of operation.

Most of the Group's soda ash and glass sand procurement contracts are signed for terms at least equal to one year. The limestone market is a local market; consequently, the Group signs a contract for each production site, generally for one year.

Although the Group inserts price adjustment clauses in its commercial contracts, which directly or indirectly reflect the changes in raw materials costs, most of its commercial contracts (signed for a period of one year and which can be renewed upon the agreement of parties) do not have such clauses.

Energy

The Group's main sources of energy are natural gas and, to a lesser extent, electricity and less and less fuel oil. As energy is mainly consumed during glass melting, each new furnace construction is an opportunity to improve the Group's performance in these areas. Throughout the service life of furnaces (from 10 to 12 years, sometimes 14 years), the Group makes improvements to them in order to reduce their consumption, particularly in terms of sealing and thermal insulation, optimising the temperature of the glass, adjusting combustion settings and adjusting combustion air volumes. Furthermore, to significantly reduce carbon dioxide emissions emitted when supplying power to its furnaces, the Group has decided to prioritise natural gas over fuel oil. Other initiatives modelled on the principles of the circular economy include using the heat recovered from furnace walls or smoke as a heating source for the Group's buildings or neighbouring towns. The Group has also invested in Industry 4.0 by introducing artificial intelligence into its plants (see the Extra-Financial Performance Statement appended in Annex II to this Universal Registration Document). Finally, as part of its policy to reduce CO_2 emissions, the Group intends to significantly increase the share of renewable energy in its consumption, in particular through increased purchases of green energy but also through the use of installations (such as photovoltaic panels) enabling it to produce its own green energy directly at certain Group sites.

Most of the Group's sales contracts are entered into for one year and may be renewed with the agreement of both parties, and do not include price adjustment clauses allowing a percentage of the increase or decrease in energy costs to be reflected automatically in selling prices. The passing on of increases in the Group's production costs is then negotiated with customers when orders are placed or at the annual renewal of contracts. Apart from purchases of energy at a fixed price that may be negotiated directly with suppliers by the Purchasing Department, the Group has set up transactions to hedge part of the risks linked to energy costs in situations where contractual adjustment mechanisms could not be provided. This applies to most of the sales contracts concluded by the Group (see Section 4.1.2.7 "Risks related to relations with certain strategic suppliers and subcontractors" of this Universal Registration Document).

1.5.1.2. Production

The manufacture of glass packaging requires the mastery of technically complex industrial processes requiring the use of heavy equipment. Hollow glass production essentially involves melting the various glass materials at extremely high temperatures into a liquid glass mixture, which can then be shaped by means of forming techniques (blown-blown/pressed-blown).

Thanks to its proficiency in these fundamental skills of the glass production cycle and efficient industrial facilities, the Group was able to produce more than 16 billion bottles and jars in the year ended 31 December 2023.

The glass production cycle of bottles and jars

The glass production cycle includes three essential phases:

The melting of raw materials and cullet:

Once mixed, the raw materials and cullet are melted in furnaces at a temperature of approximately 1,550°C. The time between the introduction of the composition and the removal of the molten glass from the furnace is approximately 24 hours. The extremely high temperatures reached involve continuous production. Consequently, these furnaces operate round the clock, 24/7. In addition to safety issues, the extremely high temperatures are an environmental concern, given that the mass of molten glass releases large quantities of carbon dioxide and smoke. The carbon dioxide is evacuated through chimneys fitted with filters.

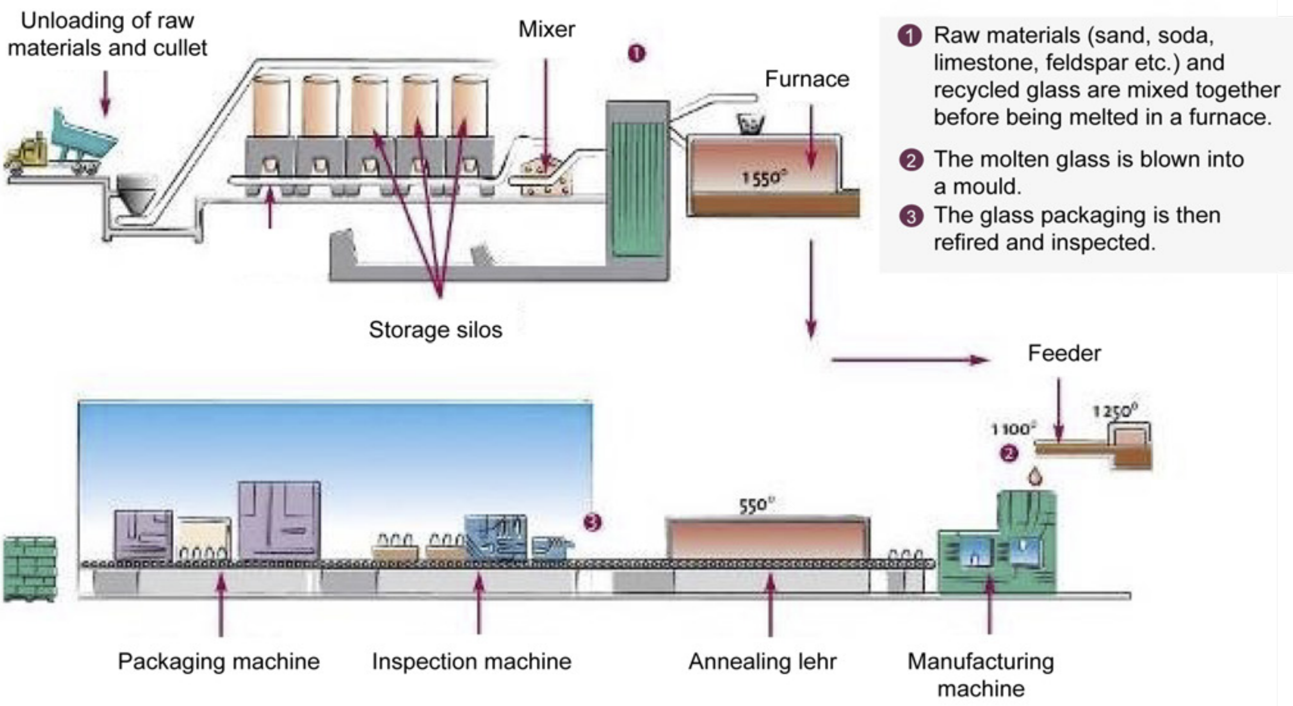
Transfer to the "hot end sector": forming and treatment of the glass:

The molten glass is then sent to the forming machine through distribution channels at a temperature ranging between 1,100°C and 1,550°C. Forming consists of shaping a compact mass of hollow glass through pressing (using a metal plunger) then blowing (with blown air). The mass of glass enters the forming machine in the form of a drop, known as "gob", the weight, shape and temperature of which are precisely controlled. This gob is then blown in two stages, first in a "blank mould", then in a "finishing mould", which gives the product its final shape. This process only lasts a few seconds, at the end of which the temperature of the bottles and jars reaches nearly 600°C. To guarantee the strength of these glass containers, they are then "refired", through gradual reheating and cooling in "annealing lehrs" for 50 minutes to two hours. The surfaces are also treated to protect the glass packaging against scratches: first, the surfaces receive a hot treatment, which consists of applying a thin layer of tin oxide to the surface of the glass; afterwards, the surfaces are sprayed with cold wax. The products used in the treatment are safe for use on glass designed for use as food packaging

Finishing mould

Transfer to the "cold end sector": inspection and packaging of the glass:

The Group uses various processes to inspect the quality of its products depending on the markets and products. These include visual, mechanical, video or light beam inspections to check the capping, size and thickness of the glass and the design of the packaging. Any container that does not comply with the Group's quality standards is removed from the production line and used as cullet. The products are packaged in pallets when they leave the manufacturing line



Production facilities and industrial processes for the manufacture of bottles and jars

The Group's industrial facilities include 34 glass production sites mainly located close to packaging areas and its main customers, equipped with 63 glass furnaces that operate continuously. The efficiency of the facilities is based on the optimal use of equipment, meeting the highest standards in the markets in which it operates.

The strong performance of these production facilities and their ability to adapt to different markets is essential considering the high investment costs for equipment used in the industry.

The efficiency of the equipment used is measured with respect to its productivity, flexibility and its capability in terms of production requirements. Heavy machinery has been standardised, which gives the Group the freedom to shift the production of a range of products from one production line to another and even from one site to another. On certain production lines, known as "flex lines", the use of versatile machinery means that between two and four different types of items can be produced on the same production line. The Group takes advantage of the flexibility of its production facilities to optimise its responsiveness and accordingly reduce the storage of finished goods. Standardising equipment by product family fosters the development of technical synergies (such as the transfer of best practices and know-how from one site to another).

The efficiency of the Group's industrial processes also lies in its capacity to maintain a high utilisation rate of its equipment, in particular its furnaces. Factors affecting the utilisation rate of furnaces mainly include the number of changes to the colour of the glass and the optimisation of the packaging mix on all lines, in order to maximise utilisation of the furnace draught. The possibility of producing a high number of bottles of the same colour at the same time and the flexibility of production lines provide opportunities for the Group to obtain maximum advantage from the utilisation capacity of a furnace.

Furthermore, the Group strives to have powerful and effective furnaces, in terms of energy consumption and life span. The Group's industrial and commercial location can allow it to temporarily transfer production from one site to another in order to meet a specific demand or limit the impact of certain industrial constraints, such as a furnace under repair. Finally, in order to respond to changing demand, in 2021 the Group built a new furnace in Azuqueca, Spain, another in Villa Poma, Italy, and another in Jacutinga (Brazil) in 2022 (see Section 5.3 "Capital expenditure" of this Universal Registration Document). The Group also plans to open two new furnaces in 2024: in Brazil (Campo Bom) and Italy (Pescia).

The Group’s quality, environment, health and safety certification policy

In all the territories where it operates, the Group sets standards in terms of quality, logistics, customer satisfaction management and environmental performance.

The Group has long been committed to ensuring that all of its teams are involved in a quality approach, which specifically includes the existence of common written procedures that can be shared, as well as the traceability of their modification if necessary. As such, the Group performs different audits every year to ensure that quality and standards with respect to the environment, hygiene and safety are complied with.

The main standards and methods in force in the Group refer to the following standards:

- ISO 14001: This standard specifies the requirements for an environmental management system (EMS) to formulate a policy and objectives that take into account legislative requirements and disclosures of significant environmental impacts;
- ISO 9001: This standard specifies the organisational requirements for a quality management system that consistently delivers a product that complies with customer and applicable regulatory requirements and implements continuous improvement processes;
- ISO 22000: This standard guarantees that food risk for consumers is taken into account during the entire production process. In concrete terms, this standard specifies the requirements for a food safety management system (FSMS), which is a coherent set of processes designed to enable the Company’s management to ensure the efficient and effective application of its policy for controlling food safety hazards and the constant improvement of its objectives, in order to provide safe products that will meet customer and regulatory requirements;
- HACCP (Hazard Analysis Critical Control Point): This system identifies, assesses and controls significant dangers with respect to food safety. There is no “HACCP certification” properly speaking, because it is a process that is part of the ISO 22000 standard;
- OHSAS 18001 (Occupational Health and Safety Assessment Systems): This occupational health and safety management system model aims to reduce risks in terms of health and safety in the work environment.

At the date of this Universal Registration Document, all of the Group’s glass production sites had obtained ISO 9001, ISO 14001 and ISO 45001 certification. Regarding Food Safety certification, our 34 glass production sites are certified at minimum ISO 22000, 77% having the highest level of certification recognized by the GFSI*, FSSC22000 or BRC.

1.5.2. Main industrial facilities and plants

Information about the main glass production industrial facilities and plants run by the Group as at 31 December 2023 is provided in the table below.

Country	City / Region / State	Plant	Furnace	Occupancy status
France	Albi	Bottle production	2	Owner
	Chalon-sur-Saône	Bottle production	3	Owner
	Cognac	Bottle production	2	Owner
	Lagnieu	Jar production	2	Owner
	Oiry	Bottle production	1	Owner
	Saint-Romain	Bottle production	2	Owner
	Vauxrot	Bottle production	1	Owner
	Total France	**7**	**13**	
Spain	Azuqueca	Bottle and jar production	2	Owner
	Burgos	Bottle production	2	Owner
	Montblanc	Bottle production	1	Owner
	Sevilla	Bottle and jar production	1	Owner
	Zaragoza	Bottle production	2	Owner
	Canaries Telde	Bottle production	1	Owner
	Total Spain	**6**	**9**	
Portugal	Figueira da Foz	Bottle and jar production	2	Owner
	Total Portugal	**1**	**2**	
Italy	Carcare	Bottle production	1	Owner
	Dego	Bottle and jar production	3	Owner
	Gazzo Veronese	Bottle and jar production	2	Owner
	Lonigo	Bottle production	2	Owner
	Pescia	Bottle and jar production	1	Owner
	Villa Poma	Bottle production	2	Owner
	Total Italy	**6**	**11**	
Germany	Bad Wurzach	Bottle and jar production	3	Owner
	Essen	Bottle and jar production	3	Owner
	Neuburg	Bottle and jar production	2	Owner
	Wirges	Bottle production	2	Owner
	Total Germany	**4**	**10**	
United Kingdom	Leeds	Bottle production	2	Owner
	Knottingley	Bottle production	2	Owner
	Total United-Kingdom	**2**	**4**	
Russia	Mineral'Nie Vody (KMS)	Bottle and jar production	2	Land: part owner and part holder of a perpetual right of use; buildings: owner*
	Kamyshin	Bottle and jar production	3	Owner
	Total Russia	**2**	**5**	
Ukraine	Rivne	Bottle and jar production	2	Perpetual right to use the land and owner of the buildings
	Total Ukraine	**1**	**2**	
Brazil	Jacutinga	Bottle production	2	Owner
	Campo Bom	Bottle production	1	Owner
	Porto Ferreira	Bottle and jar production	1	Owner
	Total Brazil	**3**	**4**	
Argentina	Mendoza	Bottle production	2	Owner
	Total Argentina	**1**	**2**	
Chile	Rosario	Bottle production	1	Owner
	Total Chile	**1**	**1**	
Total Groupe	**—**	**34**	**63**	**—**

During the Soviet era, this right was equivalent to a right of ownership as regards use of the land. These rights of use are still recognised at the date of this Universal Registration Document.

In 2019, the Group closed and left the site of the Agua Branca plant, located in the São Paulo metropolitan area (Brazil).

In 2020, the Group decided not to rebuild one of the three furnaces at its French site in Cognac. In addition, in 2020 the Group completed the construction of a new furnace in Azuqueca (Spain) and a new furnace in Villa Poma (Italy), which were commissioned in the first quarter of 2021 (initially scheduled for 2020, these deployments were postponed due to the Covid-19 pandemic). At the end of 2022, the Jacutinga plant's second furnace went into operation. Thus, as at 31 December 2023, there were 63 furnaces in service.

The Group also operates five bottle decoration centres and 19 cullet treatment centres, six of which are in partnership through the companies Ecoglass, Vetreco, Calcin Iberico, Verre Recycling GmbH, Revimon and REVICA.

1.5.3. Regulatory environment

1.5.3.1. Legislation and regulations in European Union Member States

1.5.3.1.1. Regulations for packaging products

Health regulations

The Group, as a manufacturer of packaging for food and beverages, is subject to European regulations aimed at protecting consumer health.

Contact with food

EC Regulation No. 1935/2004 dated 27 October 2004 governing the materials and items that come into contact with liquid and solid foodstuffs is intended to ensure a high level of protection of human health and consumer interests.

This regulation covers materials and items destined to come into contact with food or which are already in contact with food. This regulation is therefore particularly aimed at packaging and containers like those produced by the Group.

This regulation states that packaging must be sufficiently inert. Thus materials and items must be manufactured in line with good manufacturing practices so that, under normal or foreseeable conditions of use, they are not transferred to food in quantities large enough to endanger human health, to bring about an unacceptable change in the composition of the food, or cause a deterioration in its organoleptic properties. In terms of migration limits, glass in certain countries is subject to the directive on ceramic articles, in particular Directive 84/500/EEC, which was modified by Directive 2005/31/EC, which sets forth migration limits for lead and cadmium.

The commercialisation of packaging destined to come into contact with food that does not abide with these regulations is prohibited.

For glass packaging producers, the traceability of labelled packaging is ensured when products are stored on pallets. This makes the inspection of products and the removal of defective items easier.

Packaging hygiene

The Group is also subject to European regulations regarding packaging hygiene. EC Regulation No. 852/2004 dated 29 April 2004 stipulates general hygiene rules that apply to all food, and requires that packaging and container materials must not be a source of chemical, bacterial or physical contamination of food.

The regulation also stresses that every food business operator along the food chain should ensure that food safety is not compromised. This includes the storage of packaging and the process of packaging food.

To ensure that each of the Group's companies complies with these requirements, a Hazard Analysis Critical Control Point (HACCP) methodology has been implemented, which includes documentation that identifies and evaluates significant food risk factors. Some of these companies have voluntarily had their internal procedures certified to ISO 22000, FSSC 22000 or BRC standards covering food safety requirements. 34 production sites of the Group are certified.

Environmental regulations

In its role as a producer of packaging, the Group is subject to regulations governing packaging and packaging waste enacted with the aim of protecting the environment.

Directive 94/62/EC of 20 December 1994 on packaging and packaging waste (the "Packaging and Packaging Waste Directive"), transposed in France in Articles R. 543-42 to R. 543-52 of the Environmental Code, and in all the European countries in which the Group has industrial facilities, aims to harmonise national legislation governing packaging and packaging waste in order to decrease their impact on the environment.

To do so, the Packaging and Packaging Waste Directive sets out guidelines for the prevention of packaging waste, its reuse, recycling and recoverability. These requirements apply to the production and composition of the packaging as well as its reusable or recoverable features.

The Group must notably keep the mass and volume of its packaging to the minimum possible within safety and hygiene standards, while maintaining the needed functionality and respecting customers' expectations in terms of quality. The Group must also produce packaging in such a way that it can be reused or recovered, including recycled.

This recovery and recycling of packaging is carried out through glass packaging collection schemes that vary from one country to another. The main collection and recycling schemes in force in the Member States of the European Union where the Group has production facilities are described below.

France

The Packaging and Packaging Waste Directive, and its application orders codified in the Environmental Code, favour recycling and packaging recoverability.

The schemes in place distinguish between household and non-household waste.

In cases where the end users are households, the scheme is the one that had been established, even before the Packaging and Packaging Waste Directive, by Act No. 75-633 of 15 July 1975, as amended, on waste disposal and materials recovery and its implementing decree No. 92-377 of 1 April 1992 (incorporated into the Environmental Code in Articles R. 543-53 *et seq.*). This law requires all producers that package their products (either directly or through a third party) for sale on the national market to provide waste-disposal schemes to households for this packaging. The producer can delegate the provision of this scheme to a company authorised by the public authorities in exchange for financial payment. In return, the three authorised companies in France (Citeo, Adelphe and Leko) provide financial assistance to local authorities for the implementation of selective household packaging waste collection.

The authorised companies coordinate between the companies marketing packaged products, the local authorities that are in charge of establishing waste collection and treatment schemes, and the recycling professionals.

The Chambre Syndicale des Verreries Mécaniques de France (CSVMF), the French glass industry federation, undertakes to take charge of all the glass packaging waste collected by local authorities pursuant to a framework agreement with the authorised companies. The CSVMF designates glass producers to recover the glass according to on their collection zones.

The glass makers execute the commitment made by the CSVMF by signing a recovery guarantee contract with local authorities. They recover the glass packaging collected by the local authorities, transport it and transform it into cullet via cullet treatment centres.

The collection and recycling scheme for non-household waste is outlined in Directive No. 94-609 of 13 July 1994 (included in the Environmental Code under Articles R. 543-57 *et seq.*). Under this scheme, the Group has three options for recovering its waste: recover the waste itself at an authorised facility; transfer the waste to an operator of an authorised facility; or transfer the waste to an authorised third party.

Germany

Since 1 January 2019, the packaging law (Verpackungsgesetz) has replaced the regulations that entered into force in 1991 *(Verpackungsverordnung)*. In particular, this law requires glass producers to participate in a German eco-organisation for the collection and recycling of packaging waste. One of the largest collective recycling companies in Germany is DSD (Duales System Deutschland GmbH). Glass producers obtain cullet from these recycling companies.

Spain

The new Royal Decree 1055/2022 on packaging and packaging waste has replaced the former Law 11/1997 in Spain. From 2023 onwards, manufacturers will be subject to registration requirements. Producers must register their activity in the packaging register, and register the packaging they place on the market. Extended producer responsibility no longer applies only to household packaging, but also to commercial and industrial packaging.

In addition, the introduction of a deposit system for packaging is mandatory under Spain's new packaging law.

Portugal

Portugal has also enforced a glass collection and recycling scheme. Under the terms of Legislative Decree No. 102-D/2020 of 10 December 2020, amended by Law no. 52/2021 of 10 August 2021, food and beverage producers are responsible for recycling. Glass packaging producers must, therefore, in cooperation with food and beverage producers and packaged product importers, work to incorporate secondary raw materials from the recycling of packaging waste in their production process.

Glass packaging producers are required to recycle at least 60% of the glass packaging used within the country. The objective is to reach a recycling rate of 70% by 2025 and 75% by 2030.

In order to comply with these obligations, food and beverage producers and importers may subcontract the management of their packaging and waste.

Italy

In Italy, Legislative Decree No. 22/97 dictates obligations in terms of glass collection and recycling. Based on this decree, “Co.Re.Ve” (the glass recovery consortium) was created in October 1997 and is tasked with collecting and recycling used glass.

1.5.3.1.2. Regulations for the glass making industry

The Group is also subject to regulations aimed at managing the emissions of pollutants, which have increased in recent years.

Pursuant to European Council Directive 96/61 EC of 24 September 1996 on the prevention and integrated reduction of pollutants (the “IPPC Directive”), for an operating permit to be granted, the Group’s facilities had to be operated such that all of the “best available techniques” were implemented to prevent pollution. Directive 2010/75/EU, the Industrial Emissions Directive (IED), replaced and reinforced the IPPC Directive. Thus, for an operating permit to be granted, the emissions from the Group’s facilities must not exceed certain limits, the value of which is established based on the “best available techniques” as defined in the European Commission’s enforcement decision establishing conclusions on the best available techniques for the production of glass under the IED of 28 February 2012. The IED was adapted in France within the framework of the Regulation on Classified Facilities, in Articles L. 515-28 *et seq.* of the French Environmental Code.

In addition, Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community, known as the “ETS Directive”, introduced a system of greenhouse gas emission allowances for carbon dioxide only in the European Union.

The ETS Directive is designed to reduce emissions of gas pollutants into the air by creating an EU-wide greenhouse gas emissions trading scheme. The European glass industry to which the Group belongs is covered in Annex I of this Directive.

The ETS Directive requires the development of a national allocation plan (NAP), setting out the total quantity of allowances allocated for a given period (first period: 2005–2007; second period: 2008–2012; third period: 2013–2020, fourth period: 2021-2030) and the breakdown of this allowance by site.

The ETS Directive thus allows Member States to impose a cap on the greenhouse gas emissions of the facilities concerned, and then to freely allocate them the allowances corresponding to this cap. The companies covered by the directive also have the option to trade allowances on the ETS. Thus, a facility that emits more than its allocation must purchase the missing allowances, i.e. the “polluter pays” principle, and conversely, a facility that emits less than its allocation can sell its unused allowances and thus benefit from income.

The ETS Directive was transposed to French law by Decree No. 2004-832 of 19 August 2004, as amended by Decree No. 2019-190 of 14 March 2019, now codified in Articles R. 229-5 *et seq.* of the Environmental Code; the distribution of allowances by operator was set for the 2013–2020 period by an order of 24 January 2014, as amended.

For the period between 2013 and 2020 (Phase III), the ETS was amended by Directive 29/2009/EC, which provides for a gradual reduction in the number of allowances placed on the market and revises the free allowance allocation system by introducing a European system based on product benchmarks. It also stipulates special provisions for industrial sectors that are considered to be exposed to "carbon leakages"[38]. The hollow glass sector, in which the Group operates, meets the criteria set out by the European Commission to be considered as an exposed sector, and is therefore eligible for free carbon credits, the total volume of which may not exceed the benchmark calculated on the basis of the average performance of the most efficient installations in the European Union. European Commission Regulation 1031/2010 of 12 November 2010 on the auctioning of greenhouse gas emission allowances for the 2013–2020 period completes this Regulation.

For the period from 2021 to 2030 (Phase IV), Directive 2018/410/EU of 14 March 2018 on enhancing cost-effective emission reductions and low-carbon investments, particularly provides for an acceleration of the annual decrease in the total number of allowances in circulation, in order to increase the pace of emission reductions. The Group's policy in this area and the expected impact on its business is described in more detail in Section 1.3.1.2 "Changes in raw material and energy prices".

The Group's operations are also subject to the requirements of air quality directives, such as Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe, as amended, which merged most of the existing air quality directives and which imposes, among other things, emission limits for certain substances such as sulphur dioxide. Furthermore, operations must comply with the requirements of the Water Framework Directive of the European Parliament and of the Council 2000/60/EC adopted on 23 October 2000, aimed in particular at preventing and reducing water pollution. The Group must also comply with the national regulations that transpose Directive 2002/49/EC of the European Parliament and Council of 25 June 2002 on the assessment and management of environmental noise.

The Group is also subject to Directive 2004/35/EC of the European Parliament and Council dated 21 April 2004 on environmental liability with regard to the prevention and remedying of environmental damage, based on the "polluter pays" principle. In addition, national regulations generally impose decontamination obligations on present and past owners, operators or users of contaminated sites, as applicable.

Finally, some countries in which the Group is present (notably Germany and Italy) have established subsidies tied to the cost of energy. In Germany, the Group, as a high energy-consumption company, thus benefits from an exemption or reductions in some taxes applied to electricity prices. In Italy, a scheme introduced in 2005, from which the Group benefits, provides for the allocation of energy saving certificates (Certificati Bianchi), in the event of the implementation of energy efficiency improvement measures; these certificates can be traded on a regulated market and sold to electricity distributors. In addition, since the second half of 2013, the Group has benefited in Italy from subsidies on certain items included in the prices of its electricity consumption. Until 31 December 2017, these subsidies were in the form of reimbursements; as of 1 January 2018, they result in a reduction in the cost of its power consumption.

1.5.3.1.3. Regulations regarding chemical substances

Regulation (EC) No. 1907/2006 of the European Parliament and of the Council of 18 December 2006 on the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH Regulation") imposes a series of obligations on all industrial sectors, including the glass industry, regarding the registration, use and restriction of chemical substances used in production processes. As such, the Group is subject to an obligation to provide information on the risks of the substances used: for example, it must provide information to users directly down the supply chain, such as the declaration that the substance is not subject to authorisation or the imposition of a possible restriction. Moreover, although glass is exempt from the registration obligation as a downstream user of substances, the Group must communicate its uses of substances to suppliers so that they are covered in their registration files.

The Group keeps a close eye on changes to the list of substances that are subject to authorisation or restrictions in order to fulfil, where necessary, its obligation to communicate with its customers.

38 A "carbon leak" is a situation in which a company, in order to escape the costs related to climate policies, moves its production to another country that applies less stringent rules for limiting emissions.

1.5.3.2. Legislative and regulatory environment in Latin America

In Latin America, the Group is also subject, particularly in Brazil and Argentina, to a legislative and regulatory environment similar to the one described above, particularly for the protection of consumer health and protection of the environment.

Brazil

Federal law No. 6. 938/1981 stipulates that industrial operations that use environmental resources and are considered to be potentially polluting, or that can cause environmental damage, are subject to environmental authorisation. Industrial operations, like those of the Group's Brazilian subsidiary, must comply with the parameters for atmospheric emissions defined by the national air quality monitoring programme established by Resolution No. 05/89. In addition, in accordance with the national policy on solid waste (Federal Law No. 12.305/2010), the producer is responsible for the elimination of the hazardous and non-hazardous waste that it produces. Moreover, packaging materials that are in contact with liquid and solid food must comply with the rules stipulated by the Brazilian National Health Monitoring Agency. Finally, since 2018, Brazil has been studying the introduction of a regulation to control the use of chemical substances, inspired by European Directives (like REACH). On 9 May 2023, the Brazilian Constitution, Justice and Citizenship Commission (CCJC) approved the National Chemicals Law (PL 6120/19). The bill will now be submitted to the Senate for consideration.

Argentina

Law No. 24.051 on hazardous waste promulgated in 1992 (the "HWL" - Hazardous Waste Law), and Decree No. 831/93 govern the production, transport, treatment and elimination of hazardous waste. The HWL defines hazardous waste as waste that could harm humans, flora or fauna, or pollute the soil, water, or the environment in general. All companies involved in the production, transport, treatment and elimination of hazardous waste, like the Group's Argentine subsidiary, must be registered in the register of producers and users of hazardous waste, which is kept by the Office of Natural Resources and the Environment, the governmental organisation responsible for applying the law. This organisation issues environmental certificates authorising the production, transport, treatment and elimination of hazardous waste, subject to compliance with certain requirements of the HWL. In addition, the National Food Code stipulates that packaging products that come in contact with liquid and solid food must first be authorised by the competent government authority. This obligation applies to packaging products manufactured in Argentina and to products imported from a third country.

1.5.4. Sales and marketing policy

The Group's main operations are centred on the development, production and sale of glass packaging for the food and beverage industries.

In terms of marketing, and in general, all of the Group's companies must be able to offer customers services tailored to their local market. This requires having efficient tools that are compliant with local standards.

These policies are aligned as closely as possible with the history, trends and sensitivity of each of the regional markets. The marketing and product development organisation of each of the Group's companies has been developed accordingly. The Group also relies on its sales and marketing teams comprising more than 340 locally based employees, who work in close collaboration with customers.

The Group believes that its understanding of local markets, customer expectations and the competition allows it to better adapt its pricing, product and service policy to obtain the best performance. This policy is mainly reflected in an extended and scalable offering in terms of products and services (see Section 1.3.2 "Overview of the Group's products and services" in this Universal Registration Document).

2

EXTRA-FINANCIAL PERFORMANCE STATEMENT

2.1. Our CSR strategy: re-imagine glass for a sustainable future

Editorial by Patrice Lucas, CEO of Verallia

As social and environmental challenges become increasingly vital to all companies to ensure their sustainability, it is incumbent on us to share our vision and our concrete actions in tackling these issues.

This Non-Financial Performance Statement reflects our deeply held belief that a company's success cannot be measured by its financial achievements alone, but must also take into account its impact on society and the environment. This vision is perfectly embodied in our corporate purpose, "Re-imagine glass for a sustainable future", and in our commitment to the principles of the United Nations Global Compact, which we joined in 2016.

In these pages, you can read about our goals and initiatives in social, societal and environmental responsibility. Our approach to non-financial performance is founded on transparency, the measurement of our impact, and responsibility at every level of our organisation. We invest in our infrastructure, promote diversity and inclusion, and work in close collaboration with our stakeholders to rise to the challenges of our times.

We do not view these efforts as regulatory obligations, but rather as voluntary commitments. This is why our teams are already working to prepare for the entry into force on 1 January 2025 of the Corporate Sustainability Reporting Directive (CSRD), whose main objective is to standardize sustainability reporting by companies while improving the availability and quality of environmental, social and governance (ESG) data published.

On behalf of Verallia, I would like to thank our stakeholders, who inspire us and support us in turning our CSR roadmap into a true collective success. Together, we are building a world where economic success is inextricably linked to the positive impact we have on society and our planet.

PURPOSE	RE-IMAGINE GLASS FOR A SUSTAINABLE FUTURE		
3 AXES	**ENHANCING THE CIRCULARITY OF GLASS PACKAGING**	**DECARBONISING OUR ACTIVITIES**	**ENSURING A SAFE AND INCLUSIVE WORK ENVIRONMENT FOR ALL**
CSR ACTIONS	**Maximise** the use of cullet in our products	**Increase** the proportion of low-carbon raw materials	**Guarantee** teams' safety
	Expand glass reuse	**Optimise** the energy consumption and **develop** low-carbon furnaces	**Promote** diversity and inclusion
	Raise awareness and expand glass recycling	**Increase** renewable or low-carbon energy	**Support** the development of our employees' skills
	Develop eco-design for sustainable products	**Reduce** our Scope 3 emissions	**Foster** employee well-being
	Optimise water use and reduce our waste	**Contribute** to soil regeneration	**Partner** with our communities
FOUNDATION	COMPLYING WITH OUR VALUES AND OUR ETHICAL PRINCIPLES WITH OUR SUPPLIERS, CLIENTS AND EMPLOYEES.		

2.1.1. Risk identification methodology

Carried out in 2018, the materiality analysis enabled us to cross-reference the internal vision of the importance of CSR issues with the expectations of stakeholders. The analysis was updated in 2022 to take into account evolutions in CSR issues (in particular global warming, scarcity of resources, biodiversity) and changes in the expectations of our stakeholders, who are increasingly experienced and interested. The analysis has enabled us to fuel:

- the Group's strategy;
- the vision of the Group's non-financial risks in relation to the work carried out by Verallia's financial risk compliance management.

The materiality analysis was conducted in three steps:

- identifying priority issues based on analysis of available documentation and interviews with key stakeholders of the Group (analysis of the Group's activities and environment), supplemented by an industry benchmark carried out by a consulting firm, sectoral risk databases (MSCI and SASB) and working with Risk Management at Verallia Group level;
- sharing these issues with key stakeholders;
- prioritizing issues by comparing the expectations of stakeholders and the vision of the Group's management. The rating scale was defined liaising with the Risk Management Department, and by criterion. Different components have been taken into account to determine priority risks and opportunities. The impact on people, operations, the environment, and the image/ reputation of the Group was discussed and incorporated. A consensus was reached using an electronic vote carried out during a joint workshop guided by a consulting firm, in which the members of the Group's Executive Committee, the main support functions and operational staff of the French and Spanish entities participated.

The materiality analysis compiles the specific issues relating to our activities (glass, decoration, cullet treatment) and to our local presence. It also highlights the eight main CSR risks and opportunities for the Group. Monitoring indicators have been defined for each of these risks with associated objectives. Each year, the Non-Financial Performance Statement is where changes in these different indicators are communicated, as well as the achievement of the objectives set.

In 2024, we will conduct a double materiality assessment that will take into account financial materiality and impact materiality, namely the sustainability issues that affect society and the environment beyond the company's financial performance alone. This assessment, which is required under the CSRD (Corporate Sustainability Reporting Directive), will enable us to confirm which issues are most relevant for the Group. It will be published in our sustainability report in March 2025 as part of our 2024 reporting documents.

2.1.2. CSR risk mapping

Integrating the circular economy in product manufacturing and the value chain	
Definitions of risks and negative impacts	**Definitions of opportunities and positive impacts**
Risks for our businesses: • The Group and its customers are subject to regulations related to the circular economy which vary according to the countries in which they operate. • The emphasis on circularity in product manufacturing and the value chain may entail significant investment costs (equipment, innovation, establishment of collection channels, etc.). • The Group may be confronted with market tension stemming from changes in raw material costs or the scarcity of raw materials (particularly cullet).	**Opportunities for our businesses:** • Improving operational processes and diversifying raw materials can reduce costs. • Improving product circularity and above all using cullet can have a positive impact on stakeholders, especially customers. • Strengthening the circular economy at Verallia could facilitate access to investment schemes if it is reflected in a good non-financial rating and the consideration of investors' expectations.
Negative impacts on people and the environment: • The use of finite resources to manufacture glass packaging may have a negative impact on the environment, either directly (especially in relation to the Group's activities) or indirectly (on stakeholders in the value chain).	**Positive impacts on people and the environment:** • The integration of circularity in product manufacturing and the value chain allows the Group to have a positive impact on recycling through a bottle-to-bottle approach, as well as through the reuse of glass, and as such to lessen the use of natural resources.
URD references	
Major risks: 4.1.1.3 Risks related to changes in the price and shortages of raw materials and cullet 4.1.4.3 Risks related to substantial investments and their financing	**Consolidated Non-financial Performance Statement (DPEF) chapters:** 2.2.1 Be a major player in the circular economy 2.2.2 Develop eco-design for responsible products

Optimising water use and reducing wastes and discharges into water, air and soil	
Definitions of risks and negative impacts	**Definitions of opportunities and positive impacts**
Risks for our businesses: • The Group is subject to different regulations relating to waste management, water, air emissions and soil discharges depending on the countries in which it operates. • Verallia may face reputational risks, financial risks or business continuity risks following complaints from neighbouring residents in the event of poor management of discharges and nuisances, and difficulties that may receive media coverage. Nevertheless, this risk which varies considerably across production sites is deemed relatively immaterial. • Verallia may face a risk related to the cost of investments in infrastructure and equipment for managing effluents or air emissions, as well as their maintenance (employee training, technology monitoring, etc.).	**Opportunities for our businesses:** • Optimising its use of water resources (treatment of wastewater, etc.) and pursuing good waste management (reduced treatment costs) could be financially beneficial to Verallia.
Negative impacts on people and the environment: • The production of toxic aqueous, solid or gaseous effluents (chemicals, fumes, VOCs, oils, etc.) can have a negative impact on the environment and human health. Although no toxic materials (products subject to the REACH regulation) are used in the manufacture of glass, products considered potentially hazardous under regulations in force may be used in factories.	**Positive impacts on people and the environment:** • Making glass from products that do not harm human health or biodiversity, while preserving natural resources and reducing waste and discharges, can have positive impacts on people and the environment.
URD references	
Major risks: 4.1.2.1 Risks related to the operation of industrial sites 4.1.3.1 Risks related to environmental regulations	**Consolidated Non-Financial Performance Statement (DPEF) chapters** 2.2.3 Optimize water use and reduce our waste 2.3.3 Contribute to soil regeneration

<table>
<tr><th colspan="2">Energy efficiency and carbon footprint of our operations</th></tr>
<tr><th>Definitions of risks and negative impacts</th><th>Definitions of opportunities and positive impacts</th></tr>
<tr><td><u>Risks for our businesses:</u>
The Group may be subject to climatic impacts on some of its sites due to a higher frequency of certain extreme events (e.g. storms, earthquakes, floods) or local climatic conditions impacted more durably (water stress, more frequent droughts).
The Group is subject to various environmental regulations, including compliance with GHG emission thresholds, mainly in Europe (although legal obligations in this area are mounting worldwide).
There is a risk linked to the cost of investments to improve energy performance and implement the GHG emission reduction trajectory (equipment, innovation, intensification of the use of low-carbon energy, etc.). It should be noted that at this stage, the price of a ton of CO2 has little impact for Verallia
There is a financial risk in the event of a pronounced dependence on energy sources whose price is volatile or liable to increase significantly.
Verallia may be subject to the competitive risk of alternative food packaging that is more energy efficient or has a smaller carbon footprint.</td><td><u>Opportunities for our businesses:</u>
Improving energy efficiency and diversifying energy sources in a context of heightened tension in the energy market could represent a financial opportunity.
Improving the energy efficiency and carbon footprint of our operations could facilitate access to financing if that is reflected in a good non-financial rating and the consideration of stakeholders' expectations on climate challenges (e.g. TCFD, EU Green Taxonomy).</td></tr>
<tr><td><u>Negative impacts on people and the environment:</u>
The extraction of natural resources for the production of energy and the emission of greenhouse gases, whether directly (linked to activities) or indirectly (in the value chain), may have negative impacts on the environment.</td><td></td></tr>
<tr><th colspan="2">URD references</th></tr>
<tr><td>Major risks:
4.1.1.1. Risks related to changes in demand for glass packaging, competition from producers of other types of packaging and the possible substitution of other materials for glass packaging
4.1.1.2 Risks related to energy shortages and costs
4.1.3.1 Risks related to environmental regulations
4.1.3.2 Risks related to the energy transition (CO_2 emissions reduction)
4.1.3.3 Risks related to the physical impacts of climate change</td><td>Consolidated Non-Financial Performance Statement (DPEF) chapters:
2.3.1 Reduce emissions from our sites (Scope 1 and 2)
2.3.2 Reduce Scope 3 emissions (transport, materials and packaging)</td></tr>
</table>

Occupational health and safety	
Definitions of risks and negative impacts	**Definitions of opportunities and positive impacts**
Risks for our businesses: • Verallia may face risks of cost overruns related to business continuity in the event of a major impact from workplace incidents (insufficient staff, disorganisation of production lines, or protest movements leading to a stop in work). • Financial, legal and/or reputational risks related to non-compliance with Occupational Health and Safety (OHS) regulations and, beyond that, the guarantee of safe working conditions for employees could impact the Group. • Investors or other stakeholders could pull out in the event of an increase in incidents at Verallia sites.	**Opportunities for our businesses:** • Verallia's employer image with stakeholders and especially with employees could be strengthened by a focus on OHS challenges within the Group (e.g. ergonomics, projects to improve employees' occupational health), as this is a differentiating factor within the sector and in heavy industry.
Negative impacts on people and the environment: • Insufficient measures to protect the health and safety of employees, subcontractors and temporary workers could have negative impacts.	**Positive impacts on people and the environment:Positive impacts on people and the environment:** • By ensuring effective health and safety protection measures for employees, subcontractors and temporary workers, the Group could have a positive impact on people, both internally and externally.
URD references	
Major risks: 4.1.2.5 Risks relating to the implementation of the Group's operational excellence program 4.1.2.6 Risks relating to health and safety in the workplace 4.1.5.3 Risks relating to ongoing litigation and investigations, particularly concerning occupational illnesses	**Consolidated Non-Financial Performance Statement (DPEF) chapter:** 2.4.1 Ensure the health and safety of everyone

Employee engagement, inclusion, and social dialogue	
Definitions of risks and negative impacts	**Definitions of opportunities and positive impacts**
Risks for our businesses: • Verallia may face financial, legal and reputational risks in the event of non-compliance with regulations, in particular regarding non-discrimination within the Group. • There are risks related to good operational management of operations (cost overruns, delays, even threats to business continuity) in the event of difficulties in recruiting, or high turnover or absenteeism.	**Opportunities for our businesses:** • Employee engagement, inclusion and social dialogue can be a source of opportunity by improving the company's attractiveness and helping retain employees through the promotion of inclusion and the diversification of recruitment pools, as well as through the roll-out of measures aimed at fostering employee engagement (wages, well-being at work, etc.).
Negative impacts on people and the environment: • There may be negative impacts on people in the event of non-compliance with employee rights regarding non-discrimination, well-being in the workplace, etc.	**Positive impacts on people and the environment:** • There may be positive impacts on employees if the Group demonstrates a strong commitment to non-discrimination, well-being at work, etc.
URD references	
Major risks: 4.1.2.8 Risks related to labour relations and human resources	**Consolidated Non-Financial Performance Statement (DPEF) chapters:** 2.4.2 Attract and retain talent 2.4.3 Promote diversity and inclusion 2.4.4 Support the development of our employees and prepare our talent 2.4.5 Drive social progress and better working conditions 2.4.6 Create partnerships with our communities

Social and environmental risks in the subcontracting chain	
Definitions of risks and negative impacts	**Definitions of opportunities and positive impacts**
Risks for our businesses: • Verallia may face business discontinuity and the associated financial impacts if strategic suppliers and subcontractors mismanage their social and environmental impacts, causing them to cease their operations. • The Group may face risks relating to the tightening of regulations extending responsibility over the entire value chain. Likewise, its reputation may be impacted in the event of major incidents at the sites of subcontractors or suppliers directly associated with Verallia.	**Opportunities for our businesses:** • Creating partnerships or joint ventures with suppliers can make it possible to secure supplies, including in times of crisis, create synergies on shared challenges (joint innovation), improve the Group's image, and so on.
Negative impacts on people and the environment: • The Group may face negative impacts in the event of a failure to ensure the health and safety of people working within the subcontracting chain, respect for people's rights, or protection of the environment within the upstream subcontracting chain.	**Positive impacts on people and the environment:** • There may be positive impacts if health and safety protection, respect for people's rights, and environmental protection are ensured in the upstream subcontracting chain..
URD references	
Major risks: 4.1.2.7 Risks related to relations with certain strategic suppliers and subcontractors	**Consolidated Non-Financial Performance Statement (DPEF) chapter:** 2.5.2 Build engaging and respectful relationships with our suppliers

Compliance with applicable regulations, fight against corruption, personal data protection	
Definitions of risks and negative impacts	**Definitions of opportunities and positive impacts**
Risks for our businesses: • The Group may be exposed to legal, financial and image risks in the event of non-compliance with local, national or international regulations in force (anti-corruption, competition law, intellectual property, tax evasion, GDPR, etc.). Exposure to risks related to personal data protection are also intensifying due to the tightening of regulations on data protection. • The Group's image may be exposed to risks in the event of poor management of business ethics, which may give rise to impacts on relationships with key stakeholders (business partners, institutions, suppliers, etc.), as well as to financial impacts. • There may be a risk of investor disengagement in relation to non-compliance with regulations or the existence of proven issues in respect of business ethics or data management.	**Opportunities for our businesses:** • Recognition of the quality of the Group's ethical practices could have a positive impact on the brand's overall reputation.
Negative impacts on people and the environment: • Non-compliance with social, environmental or human rights laws (e.g. failure to protect personal data) may have a negative impact on the Group.	
URD references	
Major risks: 4.1.2.2 Risks related to geopolitical aspects and the Group's international activities 4.1.5.1 Risks related to compliance 4.1.5.2 Risks related to taxation and customs barriers	**Consolidated Non-Financial Performance Statement (DPEF) chapter:** 2.5.1 Complying with key legislation (corruption, competition, embargoes, personal data, information security)

Cybersecurity*	
Definitions of risks and negative impacts	**Definitions of opportunities and positive impacts**
Risks for our businesses: ● Significant business continuity risks could arise in the event of a major cyberattack impacting one or more of Verallia's key sites, potentially causing significant financial and image impacts. Exposure to risk in respect of digitalization is becoming increasingly significant. ● There may also be risks related to the protection of personal data, as described above under the risk "Compliance with applicable regulations, fight against corruption, personal data protection".	
Negative impact on people and the environment: ● Negative social and environmental impacts can occur in the event of a cyber attack.	
URD references	
Major risks:	**Consolidated Non-Financial Performance Statement (DPEF) chapter:**
4.1.2.1 Risks related to information systems	2.5.1 Complying with key legislation (corruption, competition, embargoes, personal data, information security)

* *The "**cybersecurity**" risk is less significant for the Group and stems directly from the main risk "**Compliance with applicable regulations, fight against corruption and personal data protection**".*

Quality of our products	
Definitions of risks and negative impacts	**Definitions of opportunities and positive impacts**
Risks for our businesses: ● The Group could face critical business continuity risks in the event of non-compliance with regulations, norms and standards on the packaging of food products intended for consumption (presence of toxic substances, preservation requirements, etc.). ● Verallia could face additional costs related to quality incidents (product recalls, fines, resumption of production, treatment of non-compliant products, etc.). ● Customers may be dissatisfied in the event of non-compliance with production specifications, causing financial impacts or damage to the Group's reputation.	**Opportunities for our businesses:** ● The Group could improve its image if the quality of the products meets stakeholders' requirements, as this can serve as a differentiating criterion
Negative impacts on people and the environment ● A quality issue affecting one of our products could have negative impacts on the health and safety of end consumers and on their confidence in Verallia products.	
URD references	
Major risks :	**Consolidated Non-Financial Performance Statement (DPEF) chapter:**
4.1.2.10 Risks related to defective products	2.5.3 Ensure product quality and safety for customer satisfaction

2.1.3. CSR governance

Roles	Name of body	Main work in 2022
Approval of strategy and control	Board of Directors	*Reviews and monitors CSR KPIs, the Consolidated Non-Financial Performance Statement (Chapter 2, URD), and the CSR Report.* *Number of meetings: 7 (93% participation)*
Coordination and monitoring	Sustainable Development Committee(1)	*Examines the Consolidated Non-Financial Performance Statement and the associated objectives and KPIs; reviews reuse projects, worldwide outlook, donations, non-financial ratings, and ESG financing.* *Number of meetings: 4 (100% participation)*
Strategy definition and implementation	Executive Committee	*Follows up on the CSR roadmap, and revises energy and cullet budgets.* *Number of meetings: 11*
Contacts in the entities	CSR Department and network*	*The Group CSR Department is in contact with regional CSR correspondents (2) about the CSR strategy, changes to it, and local actions. Division correspondents are responsible for deploying Group strategy, monitoring local initiatives, and sharing "Good CSR Practices."* *Number of meetings: 4 + monthly meeting with each correspondent*
Ownership	Employees	*Participate in "Verallia Days" on various CSR topics: Health & Safety Day, Environment Day, Quality Week.* *Number of events: 6*

(1) 5, including 1 independent member: Virginie Helias, Chairwoman of the Committee and Independent Director, Michel Giannuzzi, Chairman of the Board of Directors, Sébastien Moynot, representative from Bpifrance Investissement, Xavier Massol, Employee Representative Director, Beatriz Peinado Vallejo, Employee Shareholder Representative Director.

(2) The diversity of the positions and skills of these local correspondents (HR, EHS, Marketing, Communications) makes it possible to address all sustainable development issues. There is at least one Sustainable Development correspondent per region.

It should be noted that sustainable development topics are systematically addressed in all committees.

Sustainable development as a compensation criterion

The vast majority of the employees working in plants receive compensation that includes a variable component. For 64% of these employees, their variable compensation (individual or collective) includes one or more CSR criteria. In fact, CSR criteria factor into the variable compensation calculation for all categories of employees in France, Germany, Italy and Ukraine, and all managers throughout the Group.

For all management-level employees (support, industrial and commercial functions), the bonus system or variable component is the same for everyone.

Two main CSR criteria are involved:

- safety (TF2)[39]
- the external cullet rate which has a direct impact on reducing CO2 emissions

Finally, criteria that are guidelines for awarding complimentary shares under the "Long Term Incentive Program" also include CSR objectives:

1. Reducing CO2 emissions.

2. Occupational gender equality index. This criterion evolved in 2022, in favour of the percentage of female managers.

These schemes testify to the Group's desire to increase each person's awareness of their individual impact on reaching common goals.

[39] TF2: Frequency rate 2: Number of accidents, with and without lost time, per million hours worked.

ESG (Environment, Social, Governance): the new essential criteria in finance

Since 2021, Verallia has pursued an ambitious policy that puts its ESG commitments at the core of its financing strategy. ESG criteria are becoming indispensable to any financial strategy.

At Verallia, we prefer the notion of "ESG financing" over "green financing" because the former goes beyond including just the environment to embrace social and governance criteria as well. "Green" financing will fund predominantly environmental projects, whereas the amounts raised through "ESG" financing can be used to fund any kind of project.

Verallia has opted to tie some of its financing to ESG criteria. When it comes to funding activities, a company can turn to two main avenues of financing: issuing bonds on a financial market (ESG bonds are known as SLBs, sustainability-linked bonds) or borrowing from banks, whose ESG options are known as sustainability linked loans (SLLs). These financing mechanisms are linked to ESG criteria (key performance indicators), such as reducing greenhouse gas emissions or appointing more women to their boards of directors, which are defined by the borrowing company. If these goals are not met, the cost of borrowing increases (higher margin or step-up). For bank borrowings (SLLs), a company may also be entitled to a bonus if it meets its goals.

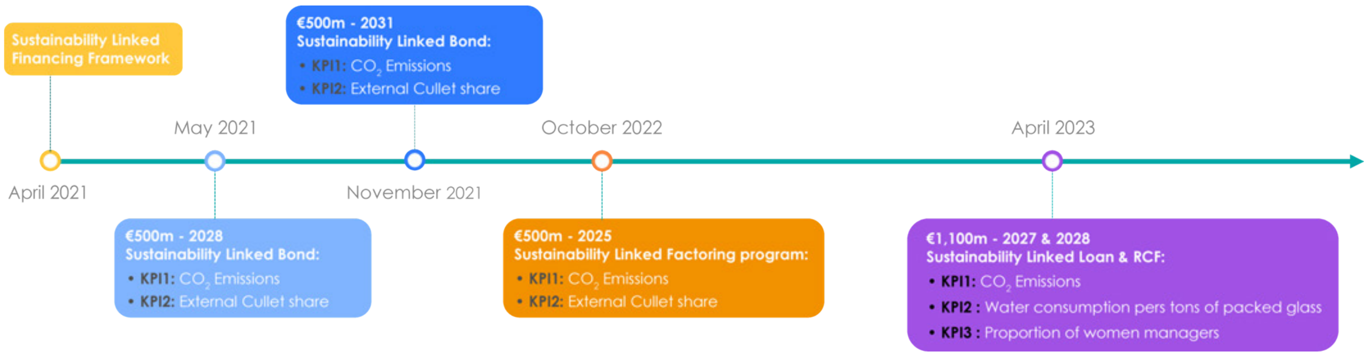
For ESG bonds, the relevance and ambition of the criteria that will determine the penalties must be reviewed by an independent agency, known as a second-party opinion provider, which assesses them as weak, limited, robust or advanced. For its most recent transaction, Verallia earned the most ambitious assessment from the rating agency Vigeo Eiris (since renamed Moody's ESG solutions). These criteria are founded on the CSR strategy Verallia shared with the market in January 2021 and must comply with the regulations established by the authorities (sustainability-linked bond/loan principles).

Verallia, a pioneer in ESG financing

In January 2021, Verallia published its ESG roadmap, which laid the foundation for the "Sustainability-Linked Financing Framework", an essential document for setting up ESG financing schemes. In May 2021, Verallia became the first French company to list sustainability-linked bonds with the French financial markets authority, the AMF. At first, Verallia focused its criteria on reducing CO2 emissions and improving the rate of external cullet used to produce glass packaging. However, its most recent ESG financing arrangement also incorporates the percentage of women managers and decreases in water consumption, which are closely linked to the Group's CSR strategy.

Verallia's latest innovation dates to 2022, when it became the first group to peg remuneration for its factoring program (the outsourcing of invoice collections) to ESG criteria. Unlike bank loans and bonds, if these criteria are not met, a sum will be paid to Reforest'Action, an organisation devoted to regenerating large-scale terrestrial ecosystems to address the environmental challenges faced by our planet.

Here is a timeline of ESG financing at Verallia.



Sustainable development dashboard

Sustainable development strategy pillars(1)	Commitments	Objective	Performance indicators	Reference year results	2023 (2) Results	2025 (3) Target	2030 Target
Enhancing the circularity of glass packaging	Maximise the use of cullet in our products	Reach a rate of 59% in the use of external cullet in our production by 2025 and 66% by 2030	Rate of external cullet use in our glass production	49% 2019	54,1%	59%	66%
	Develop glass reuse	Test at least one pilot reuse project in France by 2025.	Number of pilot projects	0 2020	1	1	
	Develop eco-design	Reduce the weight of our standard and non-returnable bottles and jars by 3% by 2025 compared to 2019.	Alpha coefficient	16 2019	15.7	15.5	
	Optimise water use	Reach 0.4 m3/TPG water consumption in glass plants by 2025	Cubic metres of water consumed per tonne of packed glass (TPG)	0.58 2020	0.5	0.4	
	Reduce waste	Reach a 75% waste recycling rate by 2025	Waste recycling rate	65.5% 2020	75%	75%	
Decarbonising our activities	Reduce CO_2 emissions from our sites (Scopes 1& 2)	Reduce our CO_2 emissions (Scopes 1 & 2) by 46% in absolute terms by 2030 compared to 2019	Scopes 1 & 2 CO_2 emissions (kilotonnes CO_2)	3,090 kt CO_2 2019	2,603 kt CO2	2,625 kt CO2	1,669 kt CO2
			CO_2 emissions reduction in % (Scopes 1 & 2) vs. 2019	Reference year 2019	-15.8%	-15%	-46%
	Reduce Scope 3 CO_2 emissions	Maintain our Scope 3 CO_2 emissions below 40% of the Group's total emissions	Scope 3 CO_2 emissions (kilotonnes CO_2)	1,765 kt CO_2 2019(4)	1,534.00	< 1,751 kt CO_2	< 1,112 kt CO_2
			Share of Scope 3 emissions in the Group's total emissions, in %	37% 2019	37%	<40%	<40%
	Develop renewable or low-carbon energies	Reach 60% certified renewable or low-carbon electricity by 2025	Share of certified renewable or low-carbon electricity in total electricity consumed	34% 2020	59%	60%	90% in 2040
	Contribute to soil regeneration	Plant at least 100,000 trees per year from 2019-2025	Number of trees planted since 2019	100,000 2019	513,000	700,000	
Ensuring a safe and inclusive place to work	Ensure the health and safety of everyone	Aim for zero accidents and achieve TF2 < 1.5 by 2025	Accident frequency rate (with or without lost time) (TF2):	5.5 2019	2.8	≤1.5	
	Promote diversity and inclusion	Reach 35% female managers at the Group level by 2025	Share of female managers	29% 2019	32.2%	35%	
		Reach 4.5% employment of people with disabilities by 2025	Share of employees with disabilities	3% 2019	4.1%	4.5%	
	Support employee skills development	Double employee share ownership by 2025 compared to 2019	Capital held by employees	2.6% 2019	3.8%	>5%	

Sustainable development strategy pillars(1)	Commitments	Objective	Performance indicators	Reference year results	2023 (2) Results	2025 (3) Target	2030 Target
Complying with our ethical principles with our suppliers, clients and employees.	Comply with key regulations	Ensure zero convictions or fines in respect of our key regulations	Number of convictions or fines	0 2019	0	0	
	Build engaging and respectful relationships with our suppliers	Ensure that 90% of purchases are covered by the Supplier Charter by 2025	% of purchases covered by the Supplier Charter	73% 2020	88%	90%	
	Master and continuously improve quality in our production processes	Reduce the rate of customer claims by 35% by 2025 as compared to 2020	% decrease in customer claims vs. 2020	Reference year 2020	-20%	-35%	

(1) Sustainable development strategy pillars: refer to our detailed contributions to Sustainable Development Goals in 2.7 Annexes

(2) 2023 Results: The results are reported at constant scope compared to 2022 (the performance of Verallia UK is excluded) to ensure a proper assessment of the Group's performance against its targets. The Group's overall performance is presented in section 2.7.2 Table of non-financial performance indicators.

(3) 2025 Target: The 2025 objectives will be revised during the 2024 financial year.

(4) Scope 3 historical data have been recalculated in 2024 using the latest methodology. Historical data for 2019 is 1,810 kTo and recalculated data is 1,765kTo.

2.1.4. Verallia's application of the EU Green Taxonomy to its activities

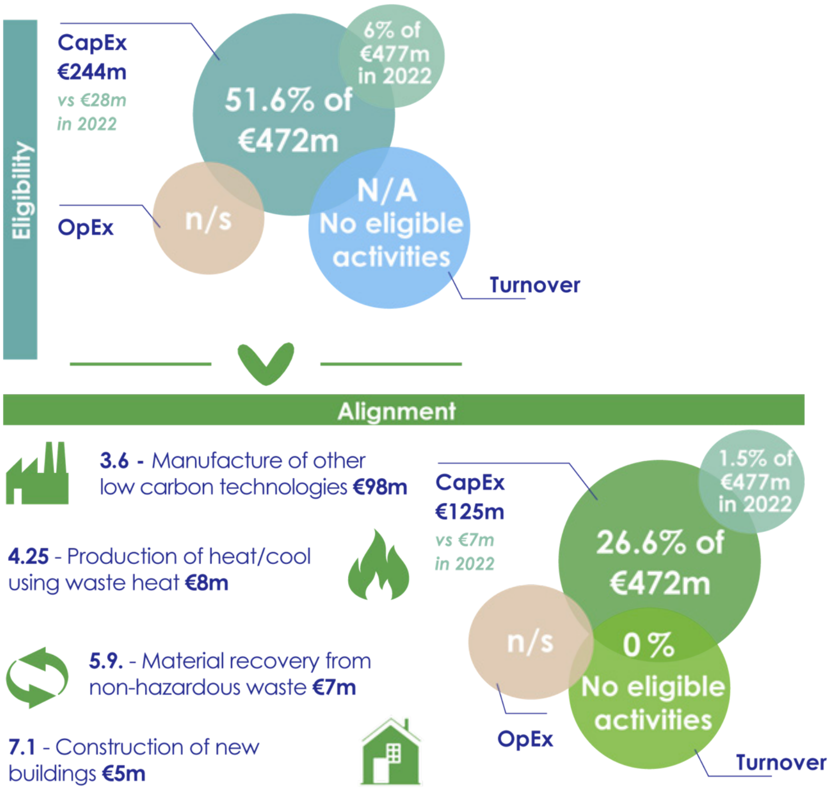
In order to comply with European Regulation 2020/852, the delegated acts supplementing it (respectively the Climate Delegated Act and the delegated act governing the other four objectives) and its annexes on disclosure conditions (the Disclosures Delegated Act), Verallia has applied the European Taxonomy since 2021 by analysing its eligible activities based on the corresponding technical screening criteria. Where climate mitigation and adaptation are concerned, the European Commission prioritises those activities that are most responsible for Scope 1 and 2 emissions, emphasising their considerable potential to undergo a transformation and contribute to emission reductions. Where the other four environmental objectives are concerned, the scope of application established by the European Commission initially addresses sectors generating significant environmental impacts - whether positive or negative - on each objective. At this stage, therefore, there are many economic sectors - including the glass sector - that are still not covered by the delegated regulations on the six environmental objectives.

The results of the Group's taxonomy indicators are shown in the diagram below and explained in detail in the methodological note in chapter 2.7 Appendices.

For the purposes of this exercise, Verallia has published a capex-eligibility KPI, with capex related to individual

measures, of 51.6%. This percentage is significantly higher than last year's. Half of the increase relates to regulatory changes, in particular the incorporation of the four new objectives (of which the circular economy objective, **which has added €91.4 million to the Group's scope of eligible activities**), and it also reflects the Group's determination to become more energy-efficient (by investing €119 million in electric and Heat-Ox furnaces). Verallia reported a capex-alignment KPI of 26.6% for 2023. This improved alignment ratio reflects the considerable efforts made by the Group to have its sustainable investments recognised by the Taxonomy, €98.2 million of which have been certified by an independent third party (particularly as regards activity 3.6).

In 2024, the eligibility and alignment of all the Group's investments will be analysed through the prism of all six objectives; they include the Spanish cullet[40] plants it has acquired, which will be analysed to measure their alignment with the circular economy objective.



[40] Cullet refers to broken glass that can be added to production and used as a raw material.

Our 2023 CSR Ratings

	2022	2023	
CDP	A-	A-	Climate Change • **A- rating maintained in 2023** • Effective measures taken to tackle climate change and transparent reporting
		B	Water Security • Having participated in this category for the first time, Verallia obtained a **B rating in 2023** • Effective measures and water management
ecovadis	78	85/100	**Platinum medal** For the third year running, Verallia wins the platinum medal, placing it among the top 1% of the 90,000 most virtuous companies in the world in terms of social and environmental responsibility. The efforts of our teams have been rewarded in 2023 with the highest score ever achieved by Verallia: 85/100.
MSCI	BBB	A	2023 ESG rating **upgraded to A**
SUSTAINALYTICS	14.2	14.7	Low risk

Our memberships

SCIENCE BASED TARGETS

Validation of our target to reduce our CO_2 emissions by 46% between 2019 and 2030 in alignment with the 1.5°C trajectory.

EURONEXT

Listed in the **CAC SBT 1.5° index** (a CAC 40 index centred around the climate).

UN GLOBAL COMPACT

Verallia has participated in the United Nations Global Compact since 2016 and pledges to shape its strategy and operations in accordance with the principles of human rights, labour laws, the environment and anti-corruption efforts, and to take measures that will draw it closer towards its objectives.

Sedex

A data platform through which our customers can access the 4-pillar SMETA audits performed at our sites, which cover all aspects of responsible business practices.

Certifications of our glass plants in 2023 including Verallia UK

Environment ISO 14001(1)	Health and safety OHSAS 18001 ISO 45001(2)	Quality ISO 9001(3)	Food safety ISO 22000 FSSC 22000(4)	Energy ISO 50001(5)
100%	100%	100%	100%	74%
2022-100%	2022-100%	2022-100%	2022-100%	2022-78%

(1) ISO 14001 defines the criteria of an efficient environmental management system.

(2) ISO 45001 replaced the OHSAS 18001 standard as of 2022. It specifies the requirements for establishing and using a high-performing occupational health and safety management system.

(3) ISO 90001 defines the criteria applicable to a quality management system.

(4) FSSC 22000 is based on the ISO 22000 standard. It combines the food safety requirements of both distributors and manufacturers. Our Chilean site of Rosario is certified BRCGS Food (Brand Reputation through Compliance of Global Standards). This a UK standard aimed at the integrity of food products, as recommended by the GFSI (Global Food Safety Initiative) and is identical to the FSSC22000 standard.

(5) ISO 50001 defines the practical procedures for reducing energy consumption through implementation of an energy management system.

Assessment of climate scenarios: physical risks and transition risks

In collaboration with AXA Climate, Verallia conducts an assessment of the **physical risks** that could affect its assets, as well as an identification of the so-called "**transition**" risks and opportunities to which the Group may be exposed as part of the transition to a low-carbon economy.

These studies are carried out to meet various objectives:

- take stock of present and future risks and opportunities, in the short term and longer term– in accordance with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures);
- define priorities for adaptation and resilience;
- lay the groundwork for action/adaptation plans to bolster the Group's resilience in the short and medium terms;
- meet the various requirements of current and future regulations.

The decision to conduct these studies concurrently speaks to their complementarity. These two components of the analysis give Verallia a detailed, comprehensive vision of its exposure, its vulnerability and its resilience to climate change on two levels: at Group level and, locally, at the site scale. To ensure the assessments are exhaustive, they are conducted in alignment with the various regulations and regulatory frameworks, such as the European Taxonomy and the TCFD.

For the physical risks component, the assessment was carried out on a portfolio of around 100 different assets owned by Verallia or its suppliers. The list of indicators assessed, the time scales (baseline, 2030, 2050) and the scenarios (SSP2-4.5, SSP5-8.5) selected for the study are aligned with the various regulatory recommendations and requirements (European Taxonomy, CDP, TCFD, CSRD and others).

For the component pertaining to transition risks and opportunities, the choice of time scales (2025, 2030) and scenarios– Nationally Determined Scenario (NDC) which corresponds to business as usual and Net Zero 2050– followed the same approach.

It is, however, important to note that the time scales and scenarios selected vary between the two assessments. Indeed, the objective of each of the analyses is to adapt to the most restrictive scenario. For the physical risks assessment, the detailed analysis and the prioritisation of assets are determined using the baseline scenario with the highest level of emissions and high dependency on fossil fuels (+2.4°C between now and 2050), namely the SSP5-8.5 scenario. Under this scenario, no policies restricting greenhouse gas emissions are considered, bringing about accelerated climate change and the physical impacts stemming from it. By using this scenario as the baseline for its adaptation plan, Verallia is ensuring that its assets will be resilient to the likely future situations reflected in the IPCC scenarios.

For the component pertaining to transition risks and opportunities, the selected scenario is the one that enables the attainment of the targets in the Paris Agreement (approximately 1.5°C by 2050). In the transition to a low-carbon economy, the scenario that limits global warming is the one that brings about the most constraints (and opportunities for transformation) for companies – on regulatory, market, technological and reputational aspects – compelling them to make profound changes in their production and distribution methods, cultures and organisations. Identifying transition risks and opportunities relating to compliance with the Paris Agreement enables Verallia to anticipate and prepare for their potential impacts on the Group.

Completing these two studies gives Verallia an exhaustive assessment of the potential impact of climate change on its activities so that it can enhance its action plans in order to improve its resilience while limiting its contribution to global warming.

The outcome of these assessments and the resulting updates to existing action plans will be communicated in 2024.

2.2. Enhancing the circularity of glass packaging

In this section

"Maximising the percentage of recycled glass in our products is a major pillar of our strategy. As leader in the glass packaging market, we must ensure the sustainability of our objectives, which means that we must continue to pursue vertical integration. Verallia currently produces the majority of the cullet used in its furnaces in Europe, which gives us control over the quality and the volumes introduced.

On the Iberian peninsula, where there is a promising outlook for the quality and volume of glass collected, Verallia acquired seven new strategic cullet treatment centres in 2023. We purchased three companies from the Santaolalla Group – Ecosan Ambiental, Ecolabora and Vidrologic – to add five new cullet treatment centres to the Verallia portfolio, covering both container glass and flat glass for industrial customers. The other two acquisitions were Revimon in Portugal and Infiniver in Seville.

Verallia now has 16 cullet treatment centres outside its glass plants, in addition to the three internal centres, and plans to make further investments in the glass recycling circuit to become a player in the logistics of used glass collection, which is a key stage in the value chain."

Stéfano Cassano, Group cullet purchasing director

2023 Key Figures[41]

54.1% external cullet rate

weight: - 1.3 % vs 2019
(according to the alpha index for standard single-use products)[42]

0.50 m3/TPG

Context and challenges

The circular economy represents a strategic focus for development at Verallia, both in terms of preserving resources and product innovation, and fighting climate change. This is why the actions detailed in this section pertain to all aspects of the production cycle: raw materials consumption, product eco-design, water and waste management, etc. The approach implemented fully aligns with our vision at the European level, which in France has been transposed into the AGEC (Anti-Waste for a Circular Economy) law.

Beyond any regulatory and environmental issues, Verallia is duty-bound to optimise how it manages critical resources to ensure that business continues. For example, in 2023, the Group was confronted with some difficulty in procuring cullet. As a consequence of new players entering the market, availability of this resource decreased, while prices increased. Moreover, glass collection method heterogeneity between countries and even cities impacts the quality of collected glass. This is why Verallia works daily to bring together players within the sector and among the regions in order to ensure standardisation of collection processes, and in the long term, make a way to increase the quantity and quality of external cullet used.

Key objectives and results

Commitments	Performance indicators	Reference year results	2023 Results(1)	Progress vs. 2022	2025 Target	2030 Target
Maximise use of cullet in our products	Rate of external cullet use in our glass production	49% in 2019	54.1%	-1.6 points	59%	66%
Develop glass reuse	Number of pilot projects	0 in 2020	1	target reached[43]	1	
Develop eco-design	Alpha coefficient	16 in 2019	15.7	'-1.25%	15.5	
Optimise water use	Cubic metres of water consumed per tonne of packed glass (TPG)	0.58 in 2020	0.50	+6.4%	0.4	
Reduce waste	Waste recycling rate	65.5% in 2020	75%	stable	75%	

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

[41] Verallia results exclusive of UK

[42] The Alpha index, as defined in French standard H35-077 on the geometry of glass bottles, expresses the degree of lightening of a product by relating its weight to its capacity, and is calculated as follows: weight / volume ^0.8. Applying the 0.8 power standardizes the calculation, whatever the capacity of the glass bottles.

[43] See chapter 2.2.14 Developing glass reuse.

2.2.1. Be a major player in the circular economy

2.2.1.1. Governance

Roles	Name of body	Main work in 2023
Strategy definition	Executive Committee	*Defines the cullet strategy, particularly pertaining to Verallia's priority areas (collection, processing, partnerships, etc.)*
	Industrial Department	*Defines investments pertaining to the cullet treatment centres. Oversees the deployment and implementation of the cullet policy.*
	Purchasing Department	*Strengthens centralised management by deploying the strategies defined by the Executive Committee. It achieves this through the systematic, real-time sharing of actions to implement within the entities against the backdrop of an increasingly dynamic market.*
Quality standardisation	Quality Department	*Rolls out cullet standards specifications to be used by all of the Group's entities and plants.*
Network organisation and strategy steering	Cullet committees	*In constant contact with Group(1) and local(2) teams. One meeting per quarter per entity, except for South America (monthly meeting).*
Support for strategy implementation	Collection committee	*Provides guidance in countries that do not yet have mature collection systems in place for cullet. Number of meetings: Two, namely one per semester, and for each strategic decision.*
Ownership	Employees	*In South America, the cullet correspondents approached local administrations to develop glass collection systems via hundreds of containers installed and managed in large cities and tourist areas. At the same time, awareness-raising actions about recycling were carried out.*

(1) Operations Director and Technical, Quality, EHS, and Purchasing Departments

(2) Chief Executive Officer, Industrial, Quality, Purchasing Departments and Verallia cullet treatment centres

2.2.1.2. Policies & performances

The Verallia EHS policy incorporates a Chapter dedicated to the circular economy with the objective of reducing the Group's environmental footprint. This policy is structured around four pillars:

- produce packaging that is 100% recyclable and can be recycled ad infinitum;
- promote glass recycling at every opportunity, targeting employees and external audiences;
- protect natural resources;
- improve our energy consumption and reduce emissions at all our production sites.

Be a major player in the circular economy				
Key commitments and objectives	**Monitoring indicators**	**2023(1)**	**2022**	**2021**
Maximise the use of cullet in our products Objective : Reach a rate of 59% in the use of external cullet in our production by 2025 and 66% by 2030 (vs. 49% in 2019)	Rate of use of external cullet in glass production	54.1%	55.7%	55%
Develop our capacity for reuse Objective : test at least one pilot reuse project in France by 2025.	Number of pilot projects	1	0	0

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

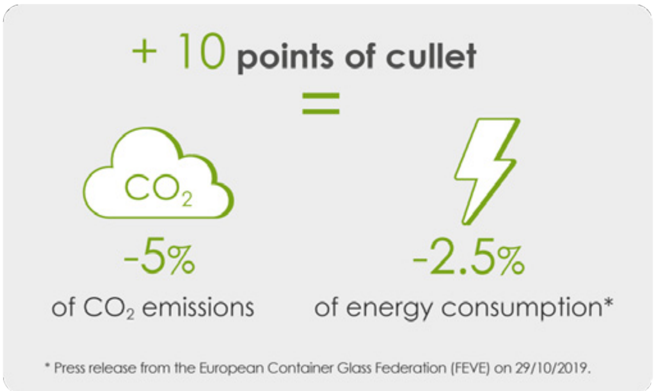
In 2023, Verallia achieved 54.1% of external cullet in its production, or around 4.7% more compared to 2019, the reference year, and at constant scope (i.e. excluding Verallia UK). With the inclusion of the two Verallia UK plants, the Group achieved an integration rate of 53.9% in 2023.

- In 2023, Verallia entities in Western Europe (within the same scope as 2022, i.e. excluding Verallia UK) integrated 60.3% of external cullet in their manufacturing, compared to 62.4% in 2022. The cullet rate decrease occurred mainly in Italy, Spain and Portugal, due in large part to a lack of availability.
- In Latin America and Eastern Europe, despite a significant gap in collection system maturity compared to Western Europe (80.1% of glass collected for recycling in Europe in 2021 vs. 25% in Brazil and 33.7% in Chile for the same year), the Group's plants integrated 30.3% of cullet in their production in 2023 versus 26% in 2022. This is attributable, in particular, to the actions taken to improve collection in South America, as described in chapter 2.2.1.5 "Contribute to raising awareness on glass recycling and its development".
- During their first year with the Group, the two Verallia UK plants (formerly known as Allied Glass) made strides in their use of external cullet, with a rate of 47.2% in 2023 compared to 44.5% in 2022. It should be noted that these two sites produce mostly flint and extra-flint glass, which limits the amount of cullet that can be used.
- It is also important to note that, while the Group did not meet its objectives in 2023, the situation improved considerably over the year. At constant scope (excluding Verallia UK), Verallia achieved an overall rate of cullet integration of 55.3% in the second half of the year, and 57.1% in the fourth quarter. In Western Europe, it was 62.2% in the second half of 2023 and 64.1% in the fourth quarter of 2023. These figures confirm there has been progress since 2022, and signal an upward trend in 2024.
- Finally, Verallia forged ahead with its strategy to secure cullet sourcing with seven new cullet treatment centres : the acquisition of six cullet treatment facilities on the Iberian peninsula, five of which belonged to the Santaolalla Group and one Joint-Venture, Revimon. Verallia now owns 19 cullet treatment centres, with 16 in Western Europe and total cullet production capacity that covers around 50% of its cullet consumption in the region. We are convinced that this vertical consolidation strategy is an essential lever to meet our volume and quality goals. All our cullet treatment centres will undergo more and more continuous improvement measures to enhance their processes and equipment, boost their volume and quality performance, and maximise the availability of all types of cullet: flat, mixed, green, amber, and white.

2.2.1.3. Action #1: Maximise the use of cullet in our products

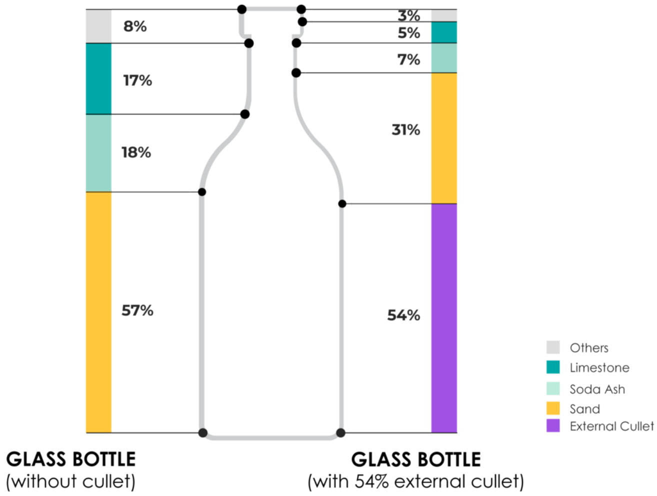
Cullet to reduce our carbon footprint

Cullet reduces the consumption of natural raw materials (sand), and synthetic materials (sodium carbonate) which has a direct impact on preserving natural resources. It also reduces CO2 emissions on two levels: it decreases the amount of energy consumed for melting, hence the CO2 linked to energy consumption. It reduces the use of raw materials, the melting of which also generates CO2 emissions. As a result, increasing the share of cullet saves energy and raw materials, which are for the most part, natural. For each additional 10 points of cullet used, the furnace's energy consumption is lowered by 2.5% and its CO2 emissions by 5%.



The increase in the external cullet rate between 2019 and 2023 (from 49.4% to 54.1% at constant scope) reduced the use of virgin raw materials and reduced the energy consumption of our furnaces.

In 2023, we integrated 130,000 tonnes of additional cullet compared to 2019, which is equivalent to 31,500 tonnes of CO2 not emitted[44].



The percentages are given strictly for informational purposes and are subject to variation.

Invest in cullet treatment facilities

Verallia is recognised for its expertise in household glass recycling. Today, the Group operates 19 cullet treatment centres which transform collected glass into furnace ready cullet. Sixteen cullet treatment centres are located in Europe, while three others have been built inside manufacturing plants in Russia, Chile and Argentina.

Verallia has an eye to the long term when investing in its cullet treatment centres. This involves improving the cullet processing procedure (better quality, better yield, minimum waste) and therefore increasing cullet integration into production.

In 2023, the Group focused on the type of cullet produced in its existing treatment centres, especially with a view to increasing the production of white cullet in Western Europe.

Over the 2022-2023 period in France, Verallia invested €10 million, in particular to bolster its capacity to sort white cullet.

Verallia also embarked on a major renovation of its historic facilities at the treatment centre in Rozet-Saint-Albain, France, including screening equipment, crusher, new dryers and aspiration. The work took five months, and its goal was to increase the efficiency of the cullet treatment centre, to enhance the quality of cullet, as well as to improve working conditions (dust reduction).

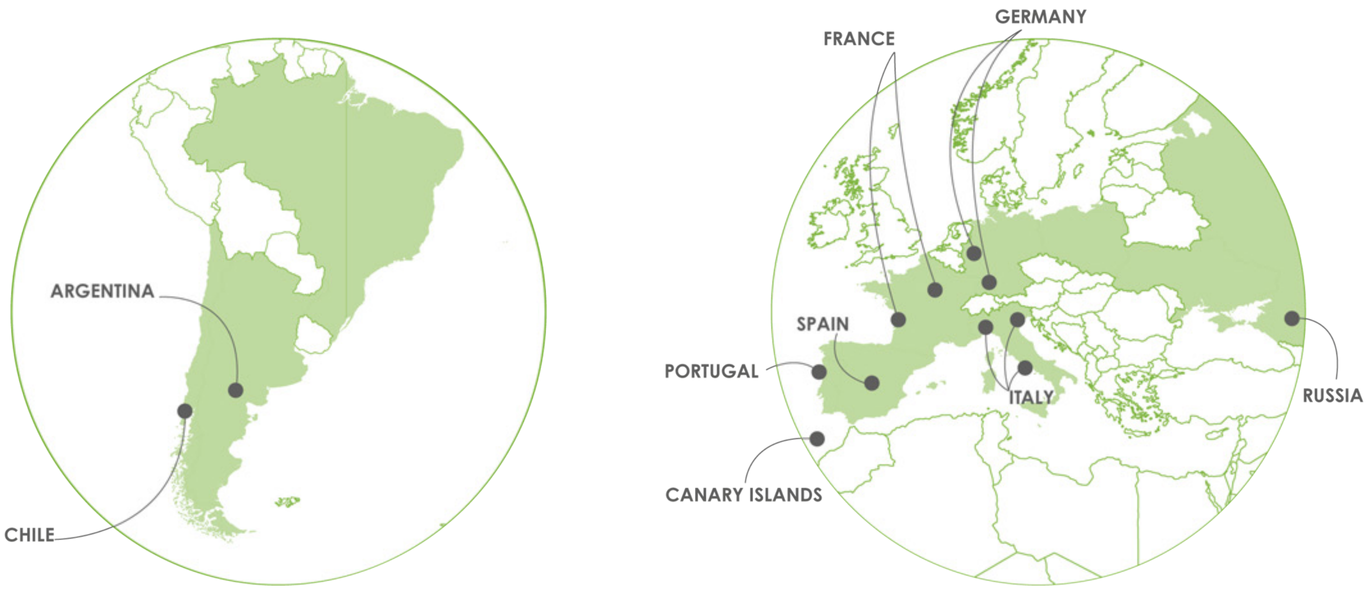
44 Calculation based on the assumption of 100% gas furnace operation. The CO_2 reduction results from the reduction of energy and the reduction of carbonaceous raw materials.

In 2023, the joint venture with TM Alcudia Reciclatges, a leader in cullet treatment on the Iberian peninsula which already co-owns with Verallia a cullet treatment centre in Spain, took a step forward by adding a cullet treatment centre in Portugal, Revimon. Beginning in January 2024, the cullet treated at the Revimon centre will supply the Verallia plant in Figueira da Foz with an annual production capacity of 70,000 tonnes of cullet. It will also be able to sort white cullet to maximise integration in furnaces.

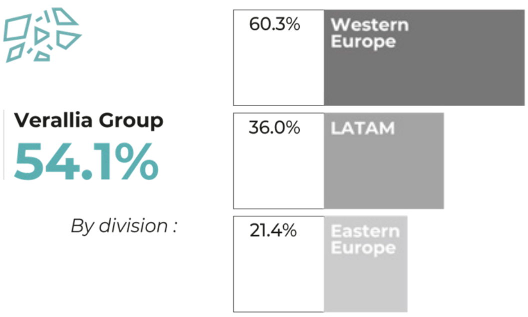
In addition, Verallia bought a treatment centre near Seville (Infiniver) with an annual production capacity of 60,000 tonnes. This plant will be upgraded in 2024 to meet the standards of Verallia cullet treatment centres.

Finally, with the acquisition of five plants from the Santaolalla Group, Verallia now owns nine cullet treatment plants in Spain and Portugal, which makes it in the region the biggest player in processing and recycling flat and container glass.

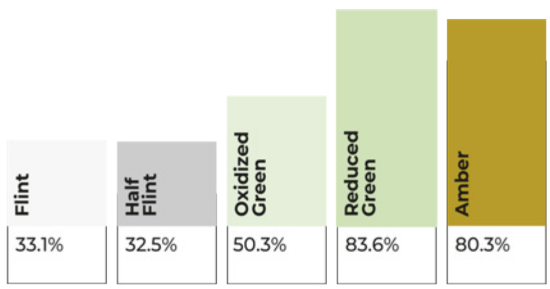
19 CULLET TREATMENT CENTRES WORLDWIDE



Cullet data 2023*



External cullet integration per color at a Group level



Changes in governance

In 2023 Verallia updated its operational management of cullet in France, Italy, Spain and Portugal by forming operational entities in charge of all cullet-related activities: purchases of raw cullet, internal processing at Verallia centres or by external providers, logistics management of flows and, of course, performance in terms of volume and quality. The goal of this new organisation is to boost efficiency and coordination while developing a system of operational excellence around the management of cullet, which is a strategic resource for the Group.

The three main objectives are to:

(a) Collect more by strengthening partnerships with glass collectors, external processors, eco-organisations, local authorities, customers and manufacturers.

(b) Improve the quality of collection, especially to increase the quantity of white cullet collected.

(c) Maximise the quality of treated cullet and minimise waste generated by the treatment process by investing in the best technologies.

This organisation will be gradually rolled out to the other divisions, in conjunction with the expansion of cullet-related activities.

It should be noted that in Latin America, the cullet committees, whose members include the Director of operations and Group cullet purchasing director, have been meeting on a monthly basis since January 2023 (they used to meet quarterly) given the central role of cullet in our decarbonization strategy.

→ Outlook

The Group is committed to continuous improvement and has identified several areas for improvement in the coming years:

- the progressive renovation of its cullet treatment centres, particularly the sites purchased in 2023, to bring them in line with Verallia standards.
- Capital expenditures (around €22 million in 2024 and 2025) are also planned for all the other cullet treatment centres to boost performance and equip them with new processing technologies.
- To increase the amount of cullet collected, Verallia will carry on in 2024 with the capital expenditures and actions taken in 2023, This notably entails the installation of new collection containers in South America (Brazil and Chile).
- The focus on quality will continue to be a top strategic priority for Verallia:

1. For cullet entering glass production plants, the same quality controls will be imposed on cullet supplied by Verallia centres and by external centres;
2. Identical procedures for qualifying processes and quality will be applied to all suppliers, both internal and external. This means the adoption of the same procedures for product quality control and identical recommendations relating to the detection equipment to install in each cullet treatment center.

2.2.1.4. Action #2: Develop glass reuse

Because it contributes to decreasing CO_2 emissions and more broadly to reducing our environmental footprint, the reuse of glass packaging is one of the levers of Verallia's CSR strategy. It aligns perfectly with the tenets of the circular economy and with the 3Rs: reduce, reuse, recycle. We are reducing the use of virgin raw materials and energy to produce reusable bottles and jars. These can be reused for 20 to 40 cycles depending on the application, then recycled to become new glass packaging. Verallia has been a forerunner in the area of reuse, with the adoption of a CSR strategy that includes the goal to have at least one reuse pilot project in France by 2025. It will be a pioneering project in the "test and learn" spirit that goes beyond designing glass packaging.

Glass, the perfect material for reuse?

Glass is particularly well-suited to reuse because it is inert, even after several cycles of conditioning, collection and washing. It is rigid and transparent, and lends itself to efficient inspections prior to re-entry on the market for reusable glass in compliance with the highest quality standards. These unique properties mean that reusable glass packaging can go through several dozen cycles.

Reuse, state of affairs:

Historically, the reuse has been practised in cafés, hotels and restaurants where glass bottles are often returned for refunds. Among end consumers, reuse is more developed in some of the Group's geographic markets, in particular Germany, but there is also demand in France, Italy and Spain, although reuse logistics are not yet mature in those countries.
Reuse is only a viable model when it is apprehended in a systematic way, which is what spurs us on to work in close collaboration with all players in the ecosystem.

Our actions taken for reuse in 2023 :

The Re-use Lab which was first held in France in 2022 made a strong return with a second edition in Milan, Italy, in March 2023.

This iteration brought together 90 participants from many different backgrounds: customers from numerous markets and of all sizes, as well as reuse start-ups and experts. They were united around a common pursuit – that of making reuse an economically and ecologically viable solution.

The Re-use Lab was a success, and all stakeholders view the topic as a priority for the years to come. Verallia Italy stayed in touch with the Re-use Lab participants after the event, which will spawn new partnerships.

Given the current legislative context in Italy, it seems premature to envision a reuse structure set up by Verallia. The goal is, first, to create a network of experts and partners to facilitate a dialogue on the key issue of reuse and to maintain our position as a pioneer in the reuse market for potential developments in the Italian market.

BOUT'A BOUT', the first reuse project, in France in 2023

The majority of Verallia France's customers are not equipped to reuse their packaging, which is what prompted Verallia France to form a partnership with Bout'à Bout'. In October 2023, this Nantes-based start-up founded in 2016 opened up France's largest center for washing glass containers. Bout 'à Bout' is active in three areas:

- helping producers transition to reuse;
- collecting empty bottles from businesses in the Pays-de-la-Loire and Brittany regions; and
- washing, then re-delivering clean bottles.

Bout 'à Bout' is at the forefront of reuse in Western France, with just under 100 producers and more than 160 merchant-collection points. At present, the main product distributed via this reused glass network is local craft beer, but other products include fruit juices, milk, wine and cider.

Verallia participated in this investment and shared its technical expertise on various points to help the young business scale up. The shared objective is to provide a high-quality service to foster the emergence of a national reuse industry that would cover large- and mid-sized points of sale and a wide range of products. This project illustrates Verallia's commitment to exploring new opportunities to strengthen and promote the glass circular economy.

Reuse of wine bottles in Germany

Verallia Deutschland AG has invested in the development of a global concept that includes a new, reusable 75-centilitre wine bottle and a six-bottle carrying crate. This enabled Verallia to establish its own national pool of reusable bottles, making it a provider of delivery, cleaning and return logistics services in Germany.

The idea is to offer consumers wine in an elegant, exclusive glass bottle that is sustainable and reusable. The new 75-centilitre bottle has a sophisticated look and is made from recycled glass. It is offered in two different colours. Great care was taken to design a standard glass package that works will with all types of wine. Small-scale winemakers can also benefit from using reusable bottles and depositing them in the reuse pool to have them cleaned. In parallel, the format gives bottlers a variety of decoration options and meets the specific demands of a robust, reusable container. The bottles can be filled with wine and sparkling wine with carbonation levels ranging up to 4 g/l.

The weight of the reusable bottle has been optimised to be 20% lighter than comparable reusable glass bottles, which saves resources, consumes less energy during production and reduces the environmental impact of transport. The new format is compatible with existing filling lines.

The transition from single-use bottles to reusable bottles in the wine sector makes it possible to leverage the potential of a "double circular economy", by reusing bottles up to 50 times before they are recycled in their entirety. In Germany, manufacturing green glass bottles allows for a rate of external cullet integration of 86%.

The carrying crate is also optimized. It can hold six bottles without damaging them while optimising the visibility of their labels.

Market studies have confirmed that there is consumer demand for environmentally friendly wine packaging. Thus, the new reuse cycle is aligned with consumers' heightened expectations in the area of sustainable development and is positioned as a key investment and innovation to protect our environment and climate.

On 15 November 2023, the organisation Deutsche Umwelthilfe (the most recognizable environmental non-profit in Germany) and Initiative Mehrweg handed out their annual reuse innovation awards to four projects, including a system to reuse wine bottles implemented by Verallia Mehrweg GmbH.

#REBO2VINO reuse project in Spain

Verallia Spain is part of an operational group overseen by the Spanish Wine Federation (FEV) that is helping to develop the innovative project #REBO2VINO. Its objectives are to:

- analyze the feasibility and impact of a glass bottle reuse system for the Spanish wine industry by applying the principles of the circular economy; and
- design and validate a standard reusable bottle style to facilitate the deployment of the system in Spain and to work towards approval at the European level.

Verallia is the glass manufacturer that made all the bottles currently used in the hotel and catering sector. The REBO2VINO project has received around €600,000 in aid from the European Agricultural Fund for Rural Development with funds from the European Recovery plan (NextGenerationEU). The work is scheduled to run through March 2025. A key milestone will be reached in 2024, when it will be possible to analyze the impact of these reusable bottles in terms of reducing emissions.

The first tool for comparing the environmental impact of reuse

Reuse is often perceived as a practice that saves more carbon than single use, although reusable packaging is heavier and subject to more transport. To enable our customers to decide which is the more virtuous option, Verallia France developed a customized modelling tool that was audited in 2023 and is now being rolled out.

For example, according to the tool, a bottle manufactured by Verallia France, then filled in France, with local consumption and local washing was considered for reuse. Findings demonstrated that reuse can slash the CO_2 emissions associated with glass packaging[45] fourfold.

[45] Calculated by the Verallia comparator, for beer bottles reused over 20 cycles that weigh 20% more than single-use bottles, and a beverages distribution distance of 100 kilometers.

Design of a new reusable product range

Verallia France has been working with Citeo and designer Fabrice Peltier since 2023 to develop a range of standard reusable packaging. These products will feature engraving on the neck to provide information and to facilitate the emergence of reuse reflexes among French consumers. The first designs developed by Verallia are a 75-cl beer bottle and 720-ml jar. They will be marketed in 2024 after a phase of testing under real-life conditions helmed by Citeo. This range will soon be built out to cover other markets.

→ Outlook

As planned in our CSR roadmap, we teamed up with Bout'à Bout' to initiate a reuse pilot project. We are helping to democratise reuse so that our customers can also experiment with this tool to decarbonise glass.

In 2024, under the auspices of Citeo, the first national range of reusable glass packaging will be introduced to the French market.

The next Verallia Re-use Lab will take place in Brazil in March 2024.

2023 Highlights

- Our goal for 2025 – to develop an initial reuse pilot project – was achieved in 2023 with Bout'à'Bout

2.2.1.5. Action #3: Contribute to raising awareness on glass recycling and its development

Glass is a material that is 100% recyclable and can be recycled ad infinitum. The use of cullet in glass production makes it possible to limit the use of natural resources (virgin raw materials) and energy (melting down cullet demands less energy than what is needed for virgin raw materials). This sustainable circle is rooted firmly in the principles of a circular economy and also allows us to accelerate the process for decarbonising our activities. One of the fundamental links of this virtuous circle is glass collection and recycling.

Verallia's teams are engaged in raising awareness on glass recycling and its development. The maturity of glass collection practices varies widely across countries. In Europe, collection infrastructure is mature. Verallia is fully on board with awareness-raising projects, and partnerships with glassmaking associations in particular, to improve the quality and quantity of glass collected.

Glass collection is less mature in South America, therefore Verallia is actively participating in the implementation of glass collection solutions and events to raise awareness around recycling.

Contribute to recycling household glass in Europe: A segmented approach and customer examples

In 2021, 80.1% of glass packaging was collected for recycling[46]. In 2018, the collection rate was 76%, then 78% and 79% in 2019 and 2020 respectively. The rate of increase is slow, but steady, and must continue along the entire value chain.

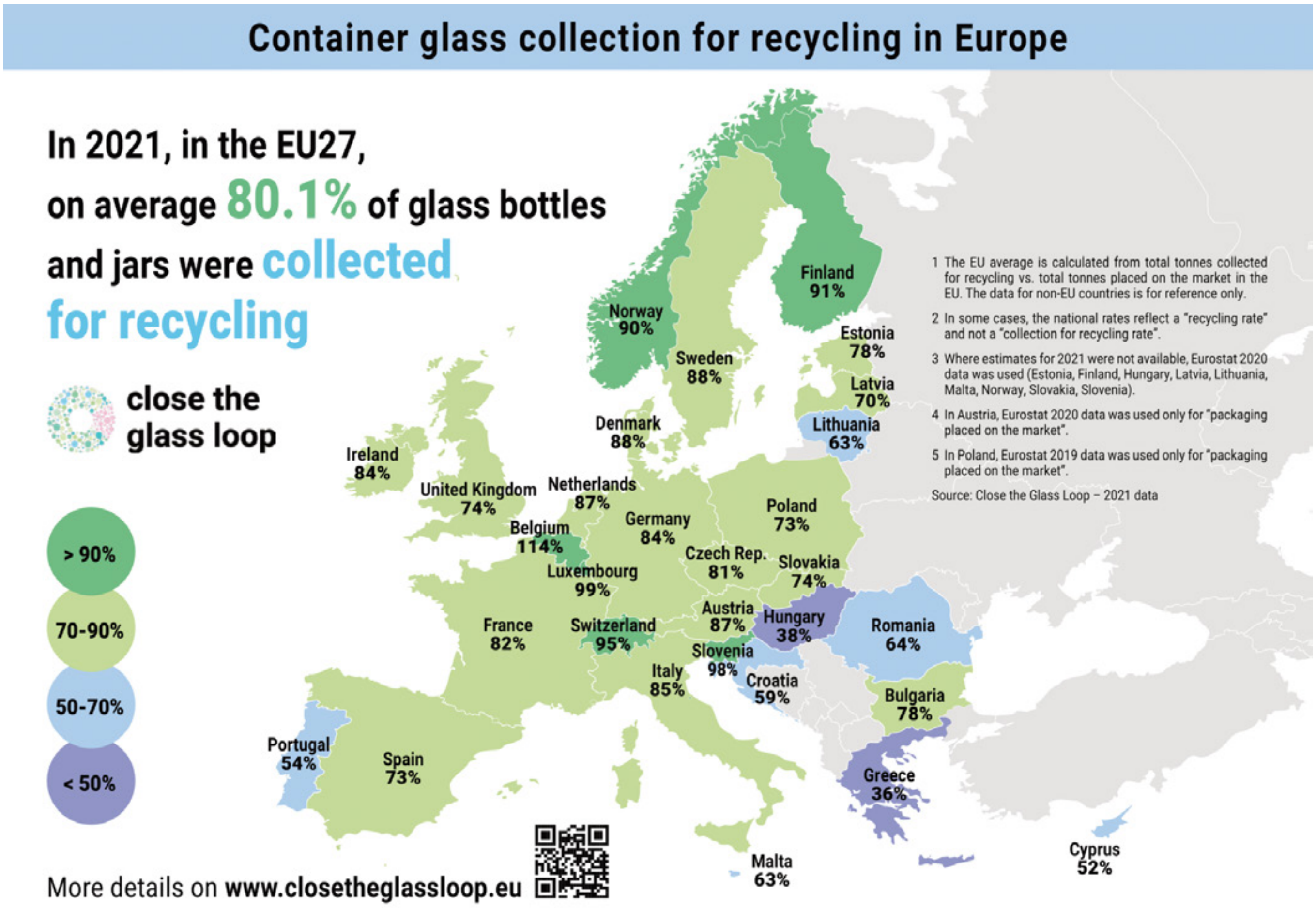
Still, it is important to note that not all of the glass collected (also known as raw cullet) is integrated into furnaces in the packaging glass industry to produce new glass containers in Europe:

- This is because raw cullet must be processed (i.e. screened to remove foreign debris and sorted by colour) before it is fed back into furnaces. This process generates losses of about 15% on average. The Group's best centres have focused on controlling their treatment processes and sorting technologies to reduce the rate of loss to 5%, which in turn increases the volume of cullet fed into the furnaces. With its continuous improvement and investment policies at its cullet processing centres, the Group aims to achieve the same level of performance at all its own treatment centres, as well as those of suppliers.

[46] Most recent data published by the FEVE in a 2023 press release. Data in Europe, average recycling rates for all European countries.

- Sometimes it is easier to use the raw cullet in other industries that do not require special processing. For example, some of the packaging glass collected goes into the production of glass wool or filtering materials, or is simply used as construction fill in civil engineering projects. The amounts not reused by the packaging glass sector vary extensively among countries, and are usually a function of the quality of the glass collection and cullet processing chains.

It is paramount that the Group and the entire packaging glass industry minimise these two kinds of losses



Source: https://feve.org

Close the Glass Loop vise "Close the Glass Loop," a multi-stakeholder partnership, aims for a collection rate for glass packaging post-consumption of 90% by 2030. As a reminder, "Close the Glass Loop" is a European project that brings together all players in the glass value chain with a view to increasing the glass collection rate.

To help reach this European objective, in 2022, Verallia carried out various actions to raise awareness among the stakeholders in the recycling chain, which it repeated in 2023.

- In France, the Group organised Glass School events in our Everglass treatment centres to raise awareness among customers and partners of the importance of recycling glass and to educate them on the complexity of recycling and technological advances (including sorting).
- Around the world, Verallia participated in local awareness-raising campaigns in elementary schools in order to reach children of younger ages.
- We co-developed communications tools with our customers to raise awareness of glass recycling, such as labels to indicate that packaging is 100% recyclable or how much recycled glass it contains.

Collaborations driven by the goal of 100% circularity

In France, Verallia, Maison Hennessy and Veolia, all committed players in the Charente region, are joining forces to enhance the circularity of glass packaging. The shared goal of the three partners is to recycle, recover and reuse glass scraps from spirit bottles to transform them into new glass packaging. Because it is a material that can be endlessly recycled with no loss of quality, glass is at the heart of this initiative, underpinned by one of the most efficient and circular sectors in France

The Everglass treatment centre in Châteaubernard, which is near the glassmaking plant in Cognac, will now receive the extra-flint glass scraps from the Maison Hennessy bottling lines so they can be recycled and converted into cullet for reintegration into Verallia's glass furnaces. This arrangement enables Maison Hennessy to ensure that the cullet from its bottles, which was previously used for other applications, is effectively reintegrated in the production chain to make new glass packaging, and to contribute to the collective effort to enhance the circularity of glass packaging.

As a leader in collection in the Charente region, Veolia is a critical partner in this virtuous circle. By recovering glass scraps from the Maison Hennessy site and transporting them to the Everglass centre, Veolia is advancing the waste recycling process.

Contribute to the collection of household glass in Latin America

In Brazil, according to the national glass industries association (Abividro), only 25% of glass was recycled in 2021, and 75% ended up in a landfill. Verallia's objective is to develop glass collection in Brazil, and more broadly in the Latin American countries in which we operate, Argentina, Brazil and Chile. Alongside the excellent work already being done by cooperatives and their positive social impact, we developed the Vidro Vira Vidro program in partnership with Massfix, the Brazilian leader in glass packaging recycling. Since the project launch in January 2022, a total of 657 glass bins have been installed in 41 Brazilian cities, enabling the collection of 3,384 tonnes of glass. The project was so successful that we plan to install 1,600 glass collection bins by the end of 2026.

The café, hotel and restaurant sector has great potential for glass collection. We are therefore actively working in partnership with the start-up Arco Residuos to collect empty bottles. To date, 90 tonnes of glass have been collected through this project in Porto Alegre (Brazil).

Finally, a project carried out in partnership with the start-up Valora led to the collection of 127 tonnes of glass in Brazilian condominios (commonhold flats).

Bianca Silva, *CO_2 & recycling project analyst for Verallia Latin Amrica.*

In Argentina, the *Vidrio, una acción transparente* programme has been running continuously for 11 years and grown from two to over 40 recycling bins. Glass is collected throughout the year,

The *Campanas* programme in Chile succeeded in collecting approximately 2,000 tonnes in 17 towns in 2023, which amounts to an average monthly increase of 50 tonnes compared to 2022. Thanks to strengthened partnerships with suppliers, the overall volume collected in Chile grew by 6,000 tonnes versus 2022.

Partnership with glass associations

Throughout the year, Verallia takes advantage of all events (trade fairs, launches, customer events and training, presentations in schools, packaging design competitions for student designers etc.) to encourage waste sorting and to recruit new recycling ambassadors.

Verallia works in partnership with glass associations (FEVE in Europe, Abividro in Brazil), local authorities, glass eco-organisations (Citeo in France, Ecovidrio in Spain, COREVE in Italy, British Glass in the United Kingdom), and cullet treatment companies.

In 2023, Verallia continued its work with the European Glass Packaging Federation (FEVE) on several projects:

- Stéfano Cassano, Verallia's cullet purchasing director, chairs FEVE's Circular Economy Committee. This committee focuses on lobbying actions aiming to improve glass collection systems in Europe and to replicate existing best practices.

In view of the new European regulation on packaging and waste, Verallia is working to highlight the strengths of glass as a packaging material. Glass is a material that can be extensively reused, endlessly and entirely recycled with no impact on its organoleptic properties, which means it fulfills one of the major objectives of the European Commission, that all packaging be recyclable and/or reusable.

→ Outlook

Verallia has undertaken a continuous improvement approach:

- Each country will continue to work with local players to secure the supply of cullet and ensure the best glass recycling possible (quality and quantity);
- Verallia will collaborate with local communities and customers to step up awareness-raising efforts on glass recycling and increase the collection rate in Europe and outside of Europe.
- Verallia will continue to invest in its cullet treatment centres to take advantage of the best technologies available and, in this way, optimize the quantity and quality of cullet integrated into the Group's production.

2.2.2. Develop eco-design for responsible products

Glass packaging, which is safe and inert, is a model for the circular economy because it is 100% recyclable ad infinitum. When an eco-design approach is implemented, its environmental footprint and particularly its carbon impact, can be reduced. Verallia launched this approach 15 years ago with a lightweight, eco-designed product range, and went one step further through the Alpha project, which began in 2021.

2.2.2.1. Governance

Roles	Name of body	Main work in 2022
Performance review	Members of the Executive Committee Group Marketing Geographic area General Manager CEOs	*Participate in the half-yearly review and strategic steering of the project.*
Network organisation and strategy steering	Group Marketing Department	*Implement the eco-design development policy by holding marketing meetings with the countries to track progress on reducing the standard ranges, meeting Group objectives, and sharing best practices.* *Number of seminars: 1 (online)* *Number of regular meetings: 3*
Support for strategy implementation	Group R&D Department	*Provides design tools tailored to eco-design concerns (e.g., strength simulations).*
Declination in divisions	Regional Directors[(1)]	*Steer local decisions for each business unit and continuously monitor performance.*
	Regional Project Managers	*Manage projects and communication with all internal stakeholders.* *Participate in group meetings and share best practices.*
	Technical teams and Design Centre	*Provide technical support to the local project team to ensure excellent performance from the lightweight products.*
Ownership	Employees	*During Environment Day in September 2023, some plants held workshops on eco-design.*

(1) 5 Regional Directors: France, Italy, Iberia, Northern and Central Europe and Latin America.

2.2.2.2. Policies & performances

In 2019 the Group set a goal of reducing the average weight of its non-returnable standard bottles and jars by 3% by 2025. To track and reach this goal, several indicators were considered, the main one being the Alpha coefficient[47]

The Alpha coefficient is a reliable, standardised indicator that enables us to verify whether the bottle design has been optimised in terms of its weight. This indicator allows us to manage the lightweighting process for our non-returnable standard product ranges. Monitored at the global level, it also makes it possible to evaluate the weight/capacity ratio of glass packaging.

To achieve this goal, each year the Group's roadmap consists of defining the number of products to be lightened, the associated target weight reduction percentage, and the target alpha coefficient.
The method proposed by the Group Marketing department, was validated by the Executive Committee in 2021, and carried on in 2023. Training sessions were also organised by Group Marketing to enable the regions to appropriate the method and use of tools in particular. Progress on this project is tracked during half-yearly reviews.

Develop eco-design for responsible products				
Key commitments and objectives	Monitoring	2023[(1)]	2022	2021
Develop eco-conception Objective : **Reduce the weight of our standard and non-returnable bottles and jars by 3% compared to 2019** and thus achieve an Alpha coefficient of 15.5 in 2025 compared to 16 in 2019.	Alpha coefficient	15,7	15,9	16

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

In 2021, the Alpha coefficient remained stable thanks to lightening of part of the range in order to meet increased demand for more responsible products. This higher demand was counterbalanced by the launch of "heavyweight" products to satisfy the demand for sparkling wine bottles.

The 2022 Alpha coefficient showed the real impact of our actions, with a reduction of -0,6% compared to 2019. The -1.3% decrease in 2023 further demonstrates our progress, which lines up with the ultimate aim to reach 3% less in 2025. Over the course of the year, over 100 projects were completed or entered the final phase of the lightening process. These efforts amount to estimated savings of about 6,000 tonnes of glass.

2.2.2.3. Action #1: Roll out an eco-design approach to our products

Development of our eco-designed ranges:

The objective for reducing the weight of bottles was approved at the Group level and then rolled out in the division. Thus, the eco-design projects and the choice of which bottles or jars to lighten are managed by the regional and country marketing departments, in collaboration with the sales and R&D teams. The selection is made at the product level based on the product's weight and use, and the affected customers.

Verallia offers two eco-designed ranges, EGO (Enhanced Geometric Objects in Chile, and ECOVA (for ECOlogy and VAlue recovery) in the other markets. Other lightweighting projects are initiated according to market opportunities and co-development with customers.

[47] The Alpha coefficient, as defined in the French standard H35-077 on the geometry of glass bottles, makes it possible to express the degree of lightness of a product by relating its weight to its capacity. It is calculated in the following way: weight/volume ^0.8. The application of the 0.8 power allows the calculation to be standardised regardless of the capacity of the glass bottles.

Continue eco-design of sustainable products with our customers

Get the most with the least: Bordelaise Air 300 G

Verallia is revolutionizing the timeless Bordelaise bottle with the introduction of one of the most disruptive bottles in the market: the Bordelaise Air 300G.

This achievement represents a significant design revolution, positioning Verallia at the forefront of innovative and sustainable breakthroughs. It also reflects Verallia's commitment to its purpose of "Reimagining glass for a sustainable future." Verallia summoned all its technical expertise in lightweighting to design this ultra-light, 300-g bottle while honouring its aesthetic legacy. With a 25% reduction in weight, this bottle also unlocks savings in logistics costs. The bottle has been launched in all countries in which Verallia operates to ensure extensive distribution and availability for our customers.

The continuous reduction in bottle weight is a significant strategic challenge for winemakers as they strive to meet their CO_2 emission reduction commitments.

Verallia France and Rémy Cointreau : a historic partnership in pursuit of a shared environmental commitment

Verallia has been a staunch supporter and pioneer of eco-design for over 14 years, and works in close collaboration with customers that share its goal to reduce the carbon footprint of glass, and its carbon impact in particular.

One such customer is Rémy Cointreau, which is investing to reduce its environmental footprint and, like Verallia, to reach Net Zero by 2050. Over the last few years, the increased integration of cullet in Verallia's furnaces has enabled Rémy Cointreau to reduce the impact of its spirits bottles, especially the Rémy Martin VSOP and Cointreau designs, which are now made with more than 60% recycled glass.

Moreover, the group is now implementing lightening projects across its entire portfolio. Three of its spirits are already using lighter bottles: Mount Gay rum, St-Rémy brandy and Belle de Brillet liqueur. These initial lightweighting projects (weight reductions ranging from 2% to 11%) have led to reduced carbon emissions arising from glass production and from bottle transport.

Other levers driving eco-design

In addition to the lightweighting projects that Verallia is spearheading as a result of its glassmaking expertise, the Group is exploring other levers, such as optimising bottle design, improving the palletisation process, using more recycled materials to manufacture and pack bottles and jars, and, finally, eliminating hindrances to recycling (such as porcelain corks or labels too firmly stuck to the glass).

Verallia and eco-design: It's about more than just weight

To reduce CO_2 emissions, Verallia is working on the eco-design of its packing materials at all levels.

Verallia Italy has launched a project to optimise the load rates of its lorries that consists in adding a layer of bottles to each pallet, whenever possible. The project began in September 2022 with three pilot items, and continued in 2023 with 17 items in all. The fill rate (load optimisation) of lorries carrying these items improved by 14%. The complexity of the project required the commitment of the sales, industrial and technical teams from the supply chain. It also called upon high customer involvement in the project, particularly to validate aspects pertaining to safety, handling and storage, manual depalletising and adaptability of automatic machinery.

→ Outlook

Eco-design is a long-term approach. Here are the next steps in the process:

- Organise the annual seminar (online or in person) with project teams from each country in attendance to discuss best practices, monitor project, and generate ideas that serve to develop an eco-design culture.
- Strengthen our commitment to satisfying our customers and to creating environmentally friendly products in collaboration with our strategic partners.

2023 Highlights

- Launch of the Bordelaise Air 300G, a 300g bottle that embodies our raison d'être and is one of the lightest Bordelaise bottles ever conceived with an aesthetic design.
- Customer collaborations for the co-development of innovative products.
- Development of eco-design projects to complement lightweighting.

2.2.3. Optimise the use of water and packaging, and reduce

2.2.3.1. Governance

Water and waste issues are overseen by the Group's EHS (Environment, Health and Safety) managers. They are now working in collaboration with maintenance managers to reduce water consumption. Senior management has decision-making authority for investments (see the simplified organisation chart of the EHS function in the Section entitled "Ensuring the health and safety of everyone").

2.2.3.2. Policies & performances

Verallia's strategy for preserving water resources and managing waste is part of a global EHS policy, which applies to all 34 glass production plants.

The water policy aims to act on both quantitative and qualitative aspects. In 2018, this policy was redefined, and has since enabled alignment of all Verallia site action plans around common objectives. As regards "initiatives to protect natural resources", it calls for us to:

- reduce water consumption;
- avoid pollution caused by spills;
- and comply with limits on water discharge into the environment defined by local authorities.

The water management system is based on the "Water Standard," which comprises 17 golden rules to protect water resources. These rules describe the way in which sites must reduce their consumption, in particular through:

- maintaining the condition of their network through accurate monitoring of monthly consumption, periodic inspections for leaks and connection problems, and annual checks of equipment such as plant water networks;
- reducing losses and consumption by recovering rainwater from rooftops and reducing losses sustained in the water cooling circuits as well as by optimising production processes. Cooling the blades that cut the molten glass to create the glass drops that will become bottles has been optimized to reduce water consumption by 80%;
- and reusing water, in particular deconcentration water from cooling towers which is used to cool production waste.

The Group's waste management policy is rolled out in annual action plans with the aim of improving control (selective sorting) and reducing waste quantities. The goal is to meet environmental challenges while reducing the associated costs. The aim is to share best practices and to measure and understand the differences observed between sites. The analyses carried out will make it possible to build a joint action plan to reduce waste. Since 2018, the Group's objective is to reach a 75% waste recycling rate by 2025 for the scope of its 34 glass production plants.

In addition to these two policies, the Group monitors any potential deviations by asking the plants to draft "environmental alerts." These alerts are shared by e-mail with all Verallia plants using a specific form. Sharing of information compels each site to consider whether the problem could reoccur, and prompts implementation of preventive actions where necessary. This year, no alerts were issued regarding water consumption or abnormal conditions related to poor waste management.

Optimise the use of water and reduce our waste				
Commitments	Monitoring indicators	2023(1)	2022	2021
Optimise water use Objective : Reach 0.4 m^3/tonnes of packeg glass (TPG) water consumption in glass plants by 2025	Cubic metres of water consumed per TPG	0,50	0,47	0,53
Optimise water use	Total water consumption (m^3)	2,765,638	2,758,494	3,108,599
Reduce waste Objective : Reach a 75% waste recycling rate by 2025.	Waste recycling rate	75 %	75 %	68 %(2)

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.
Note: these indicators take into account all Verallia entities except for Verallia India, Verallia USA, Verallia Packaging and Verallia entities that do not produce glass packaging (decoration plants, cullet treatment centres, etc.).

(2) Change in reporting period: In order to continue to use actual data and to adapt to the operational realities of data reporting in a timeframe that has been brought forward compared with the previous year, it was decided that, from 2021 onwards and for subsequent financial years, the "Waste recycling rate" indicator for the period October N-1 to September N would be published. This sliding period of 12 months only affects the "Waste recycling rate" indicator.

Water: Thanks to the roll-out of the method implemented by Verallia, water consumption at the Group's sites has decreased since 2019, from 0.63 m3/TPG to 0.50 m3/TPG in 2023 with a target of 0.4 m3/TPG by 2025. In 2023, consumption in m3/TPG rose.

We observed an impact arising from the construction of new furnaces –in particular in Brazil – which caused a 40% increase in water consumption in the country. At the same time, we note that the volume of packed glass decreased by around 30% in the last quarter, impacting the results in m^3/tpg, even if water consumption decreased over the same period.

However, all other divisions have reduced their water consumption. We notice the significant results in the French division, with a 15% reduction in consumption in cubic meters compared versus 2022.

Waste: All measures to optimize waste management continued in 2023, enabling the Group to maintain the 2022 results and confirming that the target will be achieved in 2023.

2.2.3.3. Action #1: Optimise our water use through circularity

To cool down cullet or equipment and save water resources, Verallia's water circuits operate in **semi-closed loops.** In all of its plants, water is treated and then recycled to serve many cooling purposes. Part of the water used is evaporated, concentrating impurities. External water is required to ensure the quality of the glass produced meets customer expectations.

The largest use of water is for cooling unformed glass (production waste). Cooling water can be reused several times in the same way, provided that for every cycle, it has been rid of oil residue and particles and that external water is regularly introduced to limit the concentration.

The second largest use of water is for cooling machinery (e.g., compressors). These circuits operate in closed loops as a result of cooling towers. Another occasional use of water is for furnace reconstruction.

In order to control water consumption and prioritize action plans, the Group carries out internal benchmarks twice a year to assess the performance of all sites. The highest-consumption plants are and will be subject to an analysis defined in six steps:

1. Analysis of initial conditions;
2. Measurement of consumption in the plant;
3. Comparison of theoretical and measured values and analysis of problems;
4. Assessment of the optimal level of water consumption by establishing an action plan;
5. Implementation of the action plan and measurement of the gains;
6. Implementation of periodic verification of resolution plans (sustainability of the management system).

In 2022, seven of the Group's 32 plants rolled out this method of analysis in order to identify the root cause of overconsumption. In 2023, the scope was expanded to 20 plants (of 34 total plants with the integration of Verallia UK), accounting for water stress and water consumption criteria.

This approach made it possible to identify five broad categories of solutions:

- eliminating leaks in the water networks that are mainly the result of network age and condition;
- rescaling the glass cooling system by, for example, converting all our water circuits to closed-loop systems;
- renovating equipment (e.g., compressors) to lower the need for cooling water which entails setting up preventive maintenance for all our equipment;
- studying how to reuse rainwater;
- installing adiabatic coolers when we replace cooling towers.

Example from Albi plant (France)

Albi plant deployed technical and organisational solutions to address its water consumption challenges:

- immediately eliminate leaks in the network;
- manually control adiabatic towers for better control (temperature, run-off ramps, etc);
- organise internal awareness-raising campaigns; and
- monitor daily water consumption.

These initiatives were deployed in the span of three months and decreased water consumption by 43%. The same model was rolled out to all the French plants, resulting in a 15% overall drop in water consumption for the division.

Example from Pescia plant (Italy):

In 2021, Pescia site was identified as the Italian plant that consumed the most water.

An analysis of the plant's circuits uncovered the causes of its excessive water consumption. The action plan drawn up in response will reduce water consumption by 36% by:

- eliminating leaks in the network; and
- reintroducing discharge water from the compressors and osmosis units into the main circuit.

Other ideas are under consideration, in accordance with roll-out of the method of analysis.

Example from Essen plant (Germany):

Essen plant identified four levers for reducing its water consumption:

- modifications to the plant's water system, in order to reduce the water used from aqueducts and reuse water from industrial processes;
- optimisation of process water pumps (water from cullet);
- reuse of cooling water from the internal circuits that initially was discharged into the wastewater networks; and
- digitisation and tracking water meters for procurement.

In 2023, the Essen plant trimmed its consumption by 11%.

Verallia Environment Day

In September 2023, Verallia organised its second International Environment Day to focus on the theme of water management. The purpose was to rally our plants around the importance of saving water and promoting the initiatives under way. Each plant arranged activities to raise awareness and shared their water action plans locally.

Meanwhile, the Group produced and sent to each plant a video showcasing its water specialists in each region with a presentation that included

- a review of the context, objectives and key issues in the Verallia CSR strategy;
- an overview of the five major solutions identified to reduce consumption; and
- the definition of water stress and its impacts for Verallia.

Finally, Verallia completed its first CDP Water Security questionnaire, in addition to the CDP Climate Change survey which we have been submitting for the last three years. Verallia obtained a grade of "B" this year, this gratification helped the Group to assess its maturity in water management.

We are engaged in a continuous improvement approach, and this rating – destined to be repeated – will be an additional metric to measure our progress.

→ Outlook

Following the same rationale as for safety and quality issues, the "Water Standard" and the method for analysis defined in 2024 will be rolled out site by site. Local teams will receive support in the form of coaching on this topic. Any major incident will be the subject of a root cause analysis, which will enable adjustments to be made to standards implementation, or even the standards themselves.

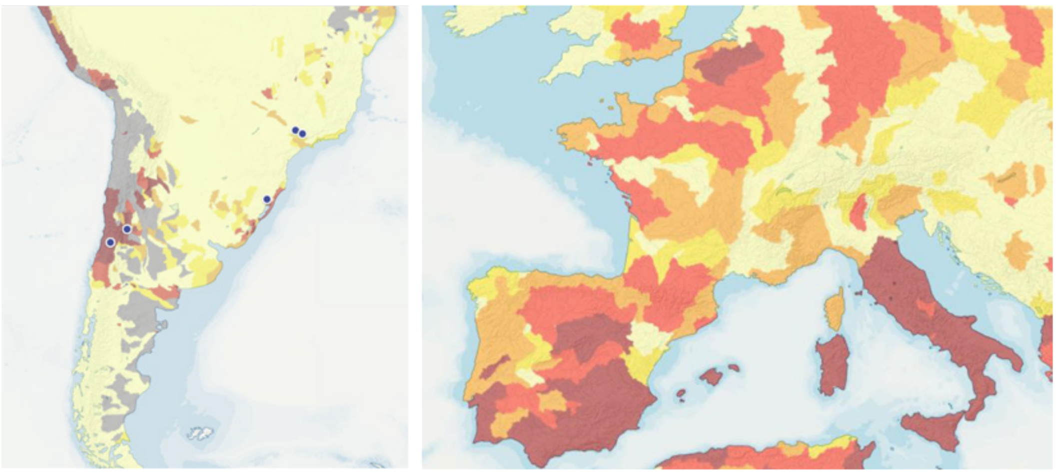
Furthermore, the 20 target plants will be able to develop their solutions to reduce water consumption using a method similar to the one applied in 2023. The choice to rescale water networks will continue to take into account the water stress criterion (see table below updated in October 2023, source: Aqueduct Water Risk Atlas). This indicator corresponds to the ratio between total water samples taken and renewable procurement available from surface or underground water. Of all the 34 Verallia plants, 10 are located in "high" or "extremely high" water stress risk areas. These 10 plants are now applying the measures defined to reduce their water consumption and 7 are already below the 2025 target of 0.4m3 of water consumed per tonne of glass packed. The three other plants concerned have as a priority to reduce their consumption from 2024 by applying the water standard.

Finally, additional avenues are being explored for 2024, including replacement of the systems' cooling towers with adiabatic cooling towers. This would make it possible to reduce a plant's water consumption by 40% to 50%, while also reducing the risk of legionnaires' disease. Unlike a cooling system with high yield that leads to a lot of water evaporating, an adiabatic system removes heat by evaporating water in a stream of air. Ambient air is forced into a heat exchanger and suffices for cooling the water without it evaporating. However, the cost of these investments and the surface area needed to install an adiabatic cooling tower are two to three times higher than for a closed- loop cooling tower.

According to 2023 water consumption, some plants will be required to study the possibility of installing an adiabatic cooling tower. This will also apply to the construction of new furnaces.

WATER STRESS ZONES OF VERALLIA PLANTS

Low (<10%)	**Low-Medium (10-20%)**	**Medium-High (20-40%)**	**High (40-80%)**	**Extremely high (>80%)**
Lagnieu	Chalon sur saône	Saint-Romain	Cognac	Sevilla
Albi	Kavminsteklo	Oiry	Burgos	Azuqueca
Wirges	Lonigo	Vauxrot		Mondego
Essen		VICSA		Zaragoza
Neuburg		Bad Wurzach		Montlblanc
KSZ		Carcare		Pescia
Zorya		Dego		Rosario
Villa Poma				Mendoza
Gazzo				
Jacuntinga				
Porto Ferreira				
Campo Bom				
Leeds				
Knottingley				
= 41%	**= 9%**	**= 21%**	**= 6%**	**= 24%**



Source: https://www.wri.org/applications/aqueduct/water-risk-atlas/

2.2.3.4. Action #2: Limit our discharges into water

The Group has set out its requirements for the protection of the natural environment in its "Water Standard." To avoid accidental pollution, the sites must ensure that:

- all product storage is properly labelled;
- water retention tanks are installed and their condition is monitored;
- run-off water is of suitable quality.

The quality of water discharges is ensured through the measurement of effluent quality by independent laboratories. The sites ensure that their monthly wastewater discharges comply with the regulatory limits defined by the prefectoral decrees.

In parallel, microbiological analyses are performed around

the cooling towers on a monthly basis, which serve to confirm the absence of Legionella pneumophila.
A single incident was detected in 2023 with an increase in Legionella pneumophila in the process water at one site. This deviation was detected at a very early stage which meant the problem could be addressed promptly by applying the predefined response plans and before there was any risk of contamination. Verallia will continue bolstering this monitoring process and the corresponding response plans.

The Group will continue to comply with regulations in force in each country by taking periodic measurements.

2.2.3.5. Action #3: Reduce waste produced and optimise waste management

Glass plants generate waste at various stages of the production process, which Verallia works to limit and recycle. Verallia's business generates two main types of waste: "normal" waste (metal production moulds, pallets, plastics, etc.) and waste related to "plant furnace repairs" – mainly refractory waste.

Reduce waste

In 2023, Verallia carried on with its project to reduce the volume of its waste by maximizing its efforts on "usual" waste:

- collection of data to build a benchmark on the volume of waste per site and per category of waste. This benchmark is updated in March of each year;
- prioritization of sites according to the volume of waste generated;
- roll-out of action plans by plant; and
- standardization of recycling definitions.

Depending on the type of waste generated, action plans related to waste recycling are adapted. They vary by plant and region. For example:

- in France, plants fill salt mines with the dust from electrostatic precipitators (in the past, this dust was considered hazardous waste and buried);
- German plants are generalizing the use of centrifuges to recover used oil.

  Testing is also under way in some plants to reuse cullet sludge for reintroduction into the manufacturing process;
- certain plants have adopted reusable rags and/or gloves that are picked up by a contractor which cleans and returns them to the site to avoid generating waste;
- other plants are setting up a system to repair pallets in

  order to reuse them and limit the costs associated with disposal.

Together these initiatives are eliminating or reducing waste, which has a positive impact on the overall volume of waste generated by the Group.
Each site, under the impetus of the Group, has set up indicators and is working on local solutions to recover or reduce its waste.

This reduction project, initiated in 2021, will continue in 2024. Alongside it, the Group also kicked off a process to improve selective sorting in its plants.

Recycle waste

In 2023, the Group achieved an average recycling rate of 75% with considerable variations among plants, which underlines the need to educate teams on waste management. That is one of the Group's objectives for 2024. In addition to the rate of recycling, Verallia now also tracks the rate of waste recovery. The rate of recovery measures waste that is recycled, as well as waste that is reused in other ways, such as waste incinerated to produce energy. The goal is to better account for all the ways in which waste is recovered by the sites and thus pinpoint the actual proportion of waste that is reused. In 2023, the Group's rate of recovery was 80%.
Over the same period, fewer tonnes of waste were produced: the total waste volume in 2023 was down 21%. The reduction in the overall waste volume and the steady rate of recycling attest to the effectiveness of the actions put in place. Decreasing the total amount of waste goes hand in hand with good waste management at the sites, for "the best waste is the waste that was never produced".

To better manage selective sorting, Verallia's environment network mapped out the streams of internal waste to identify them. The goal of this mapping tool is to enable the waste and sorting management processes to be controlled before kicking off more ambitious initiatives. The tool involves:

- identifying each type of waste generated;
- marking waste bins on a map of the plant in order to look at internal organisation from a wider point of view;
- plant management makes note of anomalies in selective sorting in the plant, and adds notes to the map. This process calls to mind the "Waste Gemba Tour" that began in 2021, during which operational deviations related to selective sorting are identified; and
- calculating the "Break Rate", which is the ratio between the number of bins poorly sorted and those that have been correctly managed, in order to determine priority initiatives.

The objectives of this tool are to set up common management rules based on visual management, reorganize internal waste disposal areas, and share best practices between plants. In 2023, waste flow mapping was rolled out to 53% of sites to highlight some of their waste sorting problems and identify actions to address them. This tool will be deployed to more sites in 2024.

It is also used to draw up action plans and to share best practices. In France, for example, mapping has been completed at all sites, which resulted in the creation of the BlueBook, a compilation of all the actions taken and best practices identified to reduce or eliminate waste.

The tool also brought about the "Environment Gemba Tour", previously known as "Waste Gemba Tour". These tours are meant to allow managers and team leaders to make regular visits to the field to detect any anomalies affecting the environment. For example, they address sorting issues and show all other environment-related problems.

The theme of the Environment Day organized by Verallia on 18 September 2023 was water. However, some sites also included local activities geared at waste. The plant in Gazzo Verones (Italy), for example, conducted awareness raising on waste.

"Verallia Days" events like Environment Day are key for sharing, training and raising awareness of a topic in general, and will continue in 2024.

Manage our discharges into the air

The emissions released into the air[48] by Verallia sites are monitored constantly. Each site is subject to maximum limits for emissions that are specific to it. These are defined by local legislation and site configuration, particularly the number of furnaces. Atmospheric emissions of SOX and NOX are monitored very closely and two methods are employed to measure them:

- either the plants continuously monitor SOX and NOX and submit the results directly to the local authorities;
- or the plants take periodic measurements on a regular schedule and ensure they conform to local regulations. Verallia's objective is to comply with these limits, no matter the operating conditions. The Group makes adjustments to technical equipment where necessary, in order to ensure compliance.

In the event that emissions thresholds are exceeded, the Group has set up a warning device to mobilize Verallia experts in order to re-establish compliance as quickly as possible (per the ISO 14001 standard method). In 2023, the Group recorded just two instances of exceeding the limit for an hour, both of which were resolved within 24 hours and in complete transparency with respect to local authorities. No case of non-compliance was detected.

[48] The primary molecules tracked are: CO_2, NO_2, SO_2 and electrostatic precipitator dust.

→ Outlook

In 2024, Verallia will continue the actions initiated with the objective of rolling out a management system based on three pillars: “Reduce – sort – raise awareness.” The Group will also pursue the deployment of the waste flow mapping tool and will incorporate the implementation of "Environment Gemba tours", especially in Italy where it is scheduled for all sites, and will carry on with initiatives launched in 2022, in particular to:

- report discrepancies in selective sorting practices in the plant and resolve them immediately;
- enrich the content of the guide to good waste management practices for all sites; and
- run workshops during the next Environment Days event.

2023 Highlights

- A governance structure was put in place to address water reduction project
- Verallia Day raised international awareness on water management and its challenges.
- The France division reduced its average water consumption by 15% compared to 2022. A global action plan was implemented at all sites in France.
- The Group's overall waste volume decreased by 21% in 2023.
- The waste mapping tool was rolled out to 41% of Group plants.
- The "Environment Gemba tour" was introduced in four of six divisions.

2.3. Decarbonising our activities

In this section

"At Verallia, we have placed reducing our CO_2 emissions at the heart of our corporate social responsibility strategy, through our purpose to "re-imagine glass for a sustainable future." This is why our teams are innovating, developing and implementing solutions to reduce all sources of CO_2 related to Verallia's activities. This mobilisation is taking place at every level of the company, on every site where the Group operates – and has already enabled us to reduce the Group's emissions by 15.8% since 2019."

Romain Barral, *Operations Director*

2023 Key Figures[49]

- 15.8% CO_2 emissions, Scopes 1 & 2, vs. 2019

59% certified renewable or low-carbon electricity

Scope 3 = 37% total CO_2 emissions

[49] Verallia results exclusive of UK

Context and challenges

While a circular economy is at the heart of Verallia's activities, making it possible to take advantage of glass' infinite recyclability, recycled materials must still be melted in order to be transformed into bottles or jars. Today, this operation remains a major source of CO_2 emissions for our business.

Verallia has embarked on an ambitious investment policy to transform the technologies, resources, and industrial equipment used on its sites, with the intent of drastically reducing its emissions. This ambition has been acknowledged through the validation from SBTi (Science Based Target initiative) in March 2022 for the target of CO_2 emissions reduction in line with the 1.5°C trajectory. In parallel, Verallia is pursuing soil regeneration projects by planting trees (see section 2.3.3) in collaboration with PUR Projet and Reforest'Action. The goal of all these actions is to enable Verallia to see its ambition of reaching Net Zero through by 2050.

In 2022, because of the geopolitical context and energy crisis, Verallia had to increase its consumption of fuel oil in Europe in order to limit the strain on gas procurement. This situation persisted into the start of 2023. To offset the negative impact of its CO_2 emissions, the Group sped up its initiatives for reducing emissions.

Key objectives and results

Commitments	Performance indicators	Reference year results	2023 Results[1]	Progress vs. 2022	2025 Target	2030 Target
Reduce CO_2 emissions from our sites (Scopes 1 & 2)	Scopes 1 & 2 CO_2 emissions (kilotonnes CO_2)	3,090 kt CO_2 in 2019	2,603.00	-5,6%	2,625 kt CO_2	1,669 kt CO_2
	CO_2 emissions reduction (Scopes 1 & 2) vs. 2019	2019	-15.8%	'-5 points	-15%	-46%
Reduce Scope 3 emissions	Scope 3 CO_2 emissions (kilotonnes CO_2)	1,765 kt[2] CO_2 in 2019	1,534	-7%	<1,751 kt CO_2	<1,112 kt CO_2
	Share of Scope 3 emissions in the Group's total emissions,	36%[2] in 2019	37%	stable	<40%	<40%
Develop renewable or low-carbon energies	Share of certified renewable or low-carbon electricity in total electricity consumed	34% in 2019	59%	+9 points	60%	90% in 2040
Contribute to soil regeneration	Number of trees planted since 2019	100,000 in 2019	513,000	+100,000	700,000	

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

(2) Scope 3 data have been recalculated in 2024 using the current methodology. The historical value for 2019 was 1,810kt CO_2 and is now 1,765kt CO_2.

- 46%

reduction by 2030 of **Scope 1 & 2** emission in absolute terms (reference year 2019)

+

< 40%

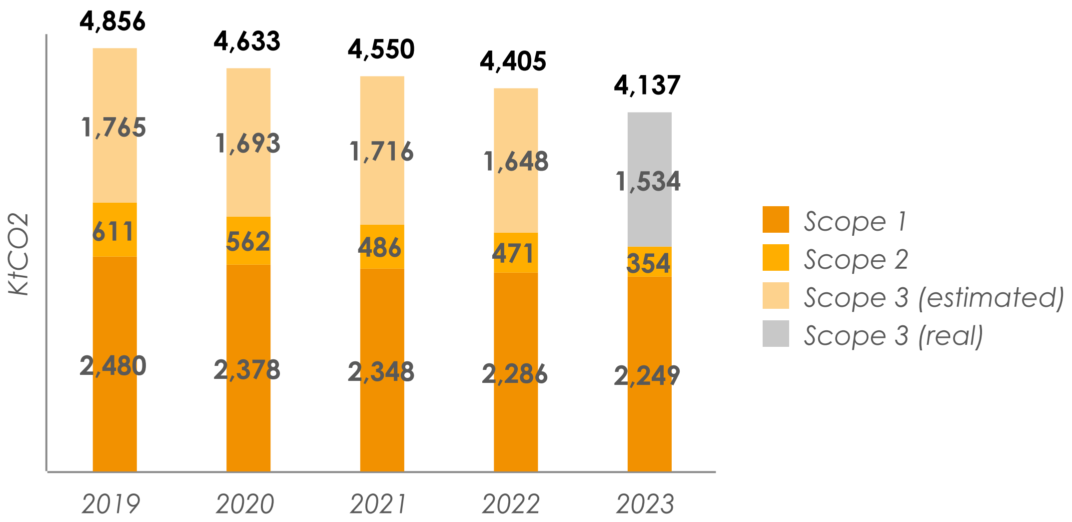
Scope 3 emissions below 40% of total emissions by 2030

+

Net Zero

by 2050 of **Scope 1 & 2** emissions

Our carbon footprint, since 2019 (reference year)[50]



[50] CO_2 emissions 2023 are without UK and 2023 data are entirely audited

2.3.1. Reduce emissions from our sites (Scopes 1 & 2)

2.3.1.1. Governance

Roles	Name of body	Main work in 2023
Strategy definition	Chief Executive Officer	*Prepare to launch the Group's second hybrid furnace in Saint Romain le Puy (France) in 2025 (after Saragossa in 2024 and the electrical furnace in Cognac in 2024)*
Strategy approval	Board of Directors	*Approve the 2023 plan for reducing CO_2, and related investments. Approve the acquisition of 6 cullet treatment centres in Spain and Portugal and 1 joint-venture in Portugal.*
Coordination and monitoring	CO_2 Steering Committee(1)	*Monitor progress of all projects under the CO_2 plan. Allocate resources and define priorities. Approve technical solutions in different areas: low-carbon raw materials, furnace technologies. Approve the Scope 3 emissions reduction strategy.*
Contacts in the entities	Chief Executive Officers and Executive Committees of each division, plant managers and their management teams	*Deploy the technologies associated with reducing CO_2 emissions. Implement the Energy strategy. Implement and monitor the Responsible Purchasing Policy.* *Set up local initiatives.*
Ownership	Employees	*All employees got involved by participating in the various projects, as a result of heavy internal communications. In 2023, another Verallia Environment Day was held dedicated entirely to presenting the Group's actions.*

(1) Members: Chief Executive Officer, Operations Director, Technical Director, Group Purchasing Director, Plan Director, Group Director in charge of CSR and legal, Sustainable Development Director, and six project managers responsible for the various action plans.

2.3.1.2. Policies & performances

Verallia has been committed to reducing its carbon footprint for several years now. Since 2021, the Group is also aligned with a trajectory to maintain global warming to 1.5°C. To achieve this, the Group has pledged **to reduce its direct CO_2 emissions (Scopes 1 and 2) by 46% in 2030 compared to 2019, in other words reaching 1,669 kt of CO_2 versus 3,090 kt in 2019[51].**

Two other firm commitments support this objective of reducing Scopes 1 & 2 emissions:

- maintain Scope 3 emissions below 40% of total emissions in 2030;
- achieve carbon neutrality by 2050.

Verallia's plan to reduce CO_2 emissions is based on three main drivers:

1. raw materials, by reducing emissions related to the raw materials used to make glass (see the actions developed in 2.2);
2. energy efficiency, by improving the energy efficiency in industrial sites and develop new furnace technologies to reduce CO_2 emissions; and
3. renewable energies, by using energies that are renewable or low carbon.

To achieve these objectives, Verallia estimated additional investments of €300M between 2019 and 2030, based on 2021 costs. This amount will be adjusted according to inflation over the given period.

Note that Verallia did not make use of carbon credits in 2023.

[51] Without Verallia UK

Reduce CO_2 emissions from our sites (Scopes 1 & 2)				
Key commitments and objectives	**Monitoring indicators**	**2023[1]**	**2022**	**2021**
Decarbonising our activities Objective : **Reduce our CO_2 emissions (Scopes 1 & 2) by 46% in absolute terms by 2030 compared to 2019**	CO_2 emissions (Scopes 1 & 2) (in kilotonnes CO_2) and CO_2 emissions reduction (Scopes 1 & 2) vs. 2019	2,603 -15.8%	2,756 -10.8 %	2,833 - 8.3 %
Changes to Scope 1 emissions	Scope 1 CO_2 emissions	2,249	2,286	2,347
Changes to Scope 2 emissions	Scope 2 CO_2 emissions	354	471	486
Change in Scope 1 & 2 CO_2 emissions intensity per tonne of packed glass (TPG)	tCO2 Scopes 1 & 2/Tonne of packed glass (TPG*)	0.468	0.468	0.482
Develop renewable or low-carbon energies Objective : **Reach 60% certified renewable or low-carbon electricity by 2025 and 90% by 2040**	Share of certified renewable or low-carbon electricity in total electricity consumed	59%	50 %	46 %

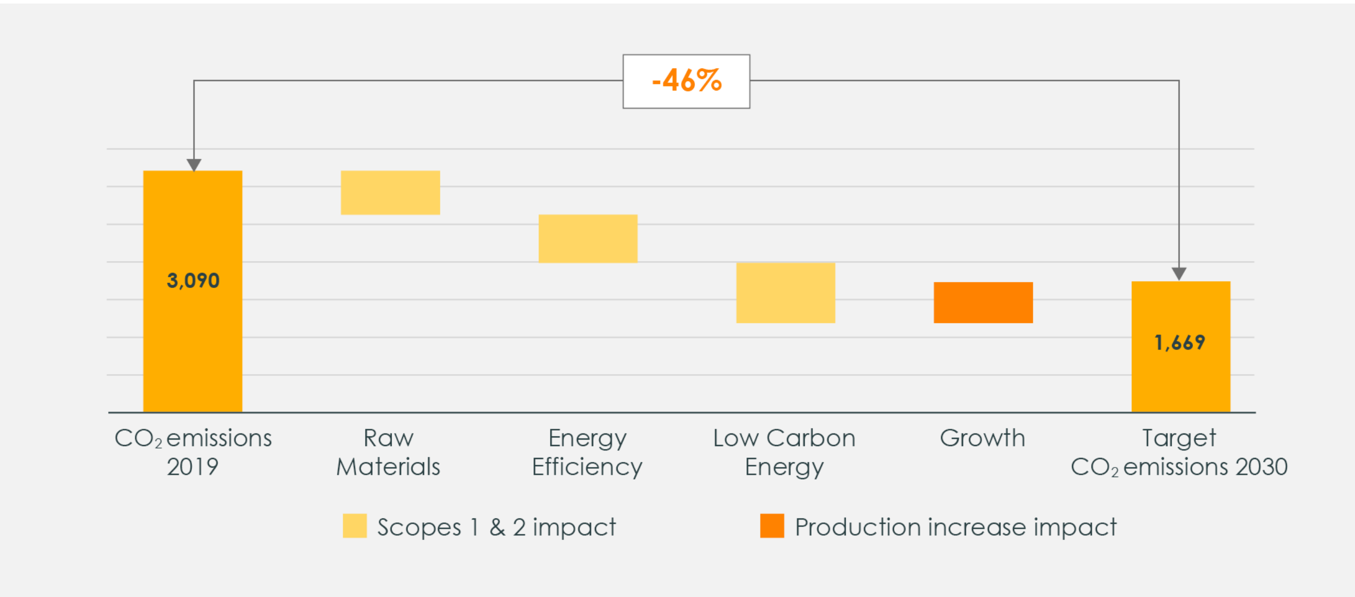
* TPG: tonnes of packed glass

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

In 2023, Verallia continued drastically reducing its Scopes 1 and 2 CO_2 emissions, accumulating emissions of 2,603 kt CO_2 across the Group, thus achieving a 15.8% reduction compared to its 2019 emissions (these data do not include the activities of Verallia UK). This progress is attributable to several factors: a cullet rate well above the 2019 level (54% vs. 49%), the deployment of efforts to reduce energy consumption across all production lines, and a higher proportion of low-carbon electricity which led to the reduction of Scope 2 emissions. However, it should be noted that this reduction also reflects a considerable decrease in activity, with 5,560 kt in 2023 compared to 5,820 kt in 2019 (-4%). In terms of intensity, in 2023 Verallia maintained its CO_2 emissions per ton of packed glass to at the level of 2022: 0.468 tCO_2 per ton of packed glass versus 0.468 in 2022 and 0.534 in 2019.

Note: Scope 1 emissions were reduced by 1.6% from 2,286kt to 2,249 kt. These Scope 1 emissions were marginally affected by the use of fuel oil. Scope 2 emissions fell from 471 to 354 kt, a reduction of 25%. We have thus acted on both scopes.

Scopes 1 & 2 CO_2 Emissions (kt/year)[52]



[52] CO_2 emissions 2023 without UK

2.3.1.3. Action #1: Increase the share of decarbonised raw materials

Calcium carbonate (limestone) and sodium carbonate, two of the main raw materials used in glass manufacture, release CO_2 when they are melted. These emissions accounted for around 20% of the Group's Scope 1 & 2 emissions in 2019. In order to reduce these emissions, it is necessary to substitute these raw materials with alternative materials that release no or less CO_2. The most obvious, easiest solution is to use cullet, which does not emit CO_2 because the CO_2 contained in the glass has already been emitted during the initial melting of the raw materials.

Integrating cullet into our bottles allows us to reduce the use of virgin raw materials and in particular, carbonated raw materials (cf. 2.2.1.3).

Increase use of external cullet

As explained in chapter 2.2 on circularity, the Group first focused its efforts on increasing the rate of external cullet used in its furnaces. **As a result, in 2023, Verallia consumed 3,011 kt of cullet (without Verallia UK) compared to 2,881 kt in 2019, which equates to an 4.5% increase in volume**. This enabled the Group to reach an external cullet use rate of 54,1% (without UK). Although this figure is a clear improvement over 2019, it is down from 2022 as a percentage. The increase in use of cullet made a reduction in direct emissions of 94,760 tonnes[53] over 2023, while the share of raw materials in the Group's total emissions dropped from 20% in 2019 to 17.7% in 2023.

The decline in the cullet integration rate observed in 2023 is mainly attributable to the sourcing difficulties encountered at the beginning of the year. To avoid this type of situation in the future, Verallia is making upstream investments in collection and in treatment. In 2023, for example, the Group acquired 6 treatment centres in Spain and Portugal and 1 joint-venture in Portugal. Furthermore, the Group continues to invest in collection, especially in Chile and Brazil, where it is installing nearly 800 containers to collect glass in a number of cities.

Lastly, it should be noted that CO_2 emissions linked to collecting and treating recycled glass are included in the Group's Scope 3 emissions which were audited for the first time for the 2023 reporting period.

Identification of alternative decarbonised raw materials

As explained above, **calcium** carbonate and **sodium** carbonate are major elements used to make glass, but the properties of sodium and calcium are what are required for glass chemistry. The Group's R&D teams have therefore launched a vast project to assess available sources of decarbonised calcium and sodium that are compatible with the way these elements are used in glass furnaces. The first such source was approved in early 2023, and is now being implemented on a large scale within the Group.

Finally, the usage impact in terms of CO_2 emissions includes all three scopes to ensure that reductions in Scope 1 emissions do not cause a rise in Scope 3 emissions, for example.

→ Outlook

The Group will continue to bear down on all levers that make it possible to increase the use of cullet in Verallia's furnaces, with the goal of reaching 59% use by 2025 and 66% in 2030 (see 2.2).

Moreover, the Group's short-term objective is to roll out a second alternative raw material in 2024, and to set up the logistics chain necessary to ensure its wide-scale use.

2023 Highlights

- Verallia maintained a high level of external cullet use in 2023 and is on track for its 2025 and 2030 targets.
- The Group continued to invest internally and externally (acquisitions) in cullet collection and treatment to support this plan.
- The adoption of decarbonised raw materials is under way and will continue in 2024

[53] Calculation based on the assumption of 100% gas furnace operation. The CO_2 reduction comes from the reduction of energy and the reduction of carbonaceous raw materials.

2.3.1.4. Action #2: Optimise the energy consumption of our industrial facilities

As part of the continuous improvement logic in place through the Verallia Industrial Management (VIM) system, many projects are under way to reduce energy consumption and CO_2 emissions at the Company's sites, such as regular monitoring of results and application of best practices across the board. This approach is founded on the operational management of CO_2 emissions, which is supported by a monthly energy consumption reporting system introduced in 2021. This system allows teams in each country, site and division to monitor the effectiveness of their actions and to develop new ones. It currently concerns the Scope 1 & 2 emissions at each site. The same approach has been implemented for Scope 3 emissions, which enabled an audit of the Group's emissions this year.

Reducing melting emissions by lowering fuel oil consumption

Historically, glassmaking furnaces burnt fuel oil to heat and melt the glass components. In recent years, natural gas has gradually replaced fuel oil, which allows for a reduction in CO_2 for the same amount of energy but requires changes to how furnaces are controlled.

In 2022, the Group had to increase its consumption of fuel oil to reduce its gas consumption by the same amount, as a way to relieve pressure on gas availability subsequent to the war in Ukraine. As a result, the share of fuel oil increased to make up 9% of the energy used for melting at the end of 2022 before falling to 6.5% in 2023. This short-term decision did not alter the Group's object to completely eliminate fuel oil from its energy mix. With this goal in mind, in 2023 the Group converted one of its last two furnaces in Italy that still ran exclusively on fuel oil. The Group's last fuel oil-powered furnace will be shut down in the spring of 2026.

Improve existing industrial facilities

Throughout the furnace lifespan (around 12 years), Verallia makes improvements to reduce their energy consumption. For example, improvements are made regularly to sealing and thermal insulation, glass temperature optimisation, combustion settings and adjustments to combustion air volumes at the various sites with support from corporate R&D teams. Finally, it should be noted that the Group is managing this approach to controlling its energy consumption through an ISO 50001-certified management system for 25 Group sites at the end of 2023. Certification efforts will carry on in 2024.

Eliminate energy losses

The Group has implemented a program to thoroughly identify energy losses, using different types of tools (energy audit, equipment performance efficiency, leak detection, etc.). This program has made it possible to define loss eradication projects for each site, projects characterised by well-defined objectives, a dedicated team and work schedule, and monthly industrial performance indicators. Since each site is faced with the same objectives but different local issues, this approach provides an opportunity to address the specific characteristics of each site and to disseminate these actions more quickly. For example, in order to reduce the amount of cooling air entering its furnaces, Verallia has developed deflectors to protect the most sensitive areas of the furnaces from cold air, a key source of energy loss. This new equipment is installed on all of the Group's new furnaces and during repairs to existing furnaces.

Use Industry 4.0 tools to optimise energy consumption

As energy is mainly consumed during the melting phase, investment in Industry 4.0 tools represents a major lever to limit our impact on the environment. Verallia's plants are evolving by integrating augmented intelligence into their production tools in order to achieve industrial excellence, using the fewest resources possible while increasing customer satisfaction. Upgrading industrial facilities meets an overall objective of controlling the manufacturing process at every stage: productivity, energy savings, quality, maintenance and reduction of operational risks. It involves two major developments:

- digitisation of the Group's industrial facilities: installing connected instrumentation throughout the production chain enables real-time data collection in order to regulate, stabilise and improve its industrial processes automatically, improve the quality of its glass packaging and, above all, to optimise energy and raw material consumption;
- furnace control assisted by augmented intelligence software: implemented at nearly all sites, this advanced control system is based on connected instrumentation, data analysis, machine learning and glassmaker experience for quasi-automatic control of the furnaces. The majority (77%) of furnaces are now equipped with such systems, and results can already be seen. For example, the first year of operation showed energy consumption gains of up to 2%.

Use flue gas heat

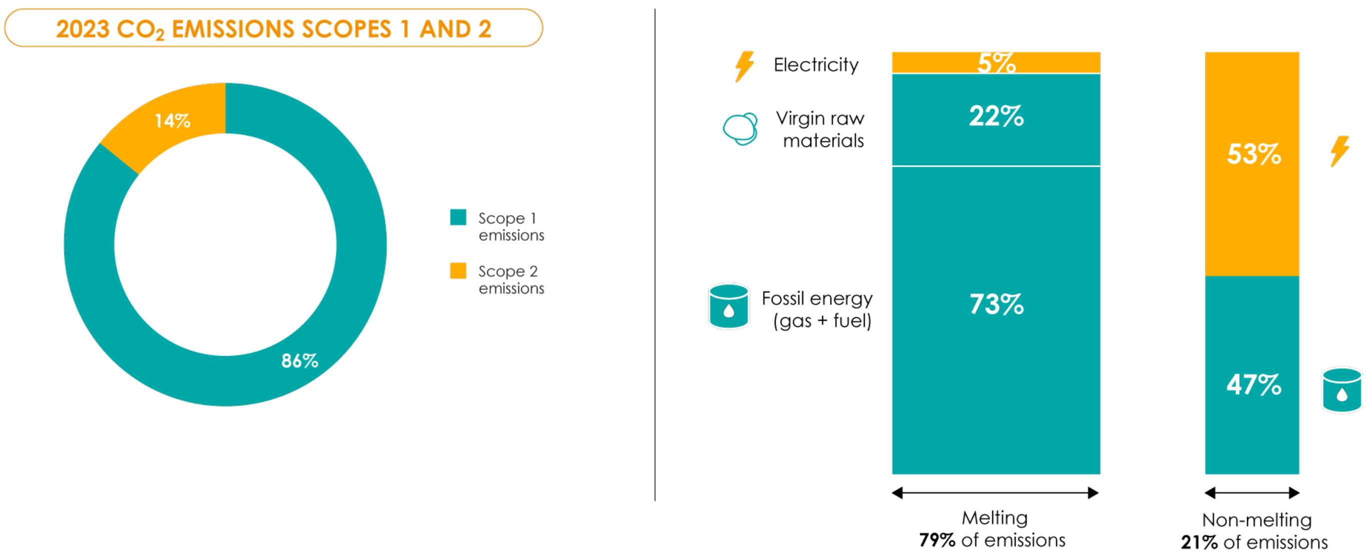
Re-using heat from combustion flue gas is a significant energy source at sites. For this reason, several projects have been deployed group-wide:

- in Burgos, Spain, Verallia is supplying steam to the nearby Group Mahou San Miguel brewery;
- in Neuburg, Germany, a steam boiler powered by Verallia's flue gas supplies a heat source to the city used to heat public buildings; and
- in Lagnieu, France, an organic Rankine cycle (ORC) machine will be installed on site to use flue gas heat for producing electricity. It will be commissioned in 2024 and will produce 8,200 MWh annually on site, which equates to 10% of its annual electricity needs.

2.3.1.5. Action #3: Develop and invest in low-carbon furnaces

Glass melting accounts for around 73% of the energy consumed at the Group's sites. Supplied mainly by fossil fuel combustion (natural gas 85.2%, fuel oil 8.2%, 0.2% bio-combustible and 6.3% of electricity in 2023 melting energy consumption), melting therefore generates 79% of Scopes 1 & 2 CO_2 emissions. Developing the technologies used in the furnaces is therefore essential to integrating alternative energies. To this end, the Group has launched several projects.

CO_2 Emissions : Scopes 1 & 2 details[54]



Installation of electric furnaces at certain sites

Verallia has decided to replace one furnace at its Cognac site with two electric furnaces, a pioneering move for glass packaging. Today, electric furnace technology is being used for other types of glass (perfume bottles, for example), but not for the Group's products. The project aims to reduce CO_2 emissions at sites by 60%.

It should be noted, however, that 100% electric furnaces cannot accept more than 65% cullet integration in production. This means that all-electric furnaces cannot be used for coloured glass incorporating 80% or more cullet, which accounts for about 60% of the glass packaging manufactured by Verallia. This is why we are developing hybrid technology in parallel, which has no limit on cullet integration and can therefore be used for all glass colours.

[54] CO_2 emissions 2023 without Verallia UK

Prioritise the shift to hybrid furnaces: target a 50% reduction in CO_2 emissions from glass packaging production, applicable to all sites

In 2019, Verallia joined forces with other European glass packaging manufacturers, within the framework of FEVE on a pilot project to build the first hybrid electric furnace. This high-capacity furnace was meant to use 80% green electricity and allow for a 50% reduction in CO_2 emissions linked to glass packaging production. While the project had to be put on standby at the start of 2022 due to financing, Verallia decided to continue independently, firmly convinced of the importance of this technology.

The Group's pilot project will be installed in Zaragoza, Spain, at the end of 2024, and a second hybrid furnace will be installed in Saint Romain le Puy, France, in 2025. These furnaces will make it possible to validate technical solutions for the design and operation of these hybrid furnaces before being rolled out more broadly as of 2026 in accordance with the furnace reconstruction schedule.

Transition technologies: "super-boosted" and oxy-combustion furnaces

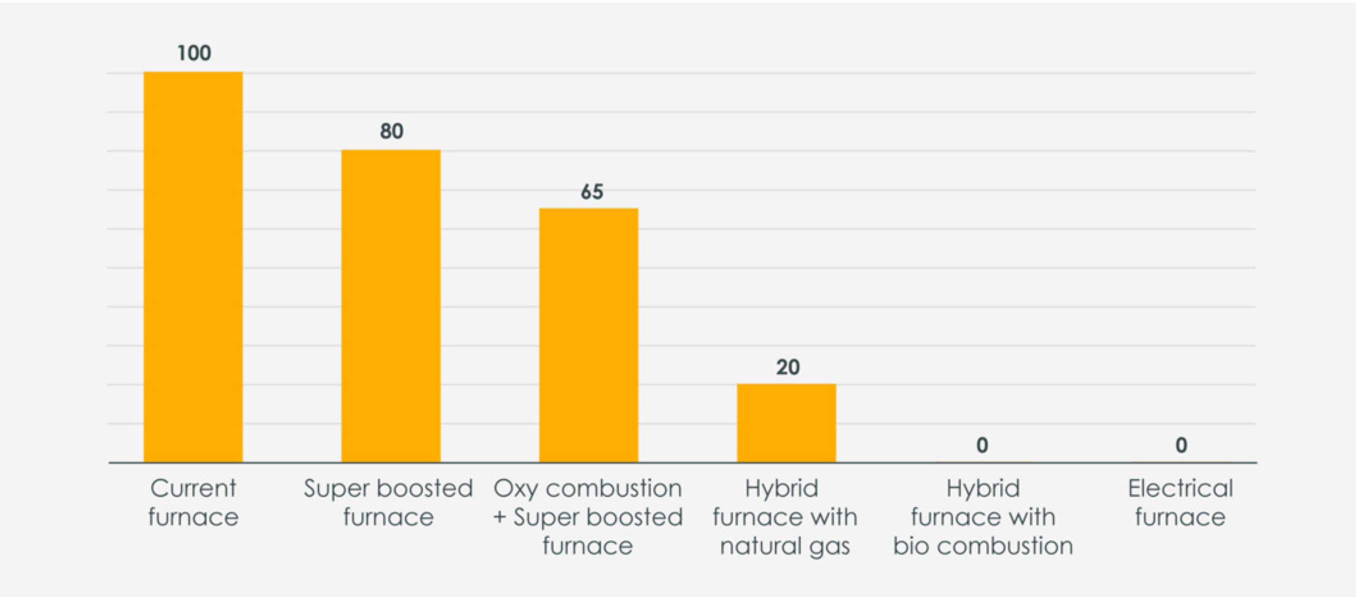
technology development strategy is rebuilding furnaces over time. In fact, furnace lifespan is approximately 12 years. Furnace design must be defined approximately two years before it is rebuilt in order to allow plans to be developed and manufacturing of the components for these immense industrial installations. This means that the furnaces rebuilt between 2023 and 2027 will not benefit from hybrid technology because the pilot project will not have been finalised at the moment when the decisions to launch these rebuilding projects were or will be made.

To ensure that these furnaces begin to reduce CO_2 emissions, two improvements developed from existing technologies will be utilised: super-boosted and oxy-combustion furnaces.

- Validation of super-boosted furnace technology is under way at two Verallia sites, which would make it possible to increase the share of electric power from 7% to around 25%. This technology will be the preferred option when rebuilding furnaces reaching end-of-life before 2027.
- Oxy-combustion optimises combustion by injecting oxygen into the furnace, thereby reducing Scope 1 CO_2 emissions. This technology, which requires the installation of on-site oxygen generation equipment, will be implemented on new furnaces built in Brazil and Italy.

Both of these technologies must be coupled with decarbonised electricity to reduce CO_2 emissions as much as possible.

Comparison of CO_2 emissions from Melting Energy between different furnace technologies (in %)*



*Assuming 100% renewable or low-carbon electricity and excluding raw material emissions.

→ Outlook

The vast majority of the work accomplished by Verallia's technical and R&D teams, as was the case in 2023, will involve developing and validating new furnace technologies (electric and hybrid), alongside building super-boosted furnaces with and without oxy-combustion and in particular the electric furnace pilot project that will be commissioned in 2024. These technological developments are at the heart of Verallia's commitment to reduce CO_2 emissions by 46% between 2019 and 2030 (Scopes 1 & 2) by decreasing its CO_2 emissions by nearly 1,000 kt in 2030 compared to 2019.

2.3.1.6. Action #4: Develop renewable or low-carbon energies

Ensuring the use of renewable or low-carbon energy is the final pillar of Verallia's strategy to reduce its Scopes 1 & 2 CO_2 emissions. While procurement of renewable electricity is a time-honoured practice within the Group, Verallia is now looking to increase its share in the energy mix and to integrate new renewable energies.

Towards "greener" electricity

Electricity-related emissions account for approximately 14% of the Group's total CO_2 footprint (Scope 2 in 2023). Sustainable access to competitive renewable energy sources represents a significant lever for achieving our CO_2 emissions reduction objective. This is why the Group established a procurement strategy in 2020 that favours renewable electricity. The goal is to reach 60% certified renewable or low-carbon electricity in its overall mix by 2025. In the last two years, the Group signed several Power Purchase Agreements (PPA) that will allow it to continue increasing the share of low-carbon electricity in its energy mix. For example, the Rosario plant in Chile has used 100% low-carbon electricity since April 2022, while the first contract based on wind power was signed in Germany to meet as much as 30% of current supply needs at four of the Group's sites. This objective is all the more important as the addition of electric and hybrid furnaces to our facilities will lead to increased electrical consumption in the coming years.

Power generation on our sites

The Group has also decided to sign business agreements with partners to equip some of its plants with solar panels to generate part of the electricity consumed by production activities. The Mondego site in Portugal began generating electricity in the summer of 2022. In 2023, the Group's sites in Vicsa (Spain), Carcare and Gazzo Veronese (Italy) were also equipped with solar panels Installation is now under way at eight other sites (five in Spain, three in Italy). Additional projects are being considered in France. Depending on local characteristics, all these projects can supply between 5% and 20% of the sites' electricity needs once installation is complete.

Furthermore, Verallia France has entered into a partnership for its Lagnieu site to install in 2024 a power generation unit that converts waste heat and will cover up to 10% of the site's electricity needs (see section 2.3.1.4 "Use flue gas heat").

Prepare the way for green hydrogen

Hydrogen has been presented as a major component of the European Union's "Fit for 55" plan as an alternative to fossil fuels, when produced from renewable energy. The use of hydrogen as a primary fuel in glass furnaces is a new field, thus validating the conditions for implementing and using it is a necessary step. To do so, the Group is working in two main areas:

- Combustion testing, which aims to characterise the impact of using hydrogen on performance and emissions. Initial testing took place in 2023 and yielded positive results;
- To validate the impacts of using hydrogen over the long term, in 2024 Verallia, with support from two partners, will power one of its sites in Germany using coke oven gas that contains up to 50% hydrogen. Verallia's technical teams will be able to validate the impact of using hydrogen on the management and service life of glass furnaces, thereby giving the Group comprehensive expertise for exploiting renewable hydrogen as soon as it becomes available. Once the operating conditions have been validated, this project will enable reduced natural gas consumption and 10% less CO_2 emissions at the chosen site.

Finally, the Group is also monitoring the development of technologies for producing green hydrogen, especially their energy efficiency. The Group considers it important not to transfer Scope 1 emissions to Scope 3.

Biofuels as alternatives to natural gas

Burning natural gas in furnaces is still the main source of CO_2 generated by Verallia plants, and replacing it with biofuels such as biomethane would make this combustion CO_2 neutral. Several projects seeking to validate the technical and economic aspects of this type of fuel are currently being studied in all the Group's countries of operation. In 2023, the Cognac site in France worked with a partner to commission a pilot unit that employs biomass gasification for renewable gas production. Meanwhile, the Zaragoza site in Spain has continuously used biofuels since 2022 to cover 15% of its needs. The target is to power the equivalent of three furnaces with 100% biofuels by 2030. However, the implementation of future projects is still dependent on the availability of biofuels.

Carbon capture

Reducing CO_2 emissions is the top priority to fight climate change. Nevertheless, it is possible that, despite the ambitious scope and scale of the projects pursued by Verallia, its CO_2 emissions may not be reduced to nil. To reach that target, it may well be necessary to turn to carbon capture, utilisation and storage (CCUS). The field of CCUS has not yet reached maturity, from both industrial and regulatory angles. Many participants are working to develop these technologies, and there is much uncertainty surrounding their long-term viability. In order to identify partners of interest to its business, Verallia's R&D teams continuously monitor this topic, covering both concentrated and diluted emissions capture technologies, conversion technologies, transport infrastructures, storage and sequestration techniques, and regulatory developments.

2.3.2. Reduce Scope 3 emissions (transport, materials and packaging)

2.3.2.1. Governance

All issues related to Scope 3 emissions are managed by the Purchasing Department, under the governance structure presented in Section 2.3.1.1.

2.3.2.2. Policies & performances

Since 2019, Verallia has carried out an annual assessment of its Scope 3 CO_2 emissions. On this basis, in October 2021 the Group established and communicated, its first Scope 3 emissions reduction target for 2030. It aims to keep Scope 3 emissions below 40% of the Group's total emissions in 2030, for total Scope 3 emissions of fewer than 1.1 million tonnes.

To achieve this objective, Verallia set out to strengthen its system for monitoring and reporting these emissions. This effort entailed implementing dedicated tools and conducting a pre-audit in October/December 2023 to ensure the Group was fully prepared for its first Scope 3 audit in January 2024. At the same time, action plans were drawn up at the Group level and in each country. These action plans are aimed at the three main sources of Scope 3 emissions: those linked to raw materials manufacturing (primarily soda ash), to the transport of raw materials and finished products, and to packaging manufacturing.

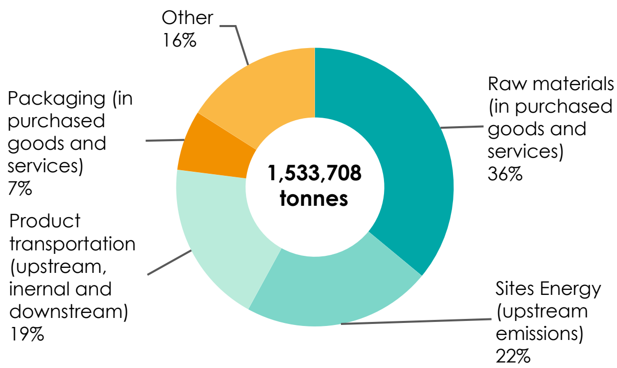
Reduce Scope 3 CO_2 emissions				
Key commitments and objectives	**Monitoring indicators**	**2023[1]**	**2022**	**2021**
Reduce Scope 3 CO_2 emissions Objective: **Maintain our Scope 3 CO_2 emissions below 40% of the Group's total emissions**	Scope 3 CO_2 emissions in kt CO_2	1,534	1,648	1,716
	Share of Scope 3 emissions within the Group's total emissions, in %	37.1%	37.4	36.6 %
Reduce Scope 3 CO_2 emissions	Scope 3 emissions from raw materials in kt CO_2	553	549	565
Reduce Scope 3 CO_2 emissions	Scope 3 emissions from transport in kt CO_2	296	302	301
Reduce Scope 3 CO_2 emissions	Scope 3 emissions from packaging in kt CO_2	107	104	159

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results

The reduction in Scope 3 emissions between 2023 and 2021 is -11%. This drop is -7% in 2023 compared to 2022. This reduction is linked to different elements. The impact reduction actions deployed in the various countries are now becoming visible. We have refined the method of calculating emissions compared with the calculations made in 2021, in particular for packaging and low-volume raw materials.

While the main items (raw materials, packaging, services) are relatively stable in 2022 and 2023, the CO_2 impact of transport and energy is reduced in 2023. This is partly due to lower volumes. Similarly, emissions from Industrial projects are significantly lower. Major projects have been initiated in 2023, but will only be accounted for in 2024, once they have been completed.

Breakdown of Scope 3 CO_2 emissions by source in 2021 (in percentage)



2.3.2.3. Action #1: Build a reliable Scope 3 emissions tracking system

Due to its complexity, the assessment of Verallia's Scope 3 emissions evaluation is recent (2019). The annual assessment required a significant amount of work to consolidate existing but disparate data (volumes used, transport mileage, emission factors associated with the various suppliers, etc.) and estimates of unrecorded elements.

To truly manage activities to reduce these emissions, the Group had to go to great measures to establish a robust reporting framework, in particular by designing the various reporting elements and deploying the right tools. To this end, the Group deployed several reporting and simulation tools based on dynamic cross-referencing of sourcing data (Verallia site - Supplier site), emissions factors (transport and product), as well as the volumes involved. These are powered by the Group's internal Business Intelligence (BI) solutions. In addition, a specific tool related to Scope 3 transport developed by the company Sightness is now operational. It covers emissions calculations for ground and maritime transport operations.

At the same time, the first Scope 3 projection models for 2030 were produced this year. These models simulate the trajectory of emissions by taking into account the action plans put in place with suppliers, which can then be adjusted as necessary to ensure the reduction targets are met.

2.3.2.4. Action #2: Reduce CO_2 emissions from raw materials

The Scope 3 emissions associated with raw materials are linked to suppliers and to the corresponding transport. In January 2022, the Group decided to integrate CO_2 emissions as one of the items systematically taken into account when evaluating the suppliers that are the largest contributors to these emissions. Concretely, this takes the form of a detailed performance review of current and future plans to reduce emissions conducted during the supplier selection phases. Another important criterion when choosing our suppliers is shortening the distance that materials have to travel. Preference is given to making procurement as closely as possible to our plants, as well as using alternatives to road transport. Various initiatives have led to sourcing that is closer to our plants. Verallia Italy, for example, reduced by several hundred tonnes of its CO_2 emissions linked to limestone deliveries.

For Verallia, sharing its decarbonisation trajectory is an important tenet of strategic partnership agreements with its key suppliers. Verallia offers its support and expertise to suppliers to accelerate their plans to reduce CO_2 emissions.

2.3.2.5. Action #3: Reduce our packaging-related CO_2 emissions

In order to strengthen the circularity of its activities at all levels and to help reduce its GHG emissions, Verallia is working on the eco-design, reuse and recycling of its packaging, which currently represents 8% of its Scope 3 emissions.

In Verallia's plants, the bottles or jars manufactured are packaged on pallets of varying sizes depending on the design of each item and the needs of its customers. Some elements are standard, such as the pallet itself, the cardboard or plastic dividers, and the heat-shrink plastic film that ensures the water-tightness and mechanical strength of the entire package.

The Group has developed a network of subcontractors based near its plants who repair damaged pallets for use an average of 25 times before being discarded as waste. In 2023, Verallia continued its efforts to increase the pallet life span by increasing the number of parts repaired on each one. The purchase of second-hand pallets was another avenue developed in 2022 and continued in 2023 in Germany with more than 55,000 pallets. This approach is strongly encouraged because it contributes to an ever-more circular local economy.

In addition, plastic interlayers are widely recycled and Verallia collects these packaging elements from its customers. The interlayers are recovered, washed and reintroduced into the production flow. They are used 20 times on average before they become too damaged to reuse and are processed as waste.

To tackle packaging film, the Group has been working on two initiatives with its country purchasing and technical teams to help lower CO_2 emissions.

- Optimize the surface area and thickness of the film used according to need. In each country, strength tests during transport and under storage conditions were launched. The initial results in Argentina and in Germany showed reductions in CO_2 emissions thanks to a smaller surface area of film used per pallet.

The Group's Purchasing Department is working with various film suppliers to integrate a greater proportion of recycled plastic into the film composition. Today, 100% of the film purchased in Germany and the UK is recycled film, generating an annual reduction of 2,000 tonnes of CO_2. The same will also be true in 2024 for all the polyethylene supplied to Verallia plants on the Iberian peninsula (for an expected decrease of approximately 3,000 t of CO_2/year). Strength tests conducted over the course of several months are under way in other European countries and in Brazil. A concentrated effort is being made to secure procurement of recycled plastic.

→ Outlook

The Group's main areas of work to develop packaging circularity will continue to focus on:

- reducing plastic film thickness and surface area ;
- using at least 25% of recycled plastic in packaging films in European divisions;
- increasing the percentage of substitution of new articles (pallets, interlayers) with recycled or second-hand articles.

2.3.2.6. Action #4: Reduce transportation-related CO_2 emissions

With over 16 billion of bottles and jars delivered to its customers, and an equivalent volume of raw materials to be integrated into its furnaces, transport and associated emissions are major challenges for Verallia.

The Group intends to favour renewable energy solutions (particularly biofuels) as well as alternative solutions to road transport, like rail.

The various divisions are continuing to work with their main carriers to implement alternative solutions to the more traditional road transport.

Where multimodal transport is less feasible, they favour lorries powered by alternative energy with lower CO_2 emissions.

The following examples illustrate the variety of the projects implemented:

- rapeseed oil-based biofuels have been used in the Champagne region (France) for several years;
- in Italy, one of our key transport partners, Lannuti, will use HVO for all its domestic routes in 2024;
- we set up a multi-year partnership with our carrier TDLG to use natural gas vehicles (NGV) to transport from our plant in Burgos, Spain; and
- our Italian subsidiary acquired its own fleet, which has included two NGVs since 2023, for regional distribution.

Replacing road transport with rail or any other multimodal solution remains an important focus for Verallia, particularly for its most regular routes. Several initiatives have made it possible to limit the carbon impact:

- Verallia Italy finalized an agreement in the last quarter of 2023 with one of its main carriers to use 100% HVO (Hydrotreated Vegetal Oil). Applied to all the flows operated by this carrier, this conversion will save 500 tonnes of CO_2 in 2024;
- Over the past two years, several road flows in Spain and Portugal have been converted to multimodal rail/road flows, particularly for the pre-carriage of export containers. These actions have led to a saving of 350 tonnes of CO_2 in 2023.
- In France, part of the South-North flows (from the Albi plant) and North-South flows (from Vauxrot and Oiry) are now carried out by multimodal rail/road. By 2023, this will represent a saving of around 300 tonnes of CO_2. In addition, following the latest call for tenders for sea transport in December 2023, container pre-carriage will be handled using multimodal solutions.

In 2022, the French teams chose to join FRET21 whose goal is to reduce CO_2 emissions by 3,500 tonnes by 2025 (see below).

Finally, the development of Ecova's lightweight ranges (see in chapter 2.2 - Develop eco-design) allows the number of bottles per pallet to be increased, thus reducing the need for transport and, by extension, CO_2 emissions.

→ Perspectives

Transport is one of the main drivers that will enable Verallia to reach its goal of reducing Scope 3 CO_2 emissions. The projects that aim to reduce emissions related to transport are under the supervision of the Supply Chain Department, which organizes ambitious action plans in every region that revolve around two main areas:

- Optimising customer sourcing, which means reducing the distance between the plant and the customer. This work relies in particular on using simulation tools such as Sightness; and
- developing multimodal transport and alternative modes (electric, biogas, biofuels etc.), by setting up long-term collaborations with our carrier partners.

2023 Highlights

To achieve our Scope 3 reduction objectives, we must have a detailed understanding of emissions data and their projected trajectory through 2030, while also deploying concrete actions to decarbonise. Our main efforts are focused on the primary categories of CO_2 emissions. We work with our suppliers to implement alternative, lower-emission solutions, to share a roadmap that aligns with our goals, to assess the relevance of these solutions, and to set up partnerships.

2.3.3. Contribute to soil regeneration

Contribute to soil regeneration				
Key commitments and objectives	Monitoring indicators	2023	2022	2021
Contribute to soil regeneration Objective: Plant at least 100,000 trees per year from 2019 to 2025	Number of trees planted since 2019	513,000	413,000	313,000

Beyond decarbonising its activities, Verallia contributes to the carbon balance of ecosystems by participating in reforestation and agroforestry projects, prioritising countries where the Group has its plants.

With support from its two partners, PUR and Reforest'Action, Verallia has already financed several reforestation and agroforestry projects. Since 2019, more than 500,000 trees have planted in a dozen countries through these projects.

Our historic partner since 2019, PUR is a “social business” that provides guidance to companies on integrating the climate issue into their value chain, making it possible to regenerate, reinvigorate and conserve ecosystems. PUR has been a pioneer of “insetting”[55] since 2008, and develops nature-based solutions (NBS) to regenerate ecosystems and encourage local communities to embark on long-term socio-environmental projects.

Since 2021, a new partnership has begun with Reforest’Action, a French company pioneering reforestation since 2010. A certified B Corp, its mission is to preserve, restore and develop resilient forest ecosystems to respond to the climate emergency and the erosion of biodiversity. To do so, Reforest’Action selects and supports forestry projects, ensuring their quality in order to develop multifunctionality over time.

Restoring ecosystems through reforestation and agroforestry projects

Verallia has financed seven reforestation and agroforestry projects in six countries with PUR since 2019. These projects, implemented in partnership with local communities, are designed to have a significant social and environmental impact. Through them, over 300,000 trees were planted between 2019 and 2021, supporting 260 farmers and impacting 255 hectares directly.

Implementing projects nearby our plants

Since 2021, Verallia has been working with Reforest'Action to contribute to reforestation projects implemented near the Group’s plants. A total of 213,000 trees have been planted in seven countries where our plants are located. Reforest'Action is also working to raise awareness of all the benefits of reforestation. The Reforest'Action website features an interactive map and a description of each project: (https://www.reforestaction.com/verallia)

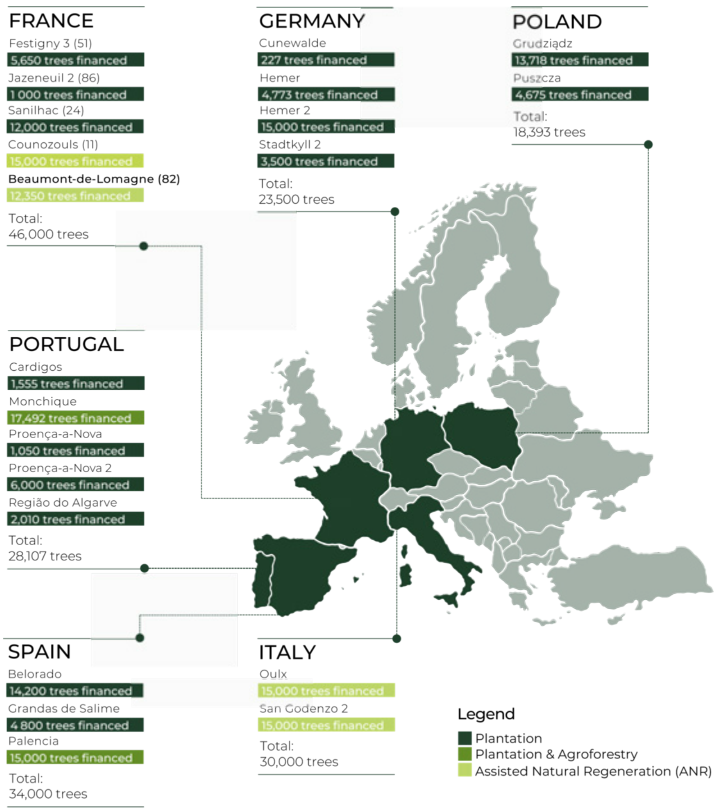
[55] “Insetting” means assessing, reducing and offsetting a company’s climate and environmental footprint by developing projects that have a socio-environmental impact within its value chain, to enhance the value of them and build a sustainable society.

For each tree planted, Reforest'Action estimates the positive impact on climate, biodiversity, health and employment."[56] These indicators are not certified, but are useful for materialising the impact in a more tangible way rather than the number of trees planted.

For example, the 213,000 trees planted store an average of 31,950 tonnes of CO_2 per year, provide 639,000 animal shelters, generate 852,000 months of oxygen, and create 213,000 hours of work.

Verallia carefully chooses each of the projects to which it contributes. To date, we have identified projects in the United Kingdom near the Verallia UK sites, and in Spain, close to our new cullet treatment centres.

Cumulated number of trees planted through Reforest'action since 2021



[56] What benefits do trees have on climate, biodiversity, health and employment? https://www.reforestaction.com/en/frequently-asked-questions


verallia

2.4. Ensuring a safe and inclusive work environment for all

In this section

At Verallia, we are committed to developing and ensuring health, safety and quality of life at work for everyone. We make no compromises in ensuring the safety of our 11,000 employees in terms of compliance and training, and we strive to continuously improve working conditions.

We also believe that building diverse teams and working together in an inclusive way are key to Verallia's success, and we make diversity and equal opportunities a driver of performance every day. In this respect, increasing the number of women in the workforce and giving them access to management positions is a priority challenge and a major thrust of our policy. The Group also ensures fair pay and value sharing through its attractive employee share ownership scheme.

Finally, employee development is one of the key factors in achieving our goals and building loyalty. Verallia ensures that the Group has the skills it will need in the medium and long term, and responds to employees' aspirations in terms of training and individual development. Career committee meetings are held to plan internal mobility in the light of the company's changing challenges.

Among the fundamental principles and rights at work, freedom of association and collective bargaining are factors of social progress that the Group promotes wherever it operates. Social dialogue, which also takes place at Group level through a European Works Council, was rich and dynamic in 2023.

Katia de Saint Germain, *Group Human Resources Director*

2023 key figures[57]

TF2 2023 =2.8

32.2% of female managers in 2023

Employee share ownership: 3.8% in 2023
6% purchased and 2.2% sold between 2016 and 2023

Context and challenges

With 34 glassmaking production sites, Verallia's industrial activity presents risks to health and safety, which must be prevented and controlled. By joining the Group, our 11,000 employees have come on board a company that has made a strong commitment to ensuring that each person returns home in good health after a day's work.

Another major challenge for Verallia is developing an inclusive workplace in an industrial context that can create barriers to hiring because of difficult job conditions. For example, positions in plants have historically attracted fewer women. They have also been less accessible to people with disabilities, for whom specific adjustments must be made in order to allow them to meet demanding physical requirements. To respond to these constraints, Verallia endeavours to include candidates with a variety of backgrounds in its recruitment process and to guarantee diversity and accessibility in its professions.

Finally, as a responsible employer, Verallia offers sustainable employment with career growth prospects. The Group contributes to the economic development in the local communities where its plants operate. Situated for the most part in rural areas, the company offers its employees the opportunity to acquire skills and unique glassmaking know-how.

Key objectives and results

Commitments	Performance indicators	Reference year results	2023 results(1)	Progress vs 2022	2025 objective
Ensure the health and safety of everyone	Accident frequency rate (with or without lost time) (TF2)	5.5 in 2019	2,8	-0.8	< or = 1.5
Promote diversity and inclusion	Share of female managers	29% in 2019	32,2%	+0.9 points	35%
	Share of employees with disabilities	3% in 2019	4,1%	'+0,8points	4.5%
Support employee skills development	Capital held by employees	2.6% in 2019	3,8%	stable	5%

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

57 Verallia results exclusive of UK

Governance - HSE

Roles	Name of body	Main work in 2023
Performance review	• Chief Executive Officer • Operations Director – Member of the Executive Committee • Geographic area Industrial Directors • Geographic area CEOs	*Review and monitoring of HSE KPIs, definition of the year's strategic orientations, and approval of financing plans* *Number of meetings: 12*
Network organisation and strategy steering	Group EHS Director	*Group action plan with key guidelines. Presentation of its action plan and resulting priorities by each division* *Number of meetings: 12 EHS and 4 environment-focused meetings – 4 EHS standards updated*
Coordination at all levels (well-being)	Human Resources Director	*Provision of guidance to departments on project implementation*
Regional rollout	Geographic area EHS managers	*Conduct of site inspections and definition of budget targets according to needs by division: ergonomics plan rollout, ongoing crystalline silica action plan, etc.* *Number of meetings: 12*
Rollout in all entities	Site EHS manager	*Organisation of World H&S day events focusing on risk awareness and the application of standards*
Ownership	Employees	*Development of the Safety Gemba Walk (managerial routine); participation in H&S Day*

Governance - Human Resources

Roles	Name of body	Main work in 2023
Strategy definition and implementation	Human Resources Director [1] [2]	Monitoring of an HR dashboard to track key indicators with associated targets, rollout of mandatory training modules on the digital training platform, rollout of the HR development roadmap
Regional rollout	Geographic area HR Directors [3]	Introduction of an individualized pay and benefits report for all employees, implementation of Diversity & Inclusion initiatives. Each division implemented and rolled out its awareness-raising programs according to the needs of each entity
Rollout in all entities	Plant HR Managers [4]	Inventory of the workstations that are most accessible to persons with disabilities
Ownership	Employees	*Participation in awareness-raising workshops on diversity and inclusion in plants*

(1) Member of the Executive Committee

(2) Includes the specific function of Human Resources Development Director

(3) Six divisional HR directors: France, Italy, Iberia, Northern and Central Europe, United Kingdom and Latin America

(4) 34 plants worldwide

Governance - Sustainable Development Committee

Roles	Name of body	Main work in 2023
Annual review of actions	Sustainable Development Committee	Project review
Coordination and approval of local partnerships/ sponsorships and controls	Group Committee [1]	Harmonization of the project selection process
Approval of local partnerships/sponsorships and controls	Local Committee [2]	*Organisation of and follow-up on local partnerships and sponsorship projects*
Proposals for local partnerships/sponsorship projects and is responsible for coordinating them	CSR Department	Pre-selection of projects, with proposals for around 100 projects in 2023

(1) Chief Executive Officer, General Counsel and CSR Director, Human Resources Director

(2) Chief Executive Officer, General Counsel and Chief Financial Officer Country/Region

2.4.1. Ensure the health and safety of everyone

"2023 was an important year that confirmed the improvement in our safety performance. The very rapid reporting of accidents throughout Verallia has become a strong point of our management system, as have the lessons to be learned from them. After consolidating the continuous improvement tools, 2023 was the year in which we focused on behaviour and better risk awareness. I sum it up like this: I am responsible for my own safety and that of my colleagues!"

Karim BEN M'RAD, *EHS Director, in charge of Operational Excellence*

2.4.1.1. Policies & performances

Verallia's EHS strategy aims to achieve "zero accidents and zero occupational diseases". This policy is part of the Group's industrial excellence program, Verallia Industrial Management (VIM).

It applies to all of the Group's sites and people working with Verallia, whether employees, temporary workers or subcontractors. It comprises 21 EHS standards: 17 safety standards, 1 health standard and 3 environmental standards. By definition, the standards are regularly reviewed to bring them into line with legislation and to incorporate lessons learned from accidents. In 2023 we updated four standards. For example, we improved safety between pedestrians and motor vehicles, updated the rules for unloading trucks, and improved safety during certain operations on IS machines, such as changing moulds. Our EHS standards cover machine safety, hot-spot work (welding, metal cutting), work at height, maintenance and risk management. To facilitate rollout, they are translated into all languages spoken within the Group.

The Operational Excellence program integrates the management system and is based on seven pillars. One of them is known as the H&S "bottle". A true roadmap, launched in 2020, it sets out the various tools (standards, risk analysis, management routines, cardinal rules, etc.), the associated management system, and the steps involved in fostering a day-to-day safety culture in which employees ensure their own safety and that of their colleagues. The H&S "bottle" defines four levels of maturity with regard to safety (see illustration above): Reactive / Preventive / Proactive / Sustainable. Each site self-assesses its maturity level at least once a year in order to define an action plan for making progress.

In 2023, Verallia worked on two priorities:

Priority 1: behaviour, with collective awareness of potential risks.

Priority 2: sharing and swift application of lessons learned from accident analyses (look across) at all sites. Eleven targeted actions are monitored every three months, in an industrial review.

To encourage compliance with Group rules and mobilize all of its employees on this crucial issue, Verallia implemented a reward system for Safety performance at its 32 glass production plants in 2019. Today, this recognition program covers all glass and non-glass sites, including Verallia UK, i.e. our 34 plants.

There are two criteria for achieving excellence in safety: zero accidents with or without lost time for more than 1 million hours worked or for more than 24 months.

To date, 19 sites (16 glassmaking sites and 3 non-glassmaking sites) have received this recognition and raised the "EHS Excellence Center" flag at their plant. In 2023, nine sites improved their safety performance and were rewarded accordingly.

Ensure the health and safety of everyone				
Key commitments and objectives	Monitoring indicators	2023(1)	2022	2021
Do what is necessary to achieve zero accidents **Objective: Achieve a TF2 < or = 1.5 by 2025**	Frequency rate (with and without lost time) (TF2)	2,8	3.6	5,3
Do what is necessary to achieve zero accidents	Monitoring of the number of accidents with and without lost time	64	76	105
Do what is necessary to achieve zero accidents	Severity rate	0,13	0.25	0,29

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

Verallia's actions pertaining to health and safety translate into a significant improvement in all monitoring indicators between 2022 and 2023. The number of accidents[1] decreased by 15% with respect to 2022 and the frequency rate (TF2) decreased by 22%. This confirms the improvement dating back to 2021. The severity rate is improving, meaning that the level of severity is decreasing.

This is due in part to measures taken in France. Germany has had very encouraging results, with the best improvement ever recorded. Non-glass activities in France also confirmed a clear improvement compared with 2022. Such progress is to be viewed moderately in light of a degradation in results in Latin America, Spain and Italy, reminders of the importance of constantly reassessing each site and continual monitoring of action plans specific to each division. A particular focus has been placed on subcontractors working on our sites (20% of the Group's accidents) through site preparation and the verification of execution.

2.4.1.2. Action #1: Do what is necessary to achieve zero accidents

The Group's safety policy is being implemented in three key areas: risk assessment, risk awareness and compliance with EHS standards.

1. Assess the risks specific to each of the Group's sites

A safety risk analysis is performed for each site, and is updated on a continual basis. It covers all tasks performed by employees and is based on three criteria. Frequency, severity and probability are assessed, allowing the associated level of risk to be defined (critical, moderate, low). According to the risk level identified, suitable action plans are rolled out at each plant.

Each accident is shared throughout the Group and then checks are performed at all plants in order to standardize the actions to be taken to resolve the issue. This procedure not only allows common risks to be identified and minimized, but also to refine the standards based on the feedback from each plant.

In addition to these risk analyses, the Group communicates widely on its slogan: **60 seconds to think before action**. This "minute of thought" is a step taken by employees before beginning each task in order to account for the changing operational environment when identifying risks.

In 2023, the supervision of subcontractors' work on Verallia sites was intensified through the introduction of the work permit, which covers specific activities considered to be at risk (hot-spot work, work at height, work in confined spaces, electrical work on all high-voltage infrastructure, etc.).

The work permit is an important preparatory step setting out:

- the description of the work/task to be carried out;
- the precise location of the work/task to be performed;
- the validity of the work permit;
- the checks to confirm safety precautions;
- emergency arrangements where required;
- the name of work permit issuer;
- the name of work permit holder: the work permit holder must be a designated responsible person on site;
- a formal handover procedure to ensure that the site/ equipment is in a safe condition.

2. Actions to better perceive the risks

The Group promotes the organisation of positive communication campaigns as close to the field as possible. Employees are urged to report every H&S hazard and take action immediately in the event of any situation or behaviour that they consider dangerous.

H&S Day 2023 focused on improving risk awareness: how to refer to the standard and how to apply it when a risk has been identified.

More than 10,000 people from all sites and headquarters took part in the event. “All eyes on me”, a video produced in Verallia's plants, was aired to mark the occasion. It was a great success.

The scenario was constructed in such a way that, starting with a real accident, we implied the emotions that could ensue at a personal or family level. The prevention message emphasized the importance of applying standards. The conclusion was clear: "I am responsible for my own safety and that of my colleagues"

3. Ensure compliance with EHS standards

In 2023, a large number of training initiatives were launched to improve managers' understanding of EHS standards. The second set involved checking that the standards were well being applied in the field. Through biannual self-assessment. Each assessment yields a percentage of compliance. Any deviation from 100% requires each site to implement action plans to close the gap.

Four standards are particularly important because they underpin instructions and rules for working safely. They are the four cardinal rules:

- Do not neutralize or disable safety devices;
- Always wear appropriate personal protective equipment;
- Apply the Lock out, Tag out (LOTO) procedure for any intervention;
- Do not misuse equipment or tools.

A poster in all languages is displayed wherever people gather, such as workshops and meeting rooms. This is an integral part of our safety communication strategy.

In line with the continuous improvement logic of the Verallia production system, every accident at a site, whether involving an employee or a subcontractor, is analyzed using the Root Cause Analysis (RCA) method. This eight-step analysis aims to eliminate any risk of further occurrence by addressing the root causes of the accident and identifying the reasons for failure to identify and manage the risk prior to the accident. If the root cause is identified as human error, a further analysis (HERCA) is carried out to gain a better understanding of the error mechanism through a series of interviews. This allows any training shortfalls to be identified. These elements are incorporated into training plans for operators and subcontractors, as well as accident prevention and risk analysis plans.

An annual EHS investment plan allows the rollout of technical solutions for reducing risks, especially regarding four high-impact aspects:

- environment: measurements to ensure that the opacity of the smoke coming from mould greasing does not exceed the thresholds set;
- crystalline silica: establishing technical action plans in each division in order to prevent and limit the dust generated and to centralize its extraction for cleaning. From a practical standpoint, this means new tools (for example, a central vacuum system, or a cleaning booth for operators). It also means stricter rules (for example, access authorizations limited to trained personnel, limiting exposure time);
- raw materials unloading area, to limit the risk of trucks tipping over. Several plants are equipped with anti-tilt gantries;
- ergonomics: continuation of the program initiated in 2021. We have confirmed that the target to be achieved by 2026 is "zero manual load-handling".

→ Outlook

In 2024, Verallia will focus specifically on the following actions:

- simplify risk analyses so that they are better adapted to managers' day-to-day work in the field;
- continue to monitor the implementation of the look across approach. Priority measures following accidents;
- strengthen the training program on risk behaviour: "Develop leadership through safety";
- continue to improve the quality of Safety Gemba tours by linking them to standards. Prevention tool for detecting dangerous acts and uncontrolled risk situations;
- continue to provide coaching for managers so that they upskill in relation to job-specific risk analyses and problem solving;
- develop communications on the divisional level by empowering sites to choose the topics and to create the awareness-raising campaigns.

2.4.1.3. Action #2: Continuously improve the working conditions of our employees

Verallia has identified ergonomics as a crucial issue for workplace well-being. In a glass production plant, frequent handling of production tooling and moulds can result in MSDs (musculoskeletal disorders). In 2023, the entire flow from the moulding shops was analyzed. The current situation was reviewed, best practices were collected and recommendations were made.

- Based on this targeted analysis, investment plans were drawn up.

TRANSPORTATION ERGONOMICS PRINCIPLE 1 : ERGONOMIC AND TONNAGE

MANUAL HANDLING UNIT LOADS : CUMULATIVE WEIGHT

Tonnage (handling during 7h shift) on a distance max of 2m

2.8 t 6.8 t 11 t

→ 2 job change = 24 sections, 4 molds/section: 96 x 30 kg = 2,880 kg **handled by hand 2 times (put into the sandblasting and to remove), 5,760 kg/ job change + other material (blow head, baffle...)**

Materials	Weight (kg)	
	BLANK	BLOW
Mold (2 sheels)	30	23
Baffle	2	5.5
Neck-ring	2.5	
Blow head	< 1	
	< 1	
Funnel	< 1	
Mold holder	25	
Invert /revert (1/2)	4.5	
Vertiflow	2.5	

- Our ergonomics specialist is works upstream of furnace reconstruction projects or when new machines are installed The idea is to take preventive action during the various phases of the project.

Verallia has confirmed its intention to move towards zero manual load-handling by the end of 2026. The example ergonomics sheet below highlights the notion of accumulation to better explain and raise awareness among all stakeholders.

→ Outlook

In 2024, the Group plans to:
- Digitize the tool used to assess the level of ergonomics in the various departments;
- Monitor the increase in the level of manual load-handling in three areas identified as priorities: around the IS Machine, the mould preheating furnace and the mould shop.

2023 Highlights

- Total eradication of certain types of accidents
- Significant improvement in health and Safety Kpi between 2022 and 2023 : reduction by 15% of the accidents and reduction of frequency rate (TF2) by 22%
- Significant work carried out on raising awareness of risky behavior and sharing/application of "lessons" from analyzes (look across) on all sites

2.4.2. Attract and retain talent

2.4.2.1. Policies & performances

Our attractiveness is a major asset for Verallia. It must not only help us to attract external talent and the skills of tomorrow, but also enable each of our employees to identify with their company and increase their engagement, thereby encouraging them to stay for the long term.

Fair pay is one of the pillars of Verallia's compensation policies. It is based on grading systems, which are supplemented by external benchmarks. The sharing of value is structured through individual and collective variable compensation schemes, according to employee categories.

In particular, the variable compensation policy is based on financial and non-financial criteria. This is to ensure consistency between the company's corporate interest, and market and industry practices, and competitive compensation levels. Additionally, it ensures that a strong link to the Company's performance remains, and that a balance is struck between short, medium or long-term performance.

The key component of these schemes is the employee share ownership policy, a strategic pillar for involving employees in the long-term development and performance of the Group. It offers Verallia employees the opportunity to become a company shareholder under special conditions that are approved by the Board of Directors through Verallia's employee investment fund or via direct share ownership.

Develop our employees' engagement				
Commitments	**Monitoring indicators**	**2023(1)**	**2022**	**2021**
Develop our employees' engagement **2025 objective: achieve an employee engagement index of 70% by 2025**	Engagement index (every two years)	60%	NA	55 %
Guarantee fair compensation and ensure value sharing **Objective: double employee share ownership between 2019 and 2025, to reach 5%.**	Proportion of share capital held by employees	3.8%	3.8%	3.5%

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

The engagement evaluation survey is carried out every two years; the next one will take place in 2025. For comparison, the 2021 engagement index was 55%[58].

As part of the eight successive employee shareholding offers between 2016 and 2023, employees have been able to acquire 6% of Verallia's capital. In addition, those who so wished were able to sell available shares at the end of the five-year lock-up period or thanks to early vesting under the terms of the Group Savings Plan. Thus following the sales recorded this year, the level of capital held by employees has stabilized at 3.8%.

[58] Following a thorough review of the data reported last year, we identified an error in the 2021 engagement index. It was 55% in 2021 and not 57% as reported in the 2022 URD.

2.4.2.2. Action #1: Foster recruitment of new talents by rolling out new tools and programmes

In Germany, Verallia undertook several external communication initiatives with the local communities near its plants to strengthen its image as an employer, especially among young people. They included sponsoring local sports teams, advertising in cinemas and on local bus routes, visiting schools and attending trade fairs. An event was organised with local universities to enable young students to meet some of the management team. The idea behind this event was to introduce students to an industrial company and also to enable the management team to learn about the needs and aspirations of the next generation. The social media campaign continued, notably on the Company's blog and career portal, where a promotional video was available.

In Latin America, programmes have been launched to support the recruitment and development of young talent. In 2023, an apprenticeship programme was established to train 27 young people, including 9 women, in industrial and administrative jobs, enabling them to alternate between practical experience in Verallia plants and technical training in partner schools.

Also in Latin America, the expansion of the Campo Bom plant led to the ramp-up of the internship programme for students in industrial technical training. The aim was to provide these students with a year's practical training. Twenty-nine trainees were hired, with a view to permanent employment for the new furnace.

Another programme, Trainee, aimed at offering opportunities to engineers working on strategic projects in line with our Purpose, was completed in 2023. 75% of the people recruited were women.

In the United Kingdom, we are committed to developing young talent. We actively collaborate with the local college in Leeds to maintain the ongoing recruitment of potential engineers through our joint apprenticeship programme. We believe this to be an effective means of strengthening our engineering teams and attracting new talent to the organisation. We had seven apprentices in 2022 and recruited a further five in 2023, bringing the total to 12 at the end of 2023. By January 2024, there were 14.

We also ran a graduate recruitment campaign in the United Kingdom. This enabled us to recruit three people, one man and two women. They embarked on a two-year postgraduate programme and all three successfully completed the first year. In addition to developing practical skills related to our businesses, they have been enrolled in the Leaders 2023 programme to help them develop their managerial skills.

Finally, we are actively involved with local communities and schools, sponsoring charity events and promoting Verallia to raise awareness of the organisation and contribute to our attractiveness.

2.4.2.3. Action #2: Guarantee fair compensation and ensure value sharing

The Group implements a compensation policy according to employee category. It consists of a basic salary and a variable annual component, which compensates individual and collective performance based on the achievement of ambitious objectives while at the same time being subject to a cap to avoid excessive risk-taking.

For managers, the variable compensation policy is rolled out according to the same structure in all countries. It is based on annual financial and non-financial criteria, related to Group, department or country, plant and sales force yearly targets, and includes safety, environment, financial and operational performance components and personal objectives. Since 2022, Verallia has introduced individual remuneration and benefits reports in each of its business units. Among other things, this means greater transparency in terms of remuneration levels.

In 2023, the variable component of the Chief Executive Officer's compensation related to CSR criteria amounted to 30%, and was based on the following annual criteria:

- 50% of the criteria is related to safety, with improvement of the frequency rate of work-related accidents with or without lost time (known as TF2) to a level less than or equal to 2.4 for the Group (in the event of a fatal accident, the attainment rate for the objective linked to the safety criterion will be deemed to be zero);
- 50% is linked to the environment, with a minimum increase in the rate of cullet use to 57% at Group level (bearing in mind that the rate of cullet used in furnaces has a direct impact on CO_2 emissions).

These CSR criteria are also taken into account for the variable share of Executive Committee member compensation for the equivalent of 30%. For other employees, CSR criteria account for between 10% and 30% according to category (sales, salaried support functions, managers in plants).

Moreover, every year since 2016, the Group has offered employees the chance to acquire company shares under preferential terms. In the space of eight years, these successive offers have been made in eight countries (France, Germany, Italy, Spain, Portugal, Poland, Brazil and Chile), plus a ninth with the United Kingdom in 2023. 41% of employees have become shareholders in the Group; they held 4% of its capital following the 2023 offer. At 31 December 2023, employees held 3.8% of the capital.

In 2023, Verallia proposed:

- an offer reserved for its employees consisting of a maximum discount of 20% on the share price and an employer matching contribution for each participating employee;
- a new free performance share plan for a targeted population of beneficiaries.

The United Kingdom joined the employee share ownership scheme for the first time with resounding success: a total of 21% of employees invested in Verallia shares in this first offer for them.

The Group will continue this policy of offering shares reserved for employees in the coming years. As a result of the eight successive employee shareholding offers implemented by Verallia between 2016 and 2023, our employees have been able to acquire 6% of Verallia's capital. In addition, employees have already been able to sell their available shares after holding them for five years or when they are released early, in accordance with the conditions set by law and the Group Savings Plan. In the coming years, the Group will continue this policy of offering shares to employees, with the aim of increasing the proportion of the capital held by employees to 5%.

Using schemes similar to the French model of incentive payments, collective compensation schemes linked to collective performance criteria have also been implemented in several countries (Germany, Italy, Spain, Portugal, Chile and Ukraine). In France, in addition to incentive payments, collective performance compensation is supplemented by profit-sharing schemes, in the companies benefiting from this.

Finally, in addition to its compensation systems, the Group offers employees benefits according to the schemes provided in each country, particularly in relation to health and pension cover.

2.4.2.4. Action #3: Develop our employees' engagement

In 2023, the HR and Corporate Communications departments conducted a new engagement survey to update the results and measure the impact of the various initiatives implemented since 2021.

Overall, there has been a very positive trend since 2021, with a higher response rate within a shorter timeframe, i.e. four weeks in 2021 but two weeks this year, and with the survey being conducted entirely online.

The target for this new survey was a 65% response rate. With 67% of employees responding, Verallia exceeded its 2023 response rate target, and is on track for the next survey in 2025.

Good progress was again made on employee engagement, with an engagement rate of 60%, compared with 55% in 2021, bringing the Group closer to its 2025 objective of 70% employee engagement.

In October, the Board of Directors approved an action plan to improve employee engagement and the Group's attractiveness.

For the new campaign, the results show that the divisions and the company need to work on certain key issues such as well-being, professional development and teamwork. All divisions have launched action plans to achieve ambitious results.

At corporate level, induction sessions have been set up for all new managers to promote integration, improve knowledge of the Group, its culture and DNA, and provide new recruits with comprehensive training. This has enabled them to develop their network and sense of belonging. It has also served to promote the diversity of the divisions and exchanges between them.

New initiatives in 2023 focused mainly on developing Verallia's image and the engagement of its managers, with monthly interactive conferences led by managers on a variety of topics.

→ Outlook

The engagement survey every two years is a valuable and useful tool for measuring employee engagement; action plans are monitored on a monthly basis, combined with e.flash to keep employees fully informed.

Interim surveys on key issues will be conducted in 2024 and new indicators will be adopted to measure progress and review action plans.

After 18 months in the Group, Verallia UK will conduct an integration engagement survey to enable action plans to be drawn up.

The employer brand will be launched in 2024, with the aim of creating a cohesive ecosystem to engage all our audiences and increase Verallia's recognition and attractiveness.

It will define our promise as an employer: retain our people and attract new talent.

In 2024, Verallia will continue to improve the transparency of the compensation process for employees and managers. The individualised pay and benefits report enables all managers to better understand and explain compensation information to Group employees.

2023 highlights

- Numerous local initiatives to attract many young people in a highly competitive job market.
- New offer reserved for employees, consisting of a maximum discount of 20% on the share price and an employer matching contribution for each participating employee.
- New engagement survey, with a high response rate of 67% of our employees and an engagement rate of 60%, an increase of 5 points on the previous survey in 2021.

2.4.3. Promote diversity and inclusion

2.4.3.1. Policies & performances

People are at the heart of Verallia's HR strategy. The resulting policy is laid out accordingly, to respect individuals and promote a diverse and inclusive environment. Through this policy, Verallia desires to promote a different form of cooperation with a variety of profiles and raise employee awareness of the richness and complementarity that comes with greater diversity within the company.

The HR policy also promotes gender equality in the workplace through the following areas:

1. ensure that recruitment is based on skills alone, thanks to unbiased recruitment tools and a clear, gender-neutral description of what is expected of each position;
2. interview the same proportion of female and male applicants as in the applications received;
3. ensure a fair Group compensation policy based on a rating system for each job position.

Beyond gender diversity, Verallia commits to promoting and developing the diversity of their teams, their gender balance, and the accessibility of workstations. In particular, as an industrial group, Verallia's ability to accommodate people with disabilities in our plant jobs is crucial to the development of our inclusion policy.

In a more general way, the Group is attentive to creating – on all its sites – work environments that are free from discriminatory behaviour. This provides the opportunity for everyone to advance themselves into all company job areas, particularly those traditionally held by men or that are not very accessible.

Promote diversity and inclusion				
Engagements	Indicateurs de suivi	2023(2)	2022	2021
Promote and increase the share of women within the Company Objective: 35% women executives at Group level by 2025.	Gender Equality Index	72	68	67
	% of female managers	32.2 %	31.3 %	30.4 %
	female managers	372	333	308
	% of women in the workforce	19.0 %	17.9 %	17.2 %
Age structure	< 30 years	15%		
	30-50 years	55%		
	> 50 years	30%		
Make diversity a precious asset Objective: reach 4.5% employment of people with disabilities by 2025	% of people with disabilities(1)	4.1 %	3.3 %	3.4 %

(1) The percentage of disabled workers now includes disabled workers working for the company under external service contracts.
(2) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

The gender equality index improved in 2023 vs. 2022 due to the progression of the indicator in almost all divisions and companies.

The rate of women and female managers continues to increase, due to active policy on this subject.

Due to an increasing number of recruitments of people with disabilities, and also the number of workers on external service contracts, the proportion of disabled workers in the group is increasing significantly.

2.4.3.2. Action #1: Make diversity a precious asset

Since 2022, Verallia has been rolling out its diversity approach at Group level, resulting in the implementation of an action plan approved by the Board of Directors. This roadmap reflects Verallia's desire to reaffirm the strategic dimension of diversity issues. These questions were previously dealt with at the local scale; now, they are monitored within the framework of shared Group orientations and objectives on diversity. Regions have the freedom to organise their own approaches.

Many actions were carried out in 2023 to raise awareness among employees of Verallia's inclusive values, and rally them around diversity issues. Diversity and inclusion campaigns to celebrate International Women's Day on 8 March and International Day of Persons with Disabilities on 3 December were taken up by Verallia's various global and divisional entities.

In Spain, Verallia is committed with its employees to diversity and inclusion

In Spain, Verallia has been a member of "CEO por la Diversidad" since 2019. This alliance, led by the Adecco Foundation and the CEOE Foundation, brings together leaders of the largest Spanish companies around a shared and innovative vision of diversity, equity and inclusion, and at the same time encourages companies to take practical action in this area.

In 2023, Verallia's actions in Spain focused on:

- "12 months, 12 women": a communication campaign with a short video published each month on LinkedIn, featuring the testimony of the first woman in the Group to have occupied a position traditionally held by men, including plant manager, maintenance manager and IS[59] machine operator profiles.

- An inclusive volunteering event on World Environment Day, 21 September, in which more than 100 Verallia employees took part for the benefit of the Adecco Foundation.

Diversos, an ambitious programme in Latin America that encourages discussion and opens up debate

Rolled out in the LATAM region since 2021, the Diversos programme promotes an inclusive environment for employees, free from prejudice or discrimination. It encourages everyone to be themselves and reach their full potential. The programme provides management with tools for training and internal communication aimed at developing diversity and inclusion in all these areas.

2023 was a year in which a major awareness campaign produced some very encouraging results:

- Hiring 50 women and 15 disabled employees.
- Listing jobs accessible to people with disabilities throughout the division and conducting job interviews with a sign language interpreter for people with hearing impairments in Campo Bom.
- Providing sign language training for 95 employees at the Campo Bom and Chile plants.
- Hiring the first women to work as hot-end operators and forklift drivers in Brazil and as logistics supervisors in Chile.
- The division has offered its employees recruitment training that focuses on inclusive language and inclusive interviewing to address unconscious bias.

[59] IS machine. IS: Individual Section. This is the forming machine in which the molten glass is "formed" to produce two bottles.

In the United Kingdom, we held a Diversity and Inclusion Day in March 2023, coinciding with International Women's Day. We included articles on female leaders and also created a mandatory diversity and inclusion quiz to raise awareness, which management teams from three sites participated in.

In 2023, a group of 10 senior managers attended a half-day training session to help them understand and raise awareness of the importance of diversity and inclusion in the workplace. The focus was on the benefits it can bring to an organisation. The employment law training used real-life scenarios to bring the teaching to life and help trainees see things from a practical and empathetic perspective. There are plans to roll out further training in 2024 to follow on from the success of this first session.

In Italy, a Diversity and Inclusion Steering Committee has been appointed to set simple, measurable and achievable targets. The committee is the guarantor of a fair and respectful culture aimed at ensuring a working environment free from discrimination, harassment and violation of human dignity.

In the long term, the Diversity and Inclusion Steering Committee will become the ambassador of a fair and respectful culture that ensures a working environment free from discrimination, harassment and violation of human dignity.

In the medium term, the Diversity and Inclusion Steering Committee will encourage the members of the Italian Executive Committee to adopt policies and initiatives aimed at achieving gender equality in all areas, for career opportunities, equal pay, management of gender inequalities and protection of parenthood.

Each year, the members of the Executive Committee carry out a self-assessment of the company's maturity on the basis of five criteria, ensuring improvement through action plans. The five criteria are:

- Culture and strategy,
- Governance,
- Human resources processes,
- Career development opportunities for women in the company, equal pay for equal work,
- Protection of parenthood and respect for work-life balance.

2.4.3.3. Action #2: Promote and increase the share of women within the Company

The inclusion of women in high-level governance bodies

In line with the ESG roadmap, Verallia applies the principles of its internal promotion policy at the highest level of the Company. In 2023, 27% of the members of the Group Executive Committee were women (i.e. three members).

Women@Verallia, a mentoring programme extended to country management committees

Since 2019, the Group has been offering a mentoring programme for women throughout the Company. A total of 40 employees have benefited since its creation, including 11 in 2023. This initiative has the following objectives:

- raise the profile of high-potential women within the company;
- create favourable conditions for the personal and professional development of programme participants;
- facilitate participants' career development;
- change the perceptions of mentees and mentors;
- give mentees greater confidence in their ability to take on more senior positions within the organisation.

To better support the programme, Verallia has taken the following steps:

- a guide explaining the programme and its key features has been distributed to mentees and mentors; it was updated in 2023;
- a meeting is now organised at the beginning of each programme to lay down the principles governing the functioning of the mentor-mentee relationship.

Each year, at the start of the programme, mentees have the opportunity to attend a joint meeting to introduce themselves and discuss their career development and plans.

A wrap-up meeting is held at the end of the process to discuss the experience, share the programme's strengths and identify areas for improvement.

All participants recommended continuing the programme, feeling that it had boosted their self-confidence.

Although this is a Group initiative, similar mentoring programmes have been developed in the various subsidiaries in Italy, Spain and Germany. In total, 58 women from different subsidiaries have been mentored, and this community is set to grow each year as part of a continuous improvement process.

In the United Kingdom, we have taken the following steps as part of our commitment to increase the number of women in the workforce and the number of female managers:

- Women are featured in a variety of articles through publications on social media, in our divisional newsletter and on internal communication screens in our factories and offices.
- Targets for graduate recruitment have been introduced, with a 50:50 split between men and women.

In Germany, the second cycle of the “Womentoring” programme is now also underway, with the dual aim of increasing the number of women in management positions and building a network of women within Verallia.

Verallia Italy obtains UNI/PDR 125 certification

In December 2023, Verallia Italy obtained the UNI/PDR 125 gender equality certification, demonstrating its commitment to non-discriminatory selection processes, to the principle of equal pay, to equal treatment in professional development, and to preventing and combating discriminatory acts, stereotypes and harassment.

2.4.3.4. Action #3: Ensure the continued employment of people with disabilities

The inclusion of people with disabilities is a constant concern in the Group’s plants, reflected in the following commitments:

- ensuring access to a maximum number of positions, including those that would be difficult for someone who is not currently physically fit. On this point in particular, the Group is developing several tools to reduce the need to carry loads. The plans developed are mentioned in Section 2.4.5.3 of this document under the heading “Promote the well-being of our employees”;
- maintaining employment of people with medical restrictions or occupational disabilities, to enable them to stay employed at the Company and in their line of work.

In 2023, a number of actions were undertaken within the Group:

- monitoring of social commitments made by the Group and corresponding performance indicators by steering committees;
- creation of a working group on disabilities to develop new actions.

  In France, the Chalon plant signed a disability agreement three years ago and organised a whole week dedicated to disability in November, with awareness-raising workshops and support to non-profit Handisport; in 2023, 145 Chalon employees attended these workshops and took part in awareness-raising activities.
- In Brazil, Verallia has mapped out jobs accessible to people with disabilities, taking into account functional aspects, the worker’s situation and the guarantee of accessibility requirements and assistive technologies in the work environment. The methodology was based on job analysis through interviews with disability professionals, the management team and the Human Resources Department.
- In 2023, Verallia UK became a Disability Confident Committed employer at level 1 of the government-backed Disability Confident scheme. Being part of this scheme means that we are now committed as an employer to five key points in our recruitment and selection process:
  - Recruiting in line with the principles of inclusion and accessibility;
  - Advertising and promoting vacancies in an inclusive manner;
  - Offering interviews to disabled people without prejudice;
  - Providing reasonable adjustments as necessary;
  - Supporting existing employees.

At the beginning of 2023, 69 employees in the United Kingdom had declared a disability. By the end of November, the number had risen to 78.

In 2023, Verallia’s actions in Spain focused on the “Aflora Plan”: in collaboration with the Adecco Foundation, a communication campaign and information meetings were organised in all plants and at head office to support Verallia employees declaring or obtaining a disability certificate and to explain the benefits for them and for the Company.

In addition, the Randstad Foundation programme has enabled disabled people to be recruited for training and to work as operators in plants during the summer and holiday periods, after which they become Verallia employees.

→ Outlook

In 2024, initiatives for promoting diversity and inclusion will move ahead, notably through the:

- continuation of the mentoring programme, whether at Executive Committee level or divisional Management Committee level, with the creation and organisation of a network of mentees;
- implementation of training on how women can increase the impact of their spoken message, with the aim of presenting a better image and being more engaging;
- regular monitoring of indicators related to gender diversity;
- raising of awareness and creation of a climate of trust in order to make it easier for employees who would like to declare a disability to take those steps;
- development of workstation ergonomics and tools to make them accessible for all;
- development of training to fight recruitment-related bias.

2023 highlights

- Numerous local diversity initiatives.
- Renewal of a mentoring programme for women at Group level, rolled out across our different divisions.
- Identification of jobs suitable for people with disabilities and local awareness campaigns.

2.4.4. Support for the development of our employees and prepare our talents

2.4.4.1. Policies & performances

Verallia is rolling out policies regarding employee development via key areas which are training and employee engagement, compensation and employee share ownership, and workplace well-being.

In terms of training, each year, the Group defines the priority areas of its policy in line with operational objectives.

The general trainings administered by the Group concern compliance, leadership, commitment to company values, specialised occupational training, and EHS. They aim to align all country structures with respect to regulations-related topics. Locally, training actions are defined in the context of specific training plans.

Support our employees in their professional development				
Engagements	Indicateurs de suivi	2023[1]	2022	2021
Develop our employees' skills	Average number of training hours per employee (fixed-term and permanent)	40h	33h	31h

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

The number of training hours increased by more than 20% between 2022 and 2023.

Change in employment			
Monitoring indicators	2023[2]	2022	2021
Percentage of permanent contracts	10.3 %	9.4 %	7.1 %
Voluntary turnover [1] (resignations from permanent and fixed-term contract staff)	4.9 %	5.0 %	4.6 %
Absenteeism rate	4.3 %	5.5 %	5.0 %

(1) Voluntary turnover includes all resignations (permanent and fixed-term contracts) from 2021 onwards. Only fixed-term resignations used to be counted

(2) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

The increase in the permanent hiring rate is mainly due to the impact of recruitments in Brazil.

The turnover rate is stable.

Absenteeism is falling significantly, following the implementation at the beginning of 2023 of a project to improve and share best practices.

2.4.4.2. Action #1: Develop our employees' skills

At Group level, we provided over 400,000 hours of training at all sites, on a range of topics including health and safety procedures, quality control procedures and onboarding.

Recognising the critical importance of continuous professional development, Verallia is committed to reviewing and improving its approach to talent development and knowledge sharing. With this in mind, the Group has launched the "Reimagine your future at Verallia" programme.

Central to this initiative was the creation of the "Imagine" digital training platform in July 2023. By breaking with traditional methods and adopting a collaborative learning approach, this initiative aims to transform the company's training culture. It aims to promote inclusive learning that is accessible to all employees, regardless of their role or location.

The project is based on four main pillars: enriching the corporate culture, developing leadership skills, deepening glass industry-specific knowledge and broadening expertise in specialised areas.

Available in all the Group's languages, the training content on the Imagine platform can be customised, thanks notably to the support of business experts, to meet the local needs of each country and the professional profiles of each employee. Using a blended learning model, Verallia combines digital, virtual classroom and face-to-face learning to meet a variety of learning needs. It is also designed to evolve, with content regularly updated to keep pace with the latest industry trends.

The Group's expatriation policy, a key factor in employee development, was updated in 2023, with enhanced presentations to make the rules and conditions easier to understand. The conditions offered by Verallia are particularly appreciated by our employees wishing to develop their skills internationally.

Plant self-assessments as part of the "People Development" bottle rollout

Fully integrated to Verallia Industrial Management (VIM), the Group's operational excellence improvement strategy, the "People Development" working group is doing in-depth work on employee development. Using a model similar to the H&S policy, this approach is broken down into several levels of maturity regarding projected management of jobs and career paths.

This system allows Verallia to project employee training needs (e.g., use of electric furnace technology at the Cognac plant).

Regional management training programmes launched to develop independence and an entrepreneurial spirit

In addition to the usual management training courses, programmes are implemented in the different divisions to prepare potential young talents and/or managers to assume managerial functions. These programmes are an opportunity for participants to create a professional network and to receive training aimed at personal development.

In 2023, these programmes were enhanced and further developed – particularly in Latin America, where the second session of the Leader's Path programme got underway in Brazil in 2022. This programme aims to empower future executives to reach the Group's goals through better management of their potential, and a feeling of belonging. This year, 25 managers, of which 40% were women, took part in the programme.

In Germany, the Next Generation Leader programme brought together 10 participants for its second edition, which will run until March 2024. They completed a programme of technical training and a personal development module, including individual assessments and coaching. Personal development plans have already been drawn up and more than half of the group have already taken the next step towards a leadership position. The program has been well received and acclaimed internally by employees for the preparation of our talents.

In the United Kingdom, Verallia began rolling out the Here & Now leadership programme in 2022. It is designed to develop leadership skills and covers topics such as personal assessment, emotional intelligence, coaching and influence.

Following on from 2022, a second programme was launched in early 2023. It is due for completion in early 2024.

Furthermore, in France, in accordance with the provisions of Law 2023-703 of 1 August 2023, Verallia grants annual leave of at least 10 working days per calendar year to employees involved in employment or training activities in the military reserve or the police reserve.

2.4.4.3. Action #2: Prepare our talents

Anticipate employee advancement within the Group through talent reviews

An individual talent review is conducted twice a year for all country and/or division managerial positions. Management teams in each division can take advantage of this opportunity to share performance evaluations of staff members and to identify those who show potential for taking on management positions, as well as planning and implementing the resources needed to prepare the leaders of tomorrow.

A Group-wide Careers Committee has been in place since 2023. Its work is aimed at identifying potential successors for so-called key functions (functions requiring specific technical skills). Through these committees, all HR Directors are informed of vacancies in these functions, and can present these opportunities to candidates who have been identified in their divisions. The objective is to facilitate circulation of the information and to improve the visibility of jobs available within the Group.

The talent review process was modified and enriched in 2023 to provide consistent data for all six divisions and support functions.

The document includes:

(a) an analysis of each organisation's strengths, weaknesses, opportunities and threats, enabling a more objective assessment of the situation and the development of action plans in each country,

(b) KPIs and statistics on employees by socio-professional category, gender, length of service, group, average age, but also on staff movements (number of new hires, resignations, internal mobility, promotions, individual mobility),

(c) succession plans for the short, medium and long term,

(d) performance according to a detailed nine-level matrix,

(e) the main action plans.

In March of each year, the divisional directors, accompanied by their HR managers, and the heads of the support functions, present and comment on their performance appraisals to executive management and the Group HR Department. This process is repeated in the autumn to assess the progress of the action plans and update the data.
Lastly, in April, a summary is presented to the members of the Board of Directors, who ensure notably that succession plans are prepared for the members of the Executive Committee.

Foster the preparation of our talents by rolling out new tools and programmes

New models have been proposed to ensure a common and consistent approach for the people assessment processes.

Career committee meetings are held more frequently, every two months. Their role is to monitor management vacancies and promote internal mobility.
In France and Germany, a common career website has been developed to increase the visibility of career development opportunities and to facilitate individual career projects.

In France, 18 young people have been hired as potential key talent. They benefit from a comprehensive management training programme to prepare them to take up operational positions in plants.

Our training centre in Chalon is constantly evolving and even extends beyond Verallia: in addition to the usual courses for our employees, it also welcomes trainees from outside the Group for technical training.

→ Outlook

The following priorities have been identified for 2024:

- A schedule of 10 sessions of the feedback programme for 100 top leaders has been drawn up. After participating in the programme, our leaders will be able to:
  - identify the benefits of feedback in their management, understand the impact of feedback in a growth environment and distinguish between different types of feedback,
  - adopt a method for giving feedback and motivating teams, give effective and constructive feedback, learn how to ask for feedback and manage the emotional response to feedback.

The content of the annual appraisal interview will be reviewed, notably to separate the elements related to the performance interview at the beginning of the year from the professional development interview, which will take place in the middle of the year.

The Group's Careers website will be developed in other divisions.

A map of professions and skills will be operational in 2024.

2023 highlights

- Organisation of bi-monthly career committee meetings to ensure succession planning for our key positions.
- Launch of six mandatory training modules on our new digital training platform.
- Bi-annual review of the organisation's talent and succession plans across all plants and divisions.

2.4.5. Drive social progress and better working conditions

2.4.5.1. Action #1: Promote social dialogue

Social dialogue has always been at the heart of Verallia's concerns. Discussions evolved in 2021 in response to the global pandemic and have been considerably strengthened since, particularly on issues related to safety and the implementation of preventive measures. Social relations are decentralised and conducted in each country in compliance with staff representation rules. At the European level, the Group facilitates social dialogue through a European Works Council. Three meetings were held in 2023: two plenary and one restricted. This year, an independent expert presented a report at the plenary meeting, commenting on the financial results and the Group's vision and strategy across its business areas.

France is pursuing its objective of improving social dialogue with two structural agreements signed unanimously:

- the 2023 mandatory annual negotiation agreement (no such agreement had been signed since 2016),
- Other negotiations : professional equality between men and women, end of GEPP (career path and competency development).

The end-of-career agreement was concluded in July 2023. It provides for exceptional measures for exposure to arduous working conditions, enabling both the transfer of skills and know-how, and end-of-career adjustments for our employees.

Employees exposed to arduous working conditions can participate in several successive programmes starting four years before their actual retirement date. These involve a gradual reduction in workload, starting with an adjustment of working hours and culminating in early retirement on a full-time basis.

Promote social dialogue				
Commitments	Monitoring indicators	2023(1)	2022	2021
Promote high-quality social dialogue	Number of agreements signed or validated during the year	79	64	70

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

The social dialogue indicator has been redefined and now illustrates the number of social agreements signed or validated throughout the year within the Group.

2.4.5.2. Action #2: Promote the well-being of our employees

In each of the countries where it operates, the Group is committed to complying with international labour standards and applying the statutory employee benefits in force. More broadly, the Group is committed to complying with the fundamental principles of the United Nations on human rights, the fundamental conventions of the International Labour Organization (ILO) and the International Declaration of Human Rights. Its adherence to the United Nations Global Compact attests to this commitment. This is reflected in our values (respect for the law and for people) and in our Code of Ethics.

Nature on site

Carried out in partnership with PUR since 2019, Nature on Site is a Group initiative that rewards environmental and social projects at our production sites, thereby contributing to the well-being of our employees. The concept: employees at our plants volunteer to work on projects that will be evaluated through four criteria:

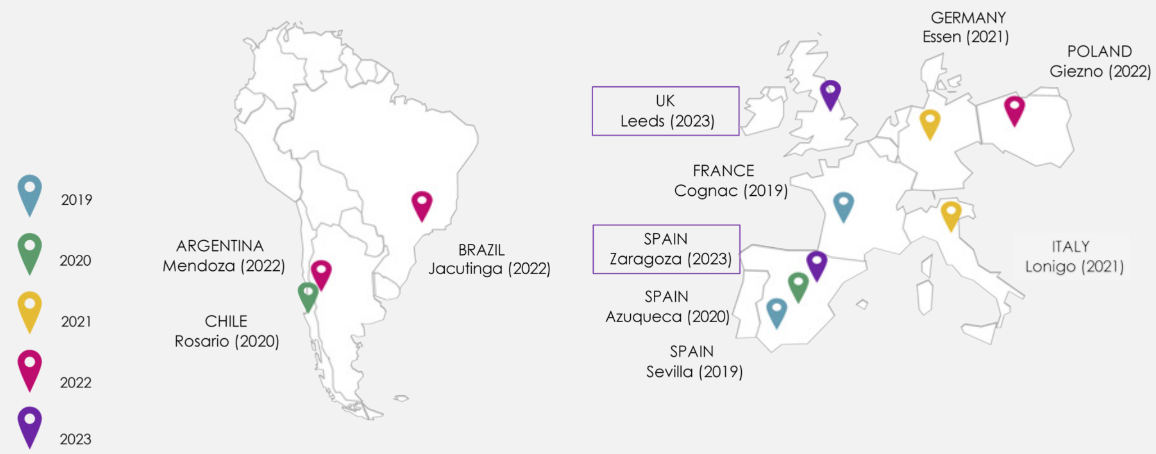
- environmental benefits
- social benefits
- team motivation
- long-term impact

Each year, the two prize-winning projects are allocated a budget of 50,000 euros.

This fifth edition once again featured some superb proposals, including the first ever from our British teams.

The judging panel, which included Chief Executive Officer Patrice Lucas, selected the Leeds site in the United Kingdom and the Zaragoza site in Spain as the winners for 2023.

.



Leeds, United Kingdom: the competition's first green wall!

For their first year in the competition, the British teams proposed the creation of a green wall on one of the plant's façades, close to a busy area for employees. This ingenious solution brings the benefits of greenery to an area with very little space.

Zaragoza, Spain: green corridors in a busy area

This year, the Spanish project team proposed redesigning the areas between the social lounge and the existing sports facilities. Planting trees and other plants along these corridors will bring shade and coolness to this busy area.

The panel praised the choice of endemic species, which are non-invasive and require little watering or maintenance.

Many initiatives have been taken in the divisions to promote the well-being of our employees:

In Latin America, the BEM-ESTAR programme aims to promote balance and harmony in a work environment that respects the quality of life and health of each individual. It is part of a prevention and awareness-raising initiative focused on employees' mental health. Building on this programme, we launched the Leadership Journey in 2023, with the aim of mapping opportunities for change and improvement in management, strengthening our manager-employee relationships and creating a stronger bond based on caring and wellbeing.

The United Kingdom has an active and regular commitment to employee wellbeing through its Work and Wellbeing Department.

Verallia UK ran a well-being campaign called AWARE, which was widely communicated on plant screens, on posters and in the form of a leaflet sent to all employees' homes. It highlighted different lines of support covering all areas of physical and mental wellbeing: asking for help, working together, help and support, respecting others and encouraging self-expression.

Throughout 2023, we ran a succession of dedicated campaigns on a range of subjects including women's health, prostate cancer, breast cancer, suicide prevention, debt counselling and mental health awareness.

In Spain, as part of the Engagement Survey Action Plan, a Wellness Plan (« PLAN DE BIENESTAR ») was set up in the second half in partnership with our local health insurance provider, with various free activities ranging from nutritional assessments to footprint studies, emotional fitness and dental scans to look after the physical and mental health of our employees.

In France, three major initiatives were launched this year:

- two measurement campaigns of five weeks each using sensors on employees to measure heat. The result is a detailed analysis, by workstation, of the temperatures to which our employees are exposed, in order to take appropriate action;
- unanimous signing of an agreement on the end of careers and the transfer of knowledge aiming to:
  - support our employees,
  - propose a series of measures to reduce their working hours until retirement,
  - implement preventive health initiatives,
  - adapt their working conditions,
  - encourage the recruitment of work-study students to prepare them to take over the jobs of people set to gradually retire,
  - promote their skills by passing on glassmaking knowledge to younger people;
- rollout of best practices at the Albi site (France) to reduce load-carrying.

→ Outlook

- For the European Works Council, a one-day training session is to be organised on two topics: a reminder of the role of the European Works Council and additional training on finance. At the request of the elected members, a guest from Verallia UK will be present at the June 2024 plenary meeting to provide members with information about our new subsidiary.
- New negotiations will be opened, particularly on daytime donations and soft mobility.

2023 highlights

- More than 79 agreements signed in 2023, highlighting the importance and quality of social dialogue at Verallia.
- Implementation of numerous projects to improve the working conditions and well-being of our employees.
- Awards for two environmental projects at our production sites in the United Kingdom and Spain.

2.4.6. Create partnerships with our communities

2.4.6.1. Policies & performances

Conscious that the impact of its activity is not limited to its production sites, Verallia incorporates the ecosystem concept into its strategy and action plans.

Sites are indeed located at the heart of a number of communities (employees, customers, local communities, neighbouring residents). Integrating production sites into this local ecosystem contributes to the well-being of employees and support for local communities.

The sponsorship actions implemented are consistent with the Group's CSR roadmap. They are developed locally to allow local leaders to develop better knowledge of the division, its players and its concerns. Verallia, historically close to rural communities (given the location of its plants), is keen to contribute to the economic and social development of communities through sponsorship activities.

Create partnerships with our communities				
Commitments	Monitoring indicators	2023	2022	2021
Develop corporate and employee sponsorship activities	Monetary contributions to communities, NGOs made by the company per year	0.8 M€	1,5 M€	1,5 M€

2.4.6.2. Action #1: Strengthen the impact and consistency of our donations or sponsorship actions with Group values and our Purpose

Since 2022, the process for awarding donations has been harmonised throughout the Group. Project selection is now done by a special committee that places projects with a clear link to Verallia's Purpose in the spotlight.

In 2023, many actions were carried out by the divisions to continue to raise awareness and help their community, on concerns central to the Group's values such as climate change, diversity and inclusion, and solidarity.

Partnership with Progetto Quid in Italy

Progetto Quid is a project combining ethics and aesthetics, work and hope, fashion and sustainability. It is a sustainable fashion project with human added value, because it has been supporting vulnerable and disadvantaged people, especially women, by offering them employment, training and psychological support.

Verallia Italy is putting a lot of energy into this partnership with Progetto Quid, in the firm belief that it is crucial to offer employment and training opportunities to those most at risk of professional exclusion in Italy, especially women. This feminine talent has given rise to collections of clothing and accessories made from surplus fabrics, with the recovery, design and production process taking place entirely in Verona.

In 2023, we also sponsored several projects in Quid workshops and prison workshops, including:

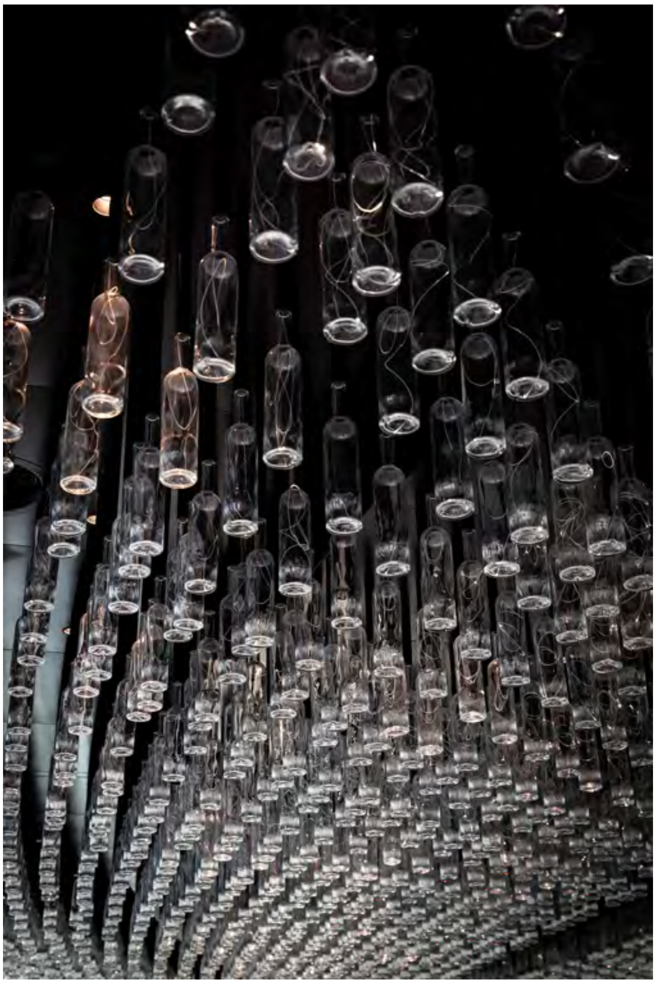
- Wordplaces, to structure work and social inclusion opportunities for women at risk of exclusion by enhancing the opportunities for growing talent within Quid;
- Start Out, to support activities within the Verona prison by improving and training the skills of certain inmates to prepare them for the job market when they leave prison.

Our commitment to the wine industry in France.

Our close links with winemakers makes it natural for us to support the work of the Cité du Vin in Bordeaux.

As a founding sponsor since 2011, we are proud to be playing our part in raising the profile of the wine industry through this unique and innovative cultural leisure site. Today, our role is to contribute to the development of the wine industry, and our sponsorship is also a way for us to play an educational role on the importance of glass as a material for preserving wine.

This sponsorship has allowed us to consolidate our image as a local manufacturer (our Cognac plant is located just a few kilometres from the Cité du Vin), but also to introduce people (employees, their families or even customers) to the culture, heritage and history of this French know-how, which has made a major contribution to the development of our glassmaking business.



In 2023, Verallia Spain will continue its sponsorship of the Spanish Paralympic table tennis team, which began in 2021, with the aim of supporting young disabled athletes in their participation in the Paris 2024 Paralympic Games.

→ Outlook

In 2024, the Group will continue to support divisional initiatives in line with its values and Purpose. The Group will again develop internal and external communications on projects led and supported by the various subsidiaries, thereby encouraging employee engagement and giving visibility to the multitude of initiatives implemented.

2.5. Complying with our values and ethical principles with our suppliers, clients and employees

In this section

"At Verallia, we believe that our business model and the trust our stakeholders place in us both stem from respect for our values. We are committed to sustainable and profitable growth that respects the environment and our employees, partners, customers, suppliers, shareholders and investors. Together, we aim to promote a culture of ethics within Verallia and lead by example. This is the framework for our Duty of Care Plan, published for the first time this year."

Wendy Kool-Foulon, *Verallia Group CSR Director & General Counsel*

2023 key figures[60]

0
conviction or fines

88%
of purchases covered by the Suppliers Charter

20%
reduction in the customer complaint rate

[60] Verallia results exclusive of UK.

Context and challenges

At Verallia, business ethics, a prerequisite for any approach to social, societal and environmental responsibility, are based on strict compliance with regulations and rules on corruption, competition, embargoes, personal data, information security and the fight against tax evasion. The multiplicity of regions in which the Group operates, combined with rapid change in local and international regulatory frameworks, requires Verallia to monitor closely both its performance and that of its subsidiaries so as to ensure compliance by all employees in all countries. Following the acquisition of its United Kingdom subsidiary, Verallia is now subject to the Duty of Care Law and has therefore drawn up its first Duty of Care Plan.

Product quality is another of the Group's fundamental commitments. To be effective, Verallia's quality approach requires the full commitment of all stakeholders, as it aims to increase satisfaction right down to the end consumer by rigorously applying food safety requirements.

Lastly, with more than 12,000 suppliers, located mainly in the countries where it operates, the Group also faces considerable accountability challenges in the value chain, and its Responsible Purchasing approach is strengthened year after year to meet increasingly demanding expectations in this area.

Key objectives and results

Commitments	Performance indicators	Reference year results	2023 results(1)	Progress vs 2022	2025 objective	2030 target
Comply with key regulations	Number of convictions or fines	0 in 2019	0		0	
Build engaging and respectful relationships with our suppliers	% of purchases covered by the Suppliers Charter	73% in 2020	88%	=	90 %	
Master and continuously improve quality in our production processes	% decrease in the customer complaint rate vs 2022	2022	-20%	in progress	-35%	

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

2.5.1. Comply with key regulations (corruption, competition, embargoes, personal data, information security)

The Group complies with the tax rules of the countries in which it operates and fulfils its reporting obligations within the required deadlines. Verallia does not use any complex financial arrangements to obtain tax advantages (see Chapter 4) and does not have any subsidiaries in countries on the European Union's "list of non-cooperative jurisdictions for tax purposes".

2.5.1.1. Governance

Roles	Name of body	Main work in 2023
Policy definition and validation	Group Legal Department Member of the Executive Committee	*Validation and distribution of the Code of Ethics (replacing the Code of Conduct), adaptation of the internal whistleblowing procedure to the new European directive and its distribution, review of the AFA (French anti-corruption agency) questionnaire, updating of the corruption risk map, alignment of the Anti-Corruption Code of Conduct (English version) and drafting of the Duty of Care Plan taking into account the results of the gap analysis*
Policy proposal and implementation	Division and country legal departments	*Active involvement in the development and dissemination of the above Group policies; strong involvement in the local implementation of the corruption risk mapping*
Policy monitoring and strategy validation	Risk Committee, Group Audit and Compliance Committee[(1)]	*Annual analysis of the use of the gift declaration software; reinforcement of the Group-wide rollout of the process and software for third party assessments; validation of the consolidated corruption risk mapping in 2023 and review of the follow-up of corrective action plans; new e-learning campaign for the compliance modules on the new training platform; review of cybersecurity at each Audit Committee meeting. Ongoing compliance by the Group with the new EU sanctions relating to the conflict between Russia and Ukraine*
Review of policy implementation and employee training	Audit, Risk and Internal Control Department	*Audits in the various countries to determine whether the gifts and entertainment policy (and its dedicated tool) is known to employees and used by them; Annual screening of all suppliers and customers (with the AEB tool)*
Policy improvement proposals, coordination and assistance of compliance officers	Division and country compliance committees[(2)]	*Monitoring of the implementation of the 2023 actions and rollout of new procedures*
Implementation in the entities (dissemination, supervision and coordination)	Compliance officers	*Implementation of the 2023 actions and monitoring of the rollout of new procedures*
Ownership	Employees	*Follow-up of compliance training; application of policies and procedures in force*

(1) CEO, Chief Financial Officer, Human Resources Director, Operations Director, CSR Director & General Counsel, Group Compliance Officer, Audit, Risk and Internal Control Director

(2) CEO of the company or geographical area, Chief Financial Officer, General Counsel, Human Resources Director, Risk Manager, Audit and Internal Control Manager, Compliance Officer(s)

The management of information security forms an integral part of the missions of the Group's Information Systems Department, which reports to the Group's Administration and Finance Department.

The internal cybersecurity organisation consists of a central team under the responsibility of the Group's Head of Information Systems Security, covering the areas of industrial IT, applications and infrastructure. This team is supplemented by an international organisation of local points of contact for each of the Group's divisions. To fulfil its cybersecurity missions, the Information Systems Department also relies on its partners, which are recognised major players in these areas. Verallia has a Security Operation Centre (SOC) managed by one of its partners, a European leader in its field.

2.5.1.2. Policies & performances

The ethics and compliance policy is built on five pillars, described below, each associated with objectives presented at the end of the section in the table of indicators.

Each of these pillars is structured by specific and detailed policies, most of which are available on our website, and which are summarised below:

- **Fighting corruption**

  The anti-corruption and anti-influence peddling policy (2018, translated into all of the Group's languages in 2019-2020; currently being revised), supplemented by the conflicts of interest policy (last updated in 2018), the agents and intermediaries policy (last updated in 2021), the gifts and invitations policy (last updated in 2021, including the implementation in Q4 2021 of a gifts and invitations declaration system) and the donations and sponsoring policy (2021, last updated in 2023) are written and issued in French and English. They are given to all new hires and can be accessed by all employees on the intranet and on the Verallia website (https://www.verallia.com/en/our-commitments/ethics-and-compliance/). They are also made available to all employees on the Verallia Compliance internal platform. To facilitate access to these documents, regular emails are sent by the HR teams to remind employees where they can find them.

- **Compliance with competition law**

  To manage risks related to competition, the Group has prepared a guide to compliance with competition law (last updated in 2021) and a Trade Associations policy (last updated in 2022). They are given to all new hires and can be accessed by all employees on the intranet and on the Verallia website (https://www.verallia.com/en/our-commitments/ethics-and-compliance/). They are also made available to all employees on the Verallia Compliance internal platform, and regular reminders of their location are sent out by e-mail, in the same way as for all anti-corruption policies.

- **Compliance with rules on economic sanctions**

  A policy about compliance with rules on economic sanctions and embargoes was adopted in 2016 and updated in 2020. It is given to all new hires and can be accessed by all employees on the intranet and on the Verallia website: https://www.verallia.com/en/our-commitments/ethics-and-compliance/. It is also available to all employees on the Verallia Compliance internal platform.

- **Ensuring compliant usage of data**

  Unless otherwise indicated, the following documents were created or most recently updated in 2021: the general personal data procedure, supplemented by the exercise of rights procedure, the data breach notification procedure, the signature by all Group legal entities of an intra-Group data transfer protocol (currently being updated), as well as the preparation and circulation of Group models (e.g. information notices) and tools to help with decision-making (e.g. when to carry out an impact assessment and when to use an evaluation grid for an impact assessment) and, lastly, in 2023, the Group data retention procedure.

  All of these policies are written and issued in both French and English. They are made available to Data Protection Coordinators (DPC) and Data Processing Managers (DPM) for the entire Group on Verallia's internal Personal Data Protection SharePoint platform. To facilitate access to these documents, e-mail communications are sent out regularly by the Group Compliance Officer to remind coordinators and managers where they can find these policies.

- **Protecting our data and information systems**

  Verallia's information security policy defines a framework based on best industry practices for critical infrastructure and is applicable to the entire Group. These measures have been complemented by a completely new set of standards specifically introduced for the Group's industrial IT systems.

  The key concept defining the global cybersecurity strategy for Verallia's Information Systems is resilience, which therefore implies extreme vigilance over the availability of the data and software, the segregation and differentiation of environments according to their function, the ability to rapidly restore data and limit data losses, and the ability to rapidly detect intrusions and data leaks.

  This policy is organised around five points:

  – implementation of fundamental controls;
  – security of applications, supervision for early detection of suspicious activities;
  – raising of users' awareness in order to make everyone a cybersecurity partner; governance in order to control and monitor this policy;
  – conduct of cybersecurity projects and incident management;
  – conduct of cybersecurity projects and management of incidents.

Regarding governance, Verallia has adopted a reference framework based on best market practices for critical infrastructure, in particular the French National Agency for Information Systems Security (ANSSI) and the UK National Institute of Standards and Technology (NIST). This is reflected in a policy applicable to the entire Group, which is supplemented by a completely new set of standards for industrial IT systems, thereby enriching its Information Systems Security Policy.

The creation and monitoring of operational security dashboards give a vision of the threats, the projects and the coverage of the security controls.

Verallia will continue to improve its preparedness for crisis management by planning and testing crisis scenarios and by developing business continuity plan scenarios for its basic infrastructure and industrial information systems.

Comply with key regulations (corruption, competition, embargoes, personal data, information security)				
Key commitments and objectives	**Monitoring indicators**	**2023(1)**	**2022**	**2021**
Comply with all key legislation	Number of convictions or fines	0	0	0
	Total number of alerts received (and % handled)	51 86% (5)	15 (87 %)(5)	7 (100 %)
	Number of ethical alerts received (and % handled)	5 (60%)(6)	0 (N/A)	1 (100 %)
Fight corruption **Objective:** by 2023, train 100% of employees exposed to corruption risks in the anti-corruption programme	% of the defined population trained in our anti-corruption programme(2)	100%	97.5 %	98.9 %
Ensure compliance with competition law **Objective:** by 2023, train 100% of new employees exposed to competition risks in the competition law training programme in their first year with the Group.	% of the defined population trained in our competition law programme	100%	98.9 %	98.8 %
Ensure compliance with rules on economic sanctions and embargoes **Objective :** train 100% of employees exposed to risks of violation of economic sanctions and embargoes.	% of the defined population trained on risks of violation of economic sanctions and embargoes	100%	99.4 %	94.8 %
Protect personal data	% of requests for the exercise of GDPR rights handled	100%	100 %	100 %
Ensure the security of information	Number of events collected for analysis, in billions(3)	95	81.9	25.8
	Number of incidents with impacts(4)	0	2	1

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

(2) The population defined for each training module is described in the section below.

(3) Cybersecurity event: audit data relating to the execution of a process, whether or not initiated by a user, that may impact the information system.

(4) Cybersecurity incident: an event that adversely affects the availability, confidentiality or integrity of the information system.

(5) The total number of alerts received in 2023 includes seven alerts currently being processed (six of which made less than three months ago). The two HR alerts received at the end of December 2022 were deemed unsubstantiated.

(6) Three alerts (out of five) related to compliance issues (two confirmed and one partially confirmed), which have now been dealt with and for which the necessary corrective actions have been implemented.

In 2023, Verallia's Internal Audit Department introduced specific compliance audits. 100% of our entities will be audited over four years. In 2023, 32% of companies were audited for the first part of the compliance programme controls.

Regarding the target population for compliance training programmes, it is important to note that Verallia trains all people likely to be exposed to:

- the risk of active/passive corruption (anti-corruption training),
- the risk of engaging in anti-competitive practices or violating embargo rules (competition training, e.g. exchanges of sensitive information and embargo/ economic sanctions training).

In practice, the following functions are mainly (but not exclusively) targeted: General Management, Purchasing, Sales & Marketing, Customer Service, Human Resources, Legal, Finance, Internal Audit and Control. As Verallia is an industrial group, the population exposed to the risks mentioned above represents excluding UK: approximately 12% of all Group employees and approximately 33% of employees excluding blue collars; including UK, it represents respectively: approximately 12% and 34%. Moreover, control processes are included in the Group's Internal Control Manual. They are subject to an annual internal self-assessment by the Group's subsidiaries, leading to corrective action plans if necessary.

In 2023, ongoing awareness-raising efforts allowed Verallia to confirm its very good performance on these compliance indicators, demonstrating the key place that compliance with the law occupies among Verallia's values. Demonstrating its commitment to continuous improvement, particularly in the area of compliance, Verallia has chosen and implemented its new 360 Learning training platform, known as "Reimagine your future".

Regarding IT security, the Group has gradually extended the scope of trace collection[61] to cover Verallia business scenarios and associated risks. This approach will be continued in order to allow any attacks to be detected early. In 2023, Verallia further increased the volume of data collected (+16%), giving it more comprehensive visibility across all IT systems. This outcome is attributable chiefly to the modernisation of collection technologies and the extension of the collection scope finalised in 2021 for industrial systems and certain applications, as well as to the improved productivity of the internal organisation and that of its partners. Trace collection is the collection of system audit data from all servers and workstations using standard operating system tools, anti-virus software and an additional probe known as EDR to identify processes being run and internet access. Verallia collects and analyses the same data from application systems, such as SAP, for privileged accounts and access, as well as access to critical transactions. All the collected data is aggregated in the recently upgraded SIEM (Security Information and Event Management) system.

[61] Our information system generates log files (also known as traces), most of which are generated automatically by the computer systems used, and which provide a record of user activity. These traces are then stored and can be analysed automatically or manually as required to detect any abnormal or malicious behaviour.

The main measures implemented within the framework of our Ethics and Compliance policy are summarised in the table below. Details of the measures specific to the various pillars are given in the following sections.

Key measures	Comprehensive rollout of "Ethics and Compliance" measures*	Specific measures by pillar
Mapping of risks	Risks related to corruption, competition, embargoes, personal data protection and cybersecurity are included in the Group's risk mapping (see Section 4.1.4.1 of the URD).	Anti-corruption: a corruption risk map has been prepared, see the section on this pillar below.
Training	Training is regularly offered to employees, where appropriate particularly targeting those employees deemed to be at risk. Training rates for the target populations are presented in the table of indicators above.	See the sections below for details of the training offered to employees in respect of each pillar.
Internal control	Control processes are incorporated in the Group's Internal Control Manual. They form the subject of an annual internal self-assessment by the Group's subsidiaries, giving rise to corrective action plans if necessary.	Anti-corruption: specific controls related to the prevention of corruption are carried out, see the section dedicated to this pillar below.
Audits	Internal audit programmes regularly incorporate a number of controls to ensure that the Group's processes and policies in the areas of anti-corruption, competition law, economic sanctions and embargoes, and personal data protection are properly implemented. Introduction of (specific) compliance audits in 2023.	Anti-corruption and competition law: specific audits related to these two pillars are carried out, see the dedicated sections below.
Control of third parties	Applicable only to the "Anti-corruption" and "Economic sanctions and embargoes" pillars.	See the sections dedicated to the "Anti-corruption" and "Economic sanctions and embargoes" pillars in the sections below.
Whistleblowing platform	A whistleblowing platform is accessible in all countries, in the local language, via the intranet and the external Verallia website. It allows any observed non-compliance to be reported. In May 2022, Verallia changed its whistleblowing platform (more accessible, more intuitive and allowing the use of a hotline in all Group languages) and has updated the related documentation (policy, user guide, etc.). The whistleblower hotline can be used to report any ethical breach including cases of corruption or anti-competitive behaviour.	

* Measures applicable unless otherwise stated to all pillars of the "Ethics and Compliance" policy except for the Cybersecurity pillar, which is subject to specific adapted measures, presented in the dedicated section.

2.5.1.3. Action #1: Fight corruption

In addition to the general measures presented in the introduction to this section, Verallia applies the following specific anti-corruption measures:

Specific measures relating to the "Anti-corruption" pillar	
Mapping of risks	• Initial mapping of corruption risks carried out in 2017, subsequently updated in 2018 and 2020, and then consolidated at Group level and enriched in 2021, with the aid of a specialised external consultancy. • Anti-corruption questionnaire updated in 2022 and completed by all subsidiaries. • With the support of a new specialised external consultancy, strengthening of the methodology for updating the corruption risk mapping in 2023 (streamlining of the risk framework and corruption scenarios, workshops with key division/Group functions, production of consolidated maps at divisional level – In addition to entity and Group level – and definition of corrective and improvement action plans by entity). • Implementation of action plan monitoring at entity/division/group level.
Training	• Group e-learning module offered since 2017 to all exposed employees (updated in 2020, complete overhaul in 2021 and 2023), complemented by face-to-face training sessions managed by the divisions. • Available in all the Group's languages via the training platform (360 Learning since 2023). This platform, which is open to all countries (except Russia, where a local platform has been set up), allows course completion rates to be monitored. • 2023 target: all employees exposed to corruption risk (vs 2022: new hires).
Internal control	• Controls specifically related to the prevention of corruption reviewed and updated in 2023. • Reliability of the annual self-assessments by subsidiaries verified by internal auditors when performing their audit assignments. • Absence of a certified anti-corruption management system at Verallia's operational sites.
Specific audits carried out (themes)	• 2019: compliance with the Sales Agents and Intermediaries policy. • 2020: compliance with the Sponsorship and Patronage policy (updated in Italy in 2021). • 2022 : professional whistleblowing system (knowledge and awareness). • 2023 : review of the gifts and invitations policy (and dedicated software). • Corrective actions implemented.
Control of third parties	• Agents and intermediaries procedure initiated in 2016 and reinforced in 2021: It requires in-depth due diligence beforehand, in particular by means of a detailed questionnaire to be completed by the third party. • Implementation in the second half of 2020 of supplier ethics control procedures by the Purchasing Department (questionnaires managed and evaluated by external service providers). • Following the results of the 2021 risk mapping, tighter controls on third parties identified as belonging to the riskiest categories: implementation of corruption due diligence software; rollout of the new third-party due diligence procedure.
Disciplinary rules	Non-compliance with procedures may result in penalties, as provided for by the Internal Rules or the applicable collective agreement.

→ Outlook

- Implementation of corrective action plans identified as part of the corruption risk mapping process;
- Translation and circulation of the Anti-Corruption Code of Conduct in all of the Group's languages and integration into the internal rules of the subsidiaries;
- Assessment of third parties: adjustment of categories of third parties at risk (alignment with 2023 corruption map;
- Implementation of the Duty of Care Law;
- Continuation of anti-corruption training for all new hires in line with the rollout of e-learning (target confirmed);
- Finalisation of the integration of Verallia UK and rollout of the entire compliance system within the new subsidiary.

2.5.1.4. Action #2: Ensure compliance with competition law

In addition to the general measures presented in the introduction to this section, Verallia applies the following specific measures in the area of competition law:

Specific measures relating to the "Competition Law" pillar	
Training	• Mandatory competition law training programme revised in 2021 to make it more effective; rollout to the population most exposed to risk, in all the Group's languages via the Group training platform. • In 2020, creation of a training module covering the relationship between sales representatives and their distribution channel (and agents); initial target: sales forces in all countries, extended in 2022 to buyers, lawyers, internal auditors and controllers, as well as chief financial officers. • New tools were created and circulated in 2022 during the Compliance Week (a "dos and don'ts" flyer in French and English; cartoons depicting key messages translated into all Group languages).
Specific audits	• In 2021, specific internal audit on professional associations and employees' participation in those associations in all Group subsidiaries. Corrective actions taken. • External audits, along the lines of an inspection by an independent authority, conducted annually by specialist firms to ensure the implementation of these rules within Verallia.

→ Outlook

- New e-learning campaign (for 100% of the target population);
- External audit by a specialised firm along the lines of an inspection by a competent authority: new subsidiary targeted;
- Overhaul of the competition law training course.

2.5.1.5. Action #3: Ensure compliance with rules on economic sanctions and embargoes

In addition to the general measures presented in the introduction to this section, Verallia applies the following specific measures as regards compliance with the rules on economic sanctions and embargoes:

Specific measures relating to the "Economic Sanctions and Embargo" pillar	
Training	• Before 2020 (and occasionally thereafter, managed by the divisions): face-to-face training based on training materials developed by Verallia. • Global training campaign (via the Group training platform) targeting the most highly exposed functions (finance, accounting, sales, purchasing) launched between 15 December 2020 and the end of February 2021. • Further comprehensive training campaign launched in September 2022 and repeated in August 2023; expanded target: employees working in the purchasing, sales and marketing, legal, audit and internal control functions, as well as the chief financial officers of the Group's legal entities.
Control of third parties	• Since 2017, use of the AEB platform (dedicated to sanctions and embargoes) to assess our third parties; positive assessments are a prerequisite for the creation of any third party account in our system. • Since 2020, addition of an annual mass audit of all our suppliers and customers via this platform, to be carried out by all the Group's subsidiaries. • To comply with the new sanctions (notably European) against Russia, mass audits of all suppliers and customers of our Russian subsidiaries carried out on a weekly basis until the summer 2022, on a monthly basis until the summer 2023, and then every two months.

→ Outlook

In 2024, existing actions will be continued, in particular the screening (with our AEB tool) of all new customers/suppliers as well as the annual mass screening of all supplier and customer databases (higher frequency for Russian suppliers and customers, which are the focus of particular attention) and the screening of all active customers and some Russian suppliers using the specific Altares software.

There are also plans to update the process and e-learning training.

2.5.1.6. Action #4: Protect personal data

In addition to the general measures presented in the introduction to this section, Verallia applies the following specific measures for the protection of personal data:

Specific measures relating to the "Protection of Personal Data" pillar	
Training	• In 2019, organisation of the first module of face-to-face training courses in all countries for Data Protection Coordinators (DPCs) and Data Processing Managers (DPMs) on the basis of internal training materials in French and English (subsequently adapted and translated into the Group's languages).). • New face-to-face training module developed in 2021 in France (focus on HR at headquarters and in plants) and at the Group's headquarters (reworking of the 2019 module, aimed at DPMs; translated into English and circulated within the Group at the beginning of 2022). • Two new face-to-face and distance learning DPM training sessions (beginner and advanced levels) held at the Group's headquarters in October 2022. • To coincide with Compliance Week in November 2022, development and distribution within the Group of a flyer on the key GDPR compliance rules (in French and English), together with four GDPR awareness videos (translated into all Group languages).

→ Outlook

In 2024, existing actions will be continued and strengthened, in particular local implementation of Group procedures, updating of registers, divisional training and impact analyses.

2.5.1.7. Action #5: Ensure the security of data and information systems

Verallia is improving its preparation for crisis management by planning and testing crisis scenarios and by developing continuity scenarios for its basic infrastructure and industrial information systems.

Various actions carried out or underway are aimed at strengthening the security of IT infrastructure and hardware, particularly with regard to treasury and industrial systems, which in turn help limit the risk of internal fraud and external intrusion. There is also centralised supervision allowing for detection, analysis and rapid reaction (Security Operation Centre), operated by a front-ranking partner.

Various other actions are carried out annually to raise employee awareness of cyber risks, particularly phishing and ransomware, for which exercises were held twice this year. Verallia also conducts regular attack simulations (redteam exercises) to test its entire strategy and processes (resilience, detection, reaction, compliance with basic procedures, awareness, etc.).

Verallia also has a disaster recovery plan that relies on a regularly tested backup, recovery and versioning policy for user data (PCs) and application data (servers), as well as

on technological diversification and an architecture that reduces the risk of exposure to a systemic incident.
A GDPR and IT security questionnaire is used to create an inventory of the Group's private and sensitive data for each new project coordinated by the security team and the legal team.

Role segregation involves managing access rights to applications and reviewing privileges granted to ensure that only strictly necessary privileges are granted, and that incompatible rights are avoided.

Lastly, Verallia has taken out an insurance policy covering cyber risks.

→ Outlook

The strategy initiated in 2020 will be continued in 2024, with:

- regular employee awareness-raising using a variety of methods and tools, prioritising tools that allow greater interactivity. In this respect, simulation exercises will be more numerous than in 2023, and simulated scenarios will be diversified;
- extended supervision of compliance with basic requirements to all software components of the information system;
- increased capacity for the collection of events and therefore capacity for detection. As such, we plan to continue our strategy of growing the collection of industrial and non-industrial IS traces and their analysis;
- improvement of reaction processes by pursuing two objectives: greater reactivity and greater resilience. As such, we plan to continue testing and improving our crisis management scenarios.

2023 Highlights

- Dissemination of the Code of Ethics (in all Group languages).
- Completion of a gap analysis on the implementation of the duty of care and drafting of the Group's first Duty of Care Plan (see dedicated section).
- Updating (and strengthening of the methodology) of the consolidated mapping of corruption risks and implementation of action plan monitoring at entity/division/Group level;
- Alignment of the anti-corruption code of conduct with the results of corruption risk mapping (French and English versions).
- Strengthening of the whistleblowing system (especially communication on the strict respect of confidentiality; reiteration of the principle of prohibiting any reprisals against whistleblowers).
- Overhaul of the anti-corruption e-learning course (translated into all Group languages) and its integration, along with other compliance courses, into the new 360 Learning training platform.
- Circulation in December of the Group procedure on the retention of personal data.

2.5.2. Build engaging and respectful relationships with our suppliers

"The comprehensive purchasing policy includes CSR as a key pillar. CSR criteria are now included in our purchasing practices and are an important marker of the maturity of our partners. First, our suppliers must adhere to our values and sign our charter. Second, our purchasing strategy – and as such the choice of our main suppliers – takes into account CSR performance and capacity for action. We pay equally close attention to the results reported and to the associated objectives and roadmaps, particularly in terms of decarbonisation. This is reflected in the close involvement of our purchasing teams and the increasing implementation of action plans and initiatives with our suppliers. Our SBTi target is particularly ambitious, and we know we can achieve it thanks to the commitment of the entire value chain."

Jérôme Crest, *Group Purchasing Director*

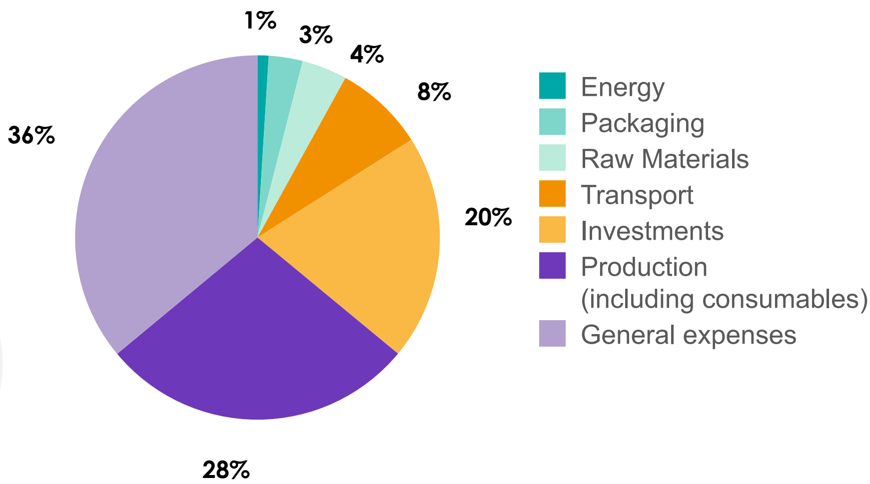
Responsible purchasing management is a major challenge within Verallia. Purchases actually account for 60% of the Group's revenue, i.e. €2.53 billion. Verallia interacts with more than 12,000 suppliers located mainly in its countries of operation. Purchases of raw materials and energy account for more than 50% of spending. The other major purchasing items are investment purchases, transport, production purchases (including consumables), packaging, general purchases and other small purchases.

With the exception of certain expenses such as soda ash and moulds, the vast majority of purchases are made from suppliers located in the same country as our plants. Purchases in low-cost countries remain low (less than 1% of the Group's purchases are made in Asia). In a particularly unstable environment, Verallia promotes a commitment to its suppliers based on the development and respect of the Group's values in a sustainable manner.

2.5
billion euros spent
in 2023

13,200
active suppliers

Breakdown of suppliers by purchasing category



2.5.2.1. Governance

Roles		Name of body		Main work in 2023
Definition of the strategy	▶	Executive Committee	▶	Setting of annual targets.
Building of a structured approach, coordination of the Responsible Purchasing network and management of training	▶	Group Responsible Purchasing and Supplier Quality Manager	▶	*Coordination of the purchasing network through monthly steering committee meetings and reporting tools (review of country scorecards, monitoring of supplier action plans). Organisation of Responsible Purchasing awards at country and group level (Verallia Super Champion).* *Integration of Verallia UK in 2023* *Number of coordination meetings: 2 per month*
Coordination and monitoring	▶	CSR Risk Management Committee(1)	▶	• *Monitoring of the implementation of the responsible purchasing strategy (progress of evaluations, audits and action plans);* • *Validation of operational guidelines (e.g. due diligence on conflict minerals and cobalt, due diligence linked to European sanctions against Russia) ;* • *Delicate strategic trade-offs (strategic suppliers, recalcitrant to the CSR approach).* *Number of meetings: 2 committee meetings in June and December*
Implementation in the entities	▶	Network of correspondents	▶	*Local organisation through the management of country-related initiatives (implementation of assessments, audits and action plans). Organisation of the annual CSR Awards.* *Training for new arrivals in local purchasing teams* *Number of meetings: 24*
Ownership	▶	Employees	▶	*Participation in Verallia Sustainable Purchasing Events.*

(1) The CSR Risk Management Committee is made up of members of the Executive Committee, the Group Purchasing Director and the Group Responsible Purchasing Director. It meets twice a year to monitor developments in respect of CSR risks, including risks related to conflict minerals and cobalt in our supplier panel, to monitor progress on actions underway, and to make decisions related to the continuity of business in certain highly challenging situations. It may meet more often when urgent and important decisions are required.

2.5.2.2. Policies & performances

The Responsible Purchasing policy, which was rewritten in 2022 to align with our Purpose, is intended to be both more engaging for Verallia and more demanding for our suppliers. Aligned with Verallia's Code of Ethics and its commitment to the United Nations Global Compact, it is based on three fundamental principles:

1. ENSURE THAT INTERNAL AND EXTERNAL STAKEHOLDERS respect the Group's values in purchasing;
2. CO-CONSTRUCT SUSTAINABLE RELATIONSHIPS with our suppliers and foster innovation in support of the Group's CSR strategy;
3. MOBILISE AND DEVELOP INTERNAL STAKEHOLDERS in the purchasing process in a responsible purchasing approach.

Verallia's Responsible Purchasing policy emphasises circularity in purchasing, eco-design and decarbonisation of its products.

A particular focus has been placed on the issues of decent remuneration for suppliers, diversity and inclusion, and respect for human rights.

It also lays down the roadmap related to the conflict minerals policy. This policy, which applies to the entire Group, is available on the Verallia website (https://www.verallia.com/wp-content/uploads/20224/01/Verallia_politique_achats_responsables_2022.pdf). It is also circulated by means of a Teams channel dedicated to responsible purchasing, reaching the responsible purchasing correspondents in each entity. A special presentation has been made to the entire network, thereby mobilizing our employees to a greater extent.

The purchasing teams have continued their efforts to apply the Responsible Purchasing policy in all of the countries where Verallia operates. This has resulted notably in an intensification of the assessments of priority risk suppliers and the implementation of action plans with our suppliers according to the SMETA (Sedex Members Ethical Trade Audit) standard.

In 2023, Verallia completed the evaluation of its most risky suppliers ("red flags" in our risk mapping). In total, more than 300 suppliers have entered into an evaluation process (EcoVadis), with audits systematically triggered for those with a score below 35/100.

Targeted support for our suppliers and special attention to sand mining

Sand is identified in our risk mapping as a "major risk". We pay particular attention to our sand suppliers, especially the quarries from which sand is extracted. Most extraction is alluvial (> 75%). Risk analysis reveals possible impacts on three fundamental aspects: fraud and corruption, depletion of natural resources and biodiversity, and health and safety at work. Aware of these issues, Verallia applies a very strict policy towards its sand extractors by conducting CSR audits at each source quarry. To date, 100% of our sand extractors have been audited on site by a SMETA 4-Pillar approved body[62]. Verallia has also chosen to develop its own sand quarries in certain countries, allowing it to apply its CSR standards. A sand quarry is scheduled to open in Italy in 2024.

More generally, Country Purchasing teams are called on intensively to support the most highly exposed suppliers in the implementation of corrective actions based on the recommendations of our audit body, QIMA (SMETA 4-Pillar). Such actions help to improve compliance with safety standards, or working conditions and pay in certain countries (e.g. India). Through its purchasing strategy, Verallia gives priority to local suppliers. In addition to limiting the impact of transport (Scope 3), this means that CSR criteria can be monitored more closely through stronger and more responsive cooperation. To date, 91 action plans have been launched, 64 of which have been completed.

Build engaging and respectful relationships with our suppliers				
Quality commitments	**Monitoring indicators**	**2023[(1)]**	**2022**	**2021**
Engage our buyers and suppliers in a responsible purchasing approach Objective: ensure that 90% of purchases are covered by the Suppliers Charter by 2025.	Percentage of the amount of purchases covered by the Suppliers Charter	88 %	88 %	82 %
Evaluate the CSR performance of our suppliers Objective: 100% of suppliers identified as "priority risk" by EcoVadis to be assessed by 2025.	Percentage of suppliers identified to date as priority risk according to the AFNOR matrix that are in the process of or have completed an EcoVadis assessment or in the process or already CSR audited	96%[(2)(3)]	99 %[(2)]	89 %
Build lasting relationships with our suppliers	Number of action plans initiated as a result of supplier non-compliance	91	57	24

(1) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.
(2) Due to the war in Ukraine, figures for Ukraine have been excluded from the calculation this year.
(3) Verallia UK is not included in the 2023 figures as it is still rolling out measures. It will be included in the 2024 data.

As part of its referencing, each new supplier is required to sign our charter, improving the rate of coverage, year after year.

Of all our red flags, excluding Ukraine from our scope, only 10 suppliers did not participate our evaluation process to date, Our team is working on convincing and enrolling them. For the second year in a row, Ukraine cannot be included in the calculation of the second indicator due to the impossibility of conducting on-site audits.

Each year, on-site audits lead to concrete action plans. By the end of 2023, 91 action plans had been launched.

Signing the Suppliers Charter is a mandatory step in the approval of any new supplier. Local teams have stepped up their efforts to get their suppliers to sign the charter and reached a level of 88%, corresponding to the percentage of our expenditure covered by suppliers that have signed our Suppliers Charter.

62 SMETA 4-Pillar: Sedex Member Ethical Trade Audit. This method was developed by Sedex, a global organisation of non-profits. SMETA aims to align social auditing standards and control practices).

In 2022, the Group decided to propose a new Charter to its suppliers (the first Charter was issued in 2018).

The new Suppliers Charter reinforces the link between Verallia's expectations of its suppliers and its own Purpose, its Code of Conduct and its new CSR objectives. More detailed, it sets out Verallia's commitments to its suppliers and includes new subjects such as conflict minerals and the whistleblowing platform.

All suppliers are required to sign the new Charter, which commits them to adhering unreservedly to the following principles: respect for the right to development, respect for the rights of employees (the Charter includes the promotion of and respect for the fundamental conventions of the International Labour Organization, such as the elimination of forced or compulsory labour and the effective abolition of child labour), respect for health and safety, commitment on environmental aspects and compliance with the law.

2.5.2.3. Action #1: Engage our buyers and suppliers in a responsible purchasing approach

Buyer training

In 2022, we trained 100% of the Group's Responsible Purchasing correspondents. In 2023, particular attention went to water resources. All purchasers took part in the "Environment Day", which focused on the challenges of water consumption.

2023 also marked the integration of our United Kingdom subsidiary Verallia UK into our responsible purchasing processes and tools. The rollout, training and organisation went to plan.

Supplier awareness

In addition to the widespread signing of the Suppliers Charter (detailed above), Verallia wishes to raise awareness among suppliers as early as the tender process. In fact, CSR criteria are included in the purchasing procedures relating to the conduct of tenders in order to take account of the CSR approach undertaken by suppliers in the selection process. These CSR criteria are subsequently formalized in CSR clauses in contracts signed with suppliers. For example, criteria for waste recycling and recovery are included in calls for tenders and contracts for the purchase of computer equipment. They are also a cornerstone of our strategic agreements with key partners. In particular, this means sharing roadmaps for decarbonising production sites.

This year saw the inaugural Supplier CSR Group Award, presented by the Group CSR Director and General Counsel. Supplier Cartonplast Ibérica was selected for its commitment to CSR challenges, based on the implementation of several projects with proven impact.

→ Outlook

Below are the actions already planned to intensify the mobilisation of Verallia and its suppliers in 2024:

1) Update of our CSR risk mapping using new tools and better reflecting local specificities;

2) Expansion of our panel of partners involved in on-site CSR audits;

3) Integration of the North American subsidiary into our responsible purchasing policy;

4) Action to ensure that each Group subsidiary organizes and runs a CSR awareness event for its supplier panel.

2.5.2.4. Action #2: Evaluate the CSR performance of our suppliers

To target and address the highest CSR risks of its existing suppliers, Verallia has structured a risk management process. It includes risk mapping, supplier assessment (EcoVadis), on-site external CSR audits based on the SMETA international system, action plans for proven non-compliance and a delisting process in the event of major non-compliance or non-compliance with corrective action plans.

Step 1: Mapping of purchasing risks

Verallia has adopted a supplier risk mapping tool developed by AFNOR, tested conclusively in 2019 and then rolled out in all of the Group's countries in 2020. It identifies a level of CSR risk by purchasing category and by country of location of suppliers, based on a matrix broken down into three areas, namely ethical, environmental and social.

This tool is available to the purchasing community and identifies suppliers for which a CSR performance assessment (possibly triggering an audit) is required. It thus focuses assessments on the most at-risk categories/ countries, namely raw materials, chemicals and civil engineering/building.

In 2023, new risk mapping tools were identified for deployment in 2024. The aim is to update our risk mapping and better identify emerging risks and local specificities. For example, the proliferation of our cullet suppliers has increased business ethics risk.

Step 2: EcoVadis evaluation questionnaires

Our entire supplier base is checked through the mapping tool described above. Thus the level of CSR risk of new suppliers is determined on a regular basis. The results of this mapping are then used to more specifically target suppliers with a high risk and which require a CSR performance assessment. Assessments are calibrated based on the size of the targeted entities. Verallia now only uses the EcoVadis tool.

The Group strives to cover all of the highest risk suppliers ("red flags") with this process. By the end of 2023, 600 suppliers had been included in the evaluation process. For the 66 suppliers who do not achieve 35/100 on the EcoVadis assessment, Verallia prescribes an on-site audit according to the SMETA 4-Pillar protocol (see below, "Supplier audits" section).

As announced in 2022, Verallia has set up a system to encourage suppliers with an EcoVadis score above 35 to continue their efforts and comply with the recommendations given in their evaluation report. This is in order to achieve a higher score in their next assessment

and to engage them in the trajectory of our Code of Ethics.
Finally, Verallia UK, which joined the approach in 2023, has already launched the evaluation process for 16 suppliers, 8 of which have been identified as compliant and 8 of which are currently being evaluated.

Step 3: Supplier audits

Based on the results of the EcoVadis supplier assessments, Verallia initiates audits of the companies with the lowest scores. Verallia has commissioned QIMA to carry out on-site audits according to the SMETA 4-Pillar protocol. By the end of 2023, 125 audits had been performed. Each audit concludes with the publication of an audit report, including all the observations and controls carried out, according to the SMETA 4-Pillar Audit protocol, which includes the following measurement criteria:

- Ethical Trading Initiative (ETI) Code of Ethics based on the requirements of the International Labour Organization;
- rights covered by the UN Guiding Principles;
- management systems;
- responsible recruitment;
- right to work;
- outsourcing and teleworking;
- environmental assessment;
- assessment of business ethics.

The geopolitical situation has led us to restructure our supplier audit partnerships in Russia and Ukraine. As a result, we have inaugurated a partnership with SGS, which conducted three audits in Russia in 2023.

Step 4 involves implementing supplier action plans, the elements of which are set out below in Action #3 "Build sustainable relationships with our suppliers and develop their CSR performance".

→ Outlook

EIn 2024, Verallia plans to continue its risk assessment programme by intensifying actions targeting the most highly exposed suppliers. The programme will be extended to the suppliers of Verallia's American subsidiary and will be aligned with the new risk mapping planned for 2024. Verallia also plans to expand its range of partners for on-site audits.

2.5.2.5. Action #3: Build sustainable relationships with our suppliers and develop their CSR performance

Supplier action plans

Each on-site audit gives rise to a report proposing action plans for each instance of non-compliance identified. Instances of non-compliance are weighted by a criticality level ("critical", "major", "minor"). This global corrective action plan is communicated to the supplier. Verallia requires "critical" and "major" instances of non-compliance to be resolved within six months.

The implementation of the action plans is monitored directly by the buyer responsible for the supplier and is audited by the CSR Supplier Audit Committee. This committee brings together the Group Purchasing Director and the Local Purchasing Director, in addition to the central responsible purchasing team. Items deemed critical and requiring a decision are referred to the CSR Risk Committee, involving Executive Committee members.

In addition, to measure the volume of action plans undertaken and implemented, the central team has introduced an indicator to monitor the number of action plans opened and processed. In 2023, the purchasing teams monitored 34 action plans, 10 of which were successfully completed. Examples of measures covered by these action plans include the improvement of safety conditions (emergency exits, fire-fighting systems), working conditions or pay (payment of unpaid overtime), or environmental protection measures (storage of hazardous products).

In 2023 Verallia held various events with its suppliers in Argentina, Chile, Brazil, Germany, Spain and Portugal. Several CSR awards were presented to the most committed suppliers by a member of the country Management Committee. For the first time, we also organised a Group-wide supplier CSR award. It was presented to the selected supplier in Spain in early

November by the Group CSR Director and General Counsel.

Ethical business relationships

Verallia has strengthened the ethical dimension of its supplier control process. In addition to the Responsible Purchasing assessment process, the purchasing teams are working to implement new tools to identify risks more quickly. Together with the Compliance Department, the Altares tool has accordingly been introduced for certain categories such as cullet suppliers. At the same time, new solutions are due to be tested in early 2024.

Verallia continues to favour local sourcing, which ensures better knowledge of our suppliers and greater responsiveness in the implementation of action plans.

The Group's priority in its purchasing policy is to maintain a balance between local sourcing and partnerships with international players. These are essential because they offer cost-effective solutions, although they often involve more distant sourcing.

→ Outlook

- Growing involvement for Verallia with its suppliers and increased monitoring of those committed to corrective action plans.
- Continuation of fruitful collaboration and interactivity between the Purchasing and Compliance Departments to coordinate actions to identify and combat corruption in relation to our suppliers.
- Intensification of Responsible Purchasing communication with suppliers in the various countries, with the organisation of substantial new events geared towards a Group-level event.

2.5.2.6. Action #4: Develop purchases of responsible materials and services

Carbon footprint of purchases

Since 2019, Verallia has systematically calculated its Scope 3 CO_2 emissions on an annual basis in order to identify the segments and suppliers that contribute most. At the same time, three areas of work were established in 2021 and initiated to improve the management of Scope 3 initiatives by purchasing teams:

- development of reporting and simulation tools for the categories that contribute most: the calculation of emissions linked to sales-related transport, the supply of soda ash and cullet is now automated. All Scope 3 reporting has also been standardized to ensure a high level of responsiveness in emissions reporting. This process is currently being finalized.
- management of a CO_2 reduction plan including the suppliers with the biggest emissions in the transport, raw materials (mainly sodium carbonate and cullet) and packaging categories: Verallia engages these suppliers in the implementation of actions to reduce their emissions (collection of the calculation of their emissions and their action plan to reduce them, in accordance with the Group's CO_2 roadmap) and establish practical reduction projects (see 2.2.2 Reducing Scope 3 emissions). This ambition is an integral part of the values shared through the Responsible Purchasing policy and the Suppliers Charter;
- consideration of Scope 3 in sourcing decisions: our suppliers' CO_2 emission reduction roadmaps are deemed a differentiating factor.

Conflict minerals and cobalt

Verallia pays particular attention to suppliers linked to the conflict minerals regulatory system. In this regard, the supply of surface treatment solutions containing tin (glass container manufacturing process) or gold-based decoration solutions (bottle decorating process) is subject to special monitoring in accordance with good practices and existing regulations.

Likewise, Verallia is particularly vigilant regarding the supply chain for cobalt oxide, a material used in the manufacturing process of certain bottles. Initiatives have been taken in each country to direct cobalt oxide orders towards suppliers who can demonstrate a supply chain based on recycled cobalt or excluding the Democratic Republic of Congo (DRC). Verallia has decided to become a member of the Responsible Minerals Initiative (RMI) in order to deepen its understanding of the risks associated with conflict minerals and cobalt, and to benefit as much as possible from the initiatives/resources of this international body.

→ Outlook

In 2024, initiatives aimed at reducing CO_2 emissions will be a key priority for purchasing teams. They will work with their suppliers to continue their efforts, particularly in the areas of transport, packaging and raw materials.

In 2024, particular attention will be paid to consolidating a Scope 3 emissions projection tool for 2030-2040.

Verallia will also seek to strengthen the control of the cobalt supply chain by carrying out targeted audits and reducing the number of suppliers.

2023 Highlights

- The strengthening of purchasing risk control stems from the renewal of our risk mapping. It combines the introduction of more effective tools, greater local involvement and better coverage of corruption-related risks. We are also renewing our panel of external auditors in order to be more responsive.
- Reducing Scope 3 emissions is becoming an increasingly important challenge, and is driving the choice of strategic partnerships. Assessing the ability of our key suppliers to define and implement decarbonisation solutions is therefore a priority for our purchasing teams.

2.5.3. Ensure product quality and safety for customer satisfaction

"Quality plays a key role in our CSR approach. Firstly, it enables us to supply safe and reliable glass packaging for food and drink thanks to food safety management systems that comply with international standards and current regulations. Secondly, the quality of our products is a key driver of customer satisfaction and trust. Finally, quality production generates less waste and pollutant emissions, helping to reduce our environmental impact and carbon footprint."

Sandrine Delmas,Group Quality Director

At Verallia, we manufacture glass used in packaging for food and drinks. It is created for transport, protection, preservation and storage, and also as a vector of information (through decoration, engraving or the addition of a label). For us, the adoption of a quality approach represents a strong commitment that is part of a process of continuous improvement in the Company. It requires the full involvement of all stakeholders as it aims to increase customer satisfaction right up to the end consumer, by strictly applying food safety requirements. Food safety is an integral part of our quality management system and applies to all employees of the Group.

2.5.3.1. Governance

The Group Quality Department, which reports to the Director of Operations, implements and leads the quality process. The quality teams at country and site level are functionally attached to it.

Roles	Name of body	Main areas of work in 2023
Definition of the strategy	Quality Department Group[1] Executive Committee member	*Setting of annual targets and validation of the annual quality improvement plan.*
Proposal and implementation of the Improvement Plan	Group and Regional Quality Departments	*Active participation in the rollout of the Group's quality improvement plan and in the circulation of the related tools and quality procedures.*
Monitoring of the Quality Improvement Plan	Quality Committee	*Rollout and implementation of the Quality Improvement Plan at the divisional level and on sites.* *Work on improving standards and coordination with business networks.* *Management and harmonisation of the "Quality Day" held on 09 November 2023.* *Number of meetings: 12*
Analysis of standards and monitoring of their application in the entities	Standardisation Committee composed of operational management and business line managers	*Analysis of lessons learned through root cause analyses (RCA) carried out in connection with customer complaints and internal non-compliance. Identification of standards to be developed or created in coordination with the relevant business networks. Decisions and follow-up of the rollout in glass plants.* *Number of meetings: 3*
Monitoring of developments on regulations and external standards	Group and Regional Quality and Technical Departments	*Regulatory monitoring and monitoring of work carried out with local trade associations (CSVMF, FEVE, CETIE, etc.).* *Number of meetings: 2*

Roles	Name of body	Main areas of work in 2023
Monitoring, circulation of expertise and provision of support to employees	Food safety-specific trade network	*Constantly in monitoring mode, this network:* • *challenges, refreshes and enriches its expertise;* • *makes its knowledge available (sharing, teaching, transmission);* • *produces reliable studies to inform and secure decision-making;* • *contributes to problem-solving through technical recommendations.* *2023 achievement: definition and implementation of the "Risk of glass breakage" campaign and the associated game in our glassmaking plants.* *Number of meetings: 6*
Monitoring, circulation of expertise and provision of support to employees	Business network specific to the Supplier Quality scope(2)	*Focused on cullet and glass sand, appointment of Supplier Development Quality Engineers in each division. Their job is to implement Product and Process Quality Assurance (PPQA) activities with our cullet suppliers. This network is run directly by the Group Quality Director in conjunction with the Group and Regional Purchasing and Glass Production Departments.* *Number of meetings: 6*
Proposal for improvement, coordination and assistance to Site Quality Managers	Regional Quality Departments	*Monitoring of the implementation of actions and the rollout of new procedures.*
Contacts in the entities	Site Quality Manager	*Implementation of actions and rollout of new procedures and tools with the involvement of the technical networks.*
Ownership	Employees	*Participation in Food Safety Day on 7 June and Quality Day on 9 November 2023.*

(1) Reporting to the Director of Operations

(2) Composed of 5 Supplier Development Quality Engineers (1 for each region except UK)

2.5.3.2. Policies & performances

The Verallia quality strategy aims for "zero critical customer complaints[63]". It is laid out in a quality improvement plan that is defined around three major areas:

- implementation of a quality culture;
- regulatory compliance;
- control of internal processes driven by the "first-time-right" mindset.

The Quality improvement plan is reassessed and readjusted every year regarding improvement subjects raised through the performance indicators, and the lessons learned. Its rollout is organised with all those involved in operational excellence and addresses the whole of the glass-making process from supplier to customer.

Our customers assess our performance in terms of pallet quality and delivery reliability, so at the beginning of 2023 we began to question the consolidation of the "customer complaint rate". Similarly, the rules for allocating customer alerts for non-glass defects have been clarified for all our operating entities. A non-glass defect is non-compliance relating to the packaging of our bottles and jars and/or a failure to meet the delivery conditions agreed upon with our customers.

63 A critical customer complaint is associated with a so-called "critical" glass defect, i.e. one that could or is likely to lead to dangerous conditions for people using the glass container or to harm their health, under normal conditions of use.

Master and continuously improve quality in our production processes				
Commitments	**Indicators**	**2023[2]**	**2022**	**2021**
Build a quality culture	% of sites with at least 1 certified RCA coach[1]	100%	100 %	84 %
Observe the regulations in force **Objective:** ensure that 100% of sites maintain Food Safety certification until 2025.	Number of sites covered by Food Safety certification	100%	100 %	94 %
Master and continuously improve quality in our production processes **Objective:** 35% reduction compared with 2022 by 2025.	% decrease in the customer complaint rate (number of complaints per 1 billion containers sold)	'-20% versus 2022[4]	'-43% versus2020[3]	'-13% versus 2020[3]

(1) Certified RCA coach: coaches are Verallia employees (such as plant, quality or production managers) trained and recognised as contacts for promoting the root cause analysis (RCA) method, as well as the associated "attitudes" at all levels of the Group. They are a key element in the implementation of the quality culture and the approach to problem solving within Verallia.

(2) 2023 results at constant scope without Verallia UK. See 2.7.2 Table of non-financial performance indicators for Group results.

(3) In 2022 we exceeded our objective set at -35% compared to 2020 and a new objective was defined in 2023 using 2022 as a reference year.

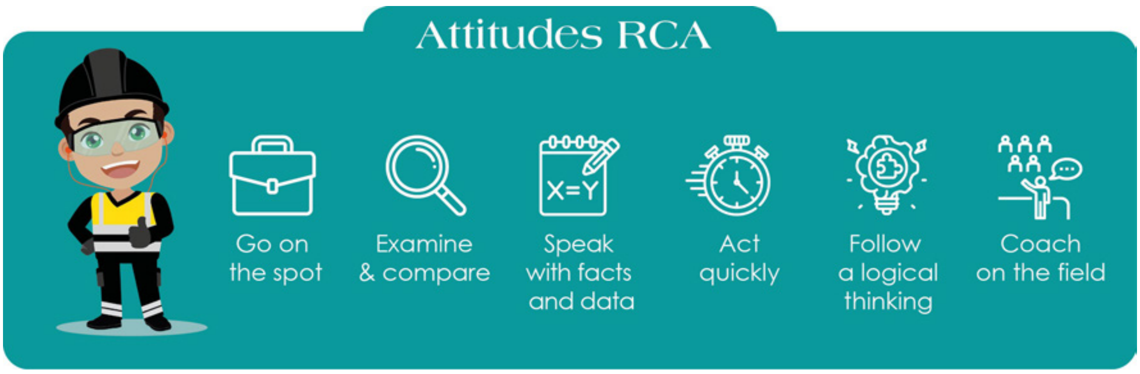
(4) As of January 1, 2023, we revised our rules for imputation of non-glass defects, by aligning all of our divisions, in order to include them in monitoring the customer complaint rate. Indeed, satisfying our customers means ensuring the delivery of bottles and jars that meet their expectations, without glass defects, in packaging and following delivery conditions defined together and respected, that is to say free of non-glass defect. Comparison of 2023 data with historical data is therefore not relevant.

To date, the results achieved by the Group are in line with the ambitions and areas of improvement of the plan and meet the expectations of its external and internal customers. The continuous improvement process is particularly committed to the dual objective of strengthening and capitalizing on knowledge and expertise, challenging its achievements in the quest for quality excellence.

2.5.3.3. Action #1: Build a quality culture

Root cause analysis (RCA) is more than a method for solving problems, it represents a real change of attitude. It builds on a structured and rational approach. RCA involves retracing the course of events at the time of the problem and identifying the potential cause(s) that resulted in a variation from the established standard. The key factors of an RCA are:

- the collection of reliable data and validated facts,
- a rigorous approach to the analysis of potential causes of occurrence and non-detection,
- the application of RCA attitudes.



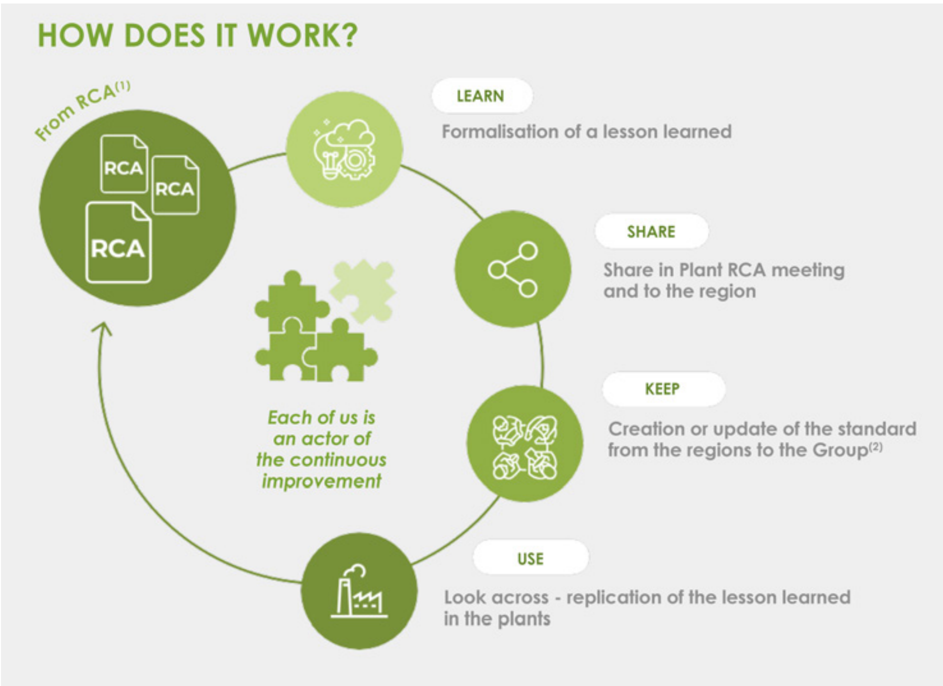
In 2023 we continued to roll out the approach across the divisions and also included Verallia UK in our roadmap, which describes the process of building skills from simple participation as a member of an RCA to the coaching of an RCA. Eighteen people from Verallia UK have been trained and integrated into our RCA Coaching program.

Across the Group, 34 new RCA coaches have been certified.

After the success of our inaugural edition in 2022, a second Group RCA competition took place in December. The aim is to select the Group's best RCA; the title is awarded annually. The best RCA is selected on each site, with each site-level winner automatically becoming a finalist at the divisional level. Similarly, each winner at the divisional level becomes a finalist at the Group level. The panel of judges is chaired by the Chief Executive Officer.

Capitalizing on the lessons learned from root cause analyses (RCA) and sharing them with all our teams and plants is an important area of work that we developed and implemented in 2023 with the aim of preventing incidents from recurring.

This fundamental process for our organisation is based on two stages: Standardization and replication (effective and systematic application). To support this process, the Verallia Knowledge and Sharing (VKS) application has been created. This new tool will support and simplify the Standardization and Replication stages. It will enhance our ability to maintain continuous improvement as a single Verallia team.



2.5.3.4. Action #2: Observe the regulations in force

Food safety is one of the main concerns of our customers and end users. Natural, impermeable, inert and neutral, glass protects and preserves products perfectly.

As a producer of food packaging, Verallia must comply with the regulations in force on foodstuffs. The existing control system allows all necessary safety measures to be applied for the certification of plants. All 34 of our glass plants, including Verallia UK, have recognised food safety certification.

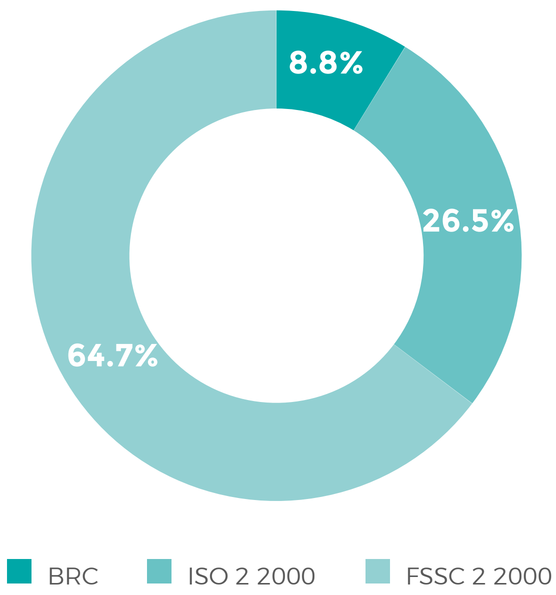
More than three-quarters of glassmaking sites have FSSC 22000 or BRC certification.

Food safety is everyone's business. Every employee must fully understand what is at stake and the role they have to play. To achieve that goal, the network of food safety experts has designed and implemented an e-learning program accessible to all employees. It provides a first level of awareness. In addition to the e-learning on food safety awareness that is now followed by every new employee in the Group, we have harmonized our hygiene rules so as to ensure food safety in all our divisions and sites. Grouped around five themes, these rules are applicable to anyone entering one of our glass-making sites.

But is that enough? In glass plants, mishandling glass can lead to injury, while for customers, the mishandling of broken glass can mean dangerous glass fragments in glass packaging or on pallets. We place great emphasis on the exemplary application of glass breakage procedures and work tirelessly to reduce the frequency of such incidents.
To this end, a dedicated internal communication campaign has been launched: "How can we work safely and ensure customer quality?" It is based on posters to raise awareness and get people to react, and on a role-playing game. The aim is to share identified risks with people involved in day-to-day operations and to get each of them to react to the following three points:

- How to handle broken glass safely and use the right tools to avoid injury,
- How to identify the risk to my production and how to deal with it,
- Why glass breaks and how to reduce breakage.

Breakdown of the type of food safety certification in our glass sites



2.5.3.5. Action #3: Master and continuously improve quality in our production processes

Detection of defects in finished products

To improve the detection of situations that may lead to manufacturing defects and poor quality of glass packaging, Verallia has upgraded its equipment to check the appearance of glass jars and bottles. In fact, these machines allow the quality of the products to be checked according to their technical specificities and the aesthetic demands of customers. This modernization plan, which began in 2019, covers a fleet of more than 1,200 machines. It was reviewed following the reassessment of quality risks and the validation of new detection solutions proposed by our suppliers, and the integration of Verallia UK. Its implementation, in line with what has been done to date, is prioritized depending on the types of defects to be covered and the equipment to be upgraded.

Auditing the production process

Anticipating glass defects involves working on production processes to make them more rapidly operational and stable, particularly following production changes. Verallia has therefore developed a software package capable of acting on production parameters so as to avoid the occurrence of any risks that may degrade the quality of products. This package configures the manufacturing process (sequencing of micro-operations during the forming of bottles and jars) before the start of production. It is then able to anticipate potential risks linked to the parameters entered and thus to correct and optimize these parameters before the start of production in order to avoid them. This software package is now used by all 32 glassmaking sites and will soon be used by our entities in the United Kingdom.

Control of the main raw materials of our glass packaging: cullet and glass sand

We are focusing our efforts on controlling the cullet and glass sand used in our bottles and jars. Poor quality cullet can have significant impacts, first for our customers, as its inclusion can lead to breakage, and second for our furnaces and their proper operation, particularly in terms of the colour stability or density of the glass.

To roll out this quality approach, initially dedicated to cullet and glass sand, we had to adjust our Supplier Quality Assurance process.

Supplier Quality Assurance (SQA) is defined as an approach that ensures that the product or service delivered by a supplier complies with the customer's requirements. This collaborative approach aims to ensure that the supplier, with its resources, can meet its customer's requirements with a minimum of customer intervention.

THE IMPLEMENTATION OF THE SUPPLIER QUALITY ASSURANCE APPROACH IS CARRIED OUT IN 6 STAGES:

STAGE 1	STAGE 2	STAGE 3	STAGE 4	STAGE 5	STAGE 6
Select supplier	Define and accept Verallia specifications	Validate production process	Accept initial samples	SOP and probationary period	PQA management

Together with quality, glassmaking and cullet treatment experts, specific standards for the cullet and glass sand product/process have been created, the most important of which is our supplier process audit standard.

Auditing the palletizing and delivery process

Getting it right first time also means ensuring that the pallets containing our glass packaging are flawless and that they are delivered to our customers without a hitch. To this end, a new Visual Quality Management standard has been introduced. Supported by all Quality, Production and Logistics teams, it is based on the following six themes.

"To conclude, it is essential to emphasise the importance of this new line of action for Verallia, as it plays a central role in our approach to the continuous improvement of our processes and delivery quality, with the ultimate goal of optimal customer satisfaction."

Farid Qoraich, *Group Supply Chain Director*

→ Outlook

The two main areas of work in the Group's roadmap will consist in:

- Continuing to capitalize on lessons learned;
- Accelerating the replication of internal standards and best practices throughout the Group.

2023 Highlights

- Integration of Verallia UK.
- Implementation of Verallia Knowledge and Sharing, a new tool for sharing lessons learned on all technical issues and rolling our internal standards out to all countries.
- Reinforcement of our mastery of the palletising process.

2.6. Duty of Care Plan

Legal context

In accordance with Law 2017-399 of 27 March 2017 on the duty of care of parent companies, Verallia has drawn up and implemented this Duty of Care Plan.

It contains reasonable duty of care measures to identify risks and prevent serious violations of human rights and fundamental freedoms, the health and safety of individuals and the environment that may result from the activities of the Group and its subsidiaries, as well as those of suppliers or subcontractors with which Verallia has established business relationships.

This Duty of Care Plan is based on five measures:

- Risk mapping
- Assessment measures
- Risk prevention and mitigation action plan
- Whistleblowing platform
- Monitoring system

Scope

Due to the nature and diversity of its geographic locations and activities, the Group has adopted an approach to the duty of care based on the following principles:

- ensuring that the Group and its business relationships comply with the most relevant international standards and local legislation in force;
- paying particular attention to its employees, suppliers and Tier 1 subcontractors in the supply chain, in particular through the duty of care with regard to working conditions and demanding health and safety standards for all;
- protecting the environment by measuring the impact of its activities and those of its business relationships, and by setting up actions to protect the environment and mitigate related risks.

The Duty of Care Plan applies to all the Group's consolidated entities. The Group's acquisitions are integrated into its business systems (procedures, reporting) as quickly as possible. Non-financial data from acquired entities are included in the scope of reporting from 1 January of the year following the acquisition, unless otherwise stated.

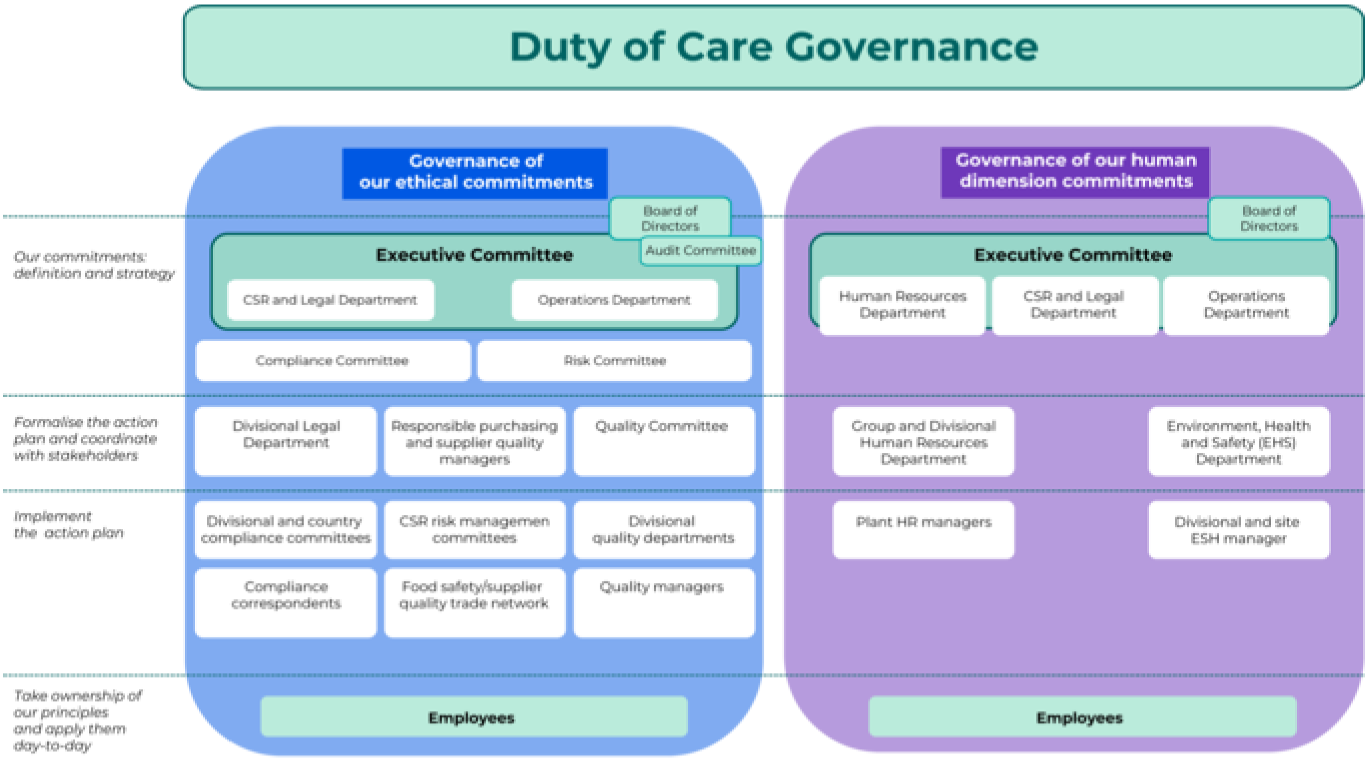
Governance

The Duty of Care Plan is coordinated by the Group Legal Department, the CSR Department and the Group Compliance Officer. Representatives from various departments, including Purchasing, Operations, Human Resources, CSR and Legal, are involved in the process and contribute to the development of the Duty of Care Plan.

The work of the Group Legal Department, the CSR Department and the Group Compliance Officer is reported to and discussed by the Audit Committee (CSR risk mapping, system, action plan, monitoring indicators) where the Duty of Care Plan is identified as a means of reducing risks to the Group and its stakeholders.

The Duty of Care Plan was presented to the French trade union representatives at a meeting of the Social and Economic Committee in January 2024.

Ethics and compliance governance can be summarised as follows:



1. Risk mapping

The risks identified for the Group's first Duty of Care Plan have been grouped into three areas: human rights and fundamental freedoms, personal health and safety, and the environment, both in our activities and in our supply chain.

These duty of care risks are included in the mapping of the Group's CSR risks, carried out as part of the requirements of the Non-Financial Information Statement (see section 2. Mapping of the Group's non-financial risks). The risks associated with the Duty of Care Plan have therefore been included in the Group's CSR risk universe, making the duty of care an integral part of the management of the Group's CSR strategy.

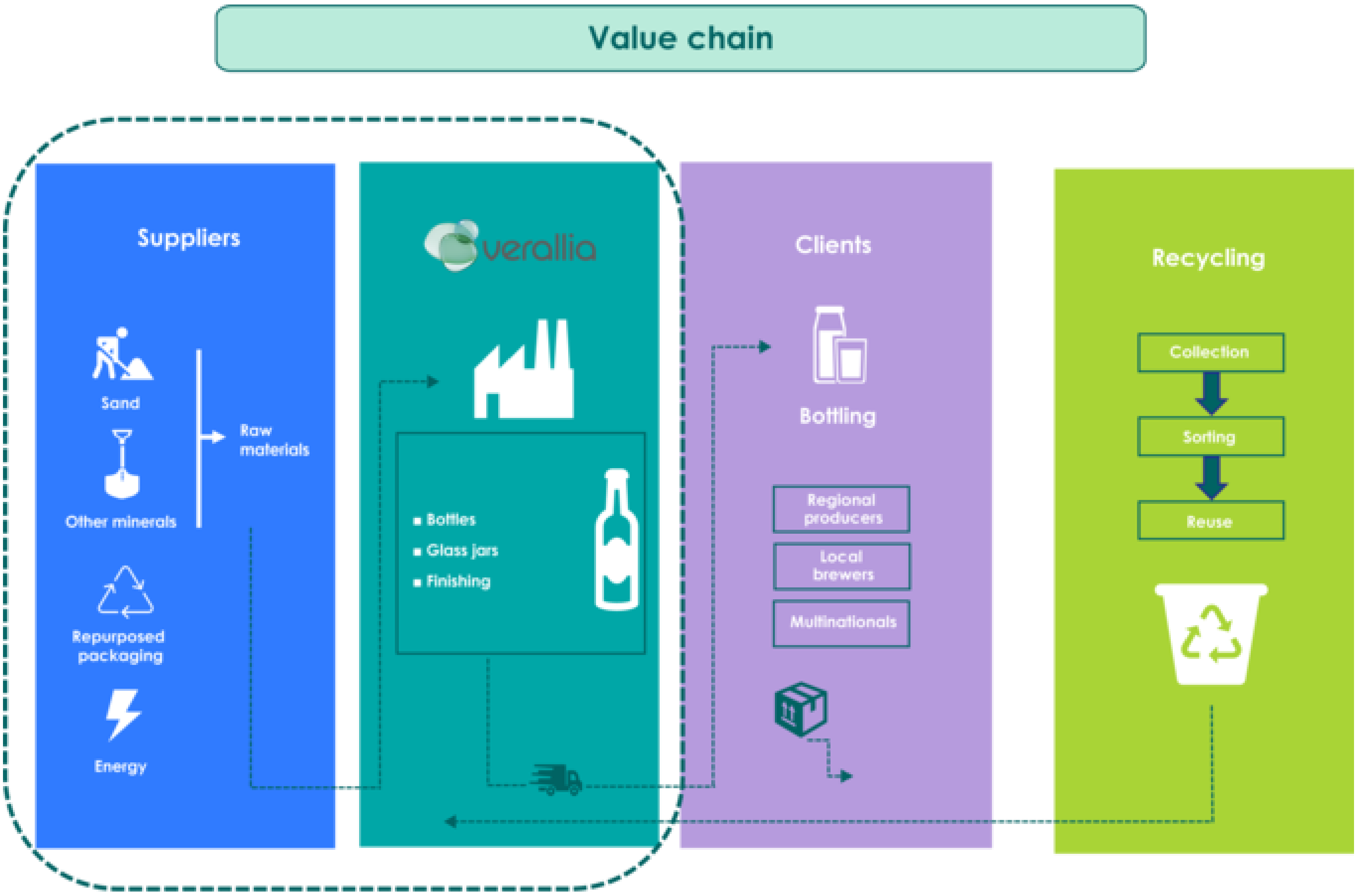
The risk assessment methodology and the mitigation measures implemented for all CSR and duty of care risks are explained in sections 2.1 to 2.4 of the Non-Financial Information Statement.

Risks	Reference with the CSR risks of the NFIS	Regular assessment procedures
Human rights and fundamental freedoms		
• Human rights and anti-discrimination risk		• Code of Ethics • Implementation of a people review process for career management
• Risk related to combating child labour	Risk related to "Social and environmental risks in the subcontracting chain"	• Code of Ethics • Suppliers Charter
• Risk related to inclusion and social dialogue	Risk related to "Employee engagement, inclusion, and social dialogue"	• Internal engagement survey • Introduction of individualised pay and benefits report • Introduction of Diversity & Inclusion initiatives • Establishment of a Careers Committee • Implementation of a training platform to enable all employees to develop their skills and employability • Implementation of the first Group Onboarding session
• Risk related to corruption and data protection	Risk related to "Compliance with applicable regulations, fight against corruption, personal data protection"	• GDPR and IT security questionnaire • Annual reporting on IT access rights and data breaches • Anti-corruption and influence peddling policy, currently being updated
• Risk related to cybersecurity	Risk related to "Cybersecurity"	• Awareness-raising and test campaigns on cyber risks (phishing, ransomware, simulated attacks)
Personal health and safety		
• Risk related to health and safety at work	Risk related to "Occupational health and safety"	• Definition of new EHS standards • Development of action plans with the introduction of more ergonomic tools, involvement of ergonomists upstream of the project • Ongoing investment in load-bearing equipment (hoists, etc.) • Awareness campaign on the most accident-prone machine tools • OHSAS 18001 certification
Environment		
• Risks related to the climate	Risk related to "Energy efficiency and carbon footprint of our operations"	• Analysis of waste flows, analysis of air emissions, management system and certifications (ISO 14001, ISO 50001) • Analysis of the carbon footprint with the 2030 CO_2 reduction plan and use of 4.0 tools to optimise energy consumption • Adaptation of furnace technologies with hybrid and electric furnaces • Raw material diversification study
• Water management risks	Risk related to "Optimising water use and reducing wastes and discharges into water, air and soil"	• Analysis of air emissions, management system and certifications (ISO 14001, ISO 50001) • Use of 4.0 tools to optimise water consumption
• Risk related to product circularity	Risk related to "Integrating the circular economy into product manufacturing and our value chain"	• Increased use of external cullet • Increased use of recycled plastic in our product packaging • Optimisation of our waste
• Risk related to the supply chain		• Responsible purchasing training developed with EcoVadis • Overhaul of the Suppliers Charter and implementation of 25 action plans • Afnor matrix and EcoVadis assessment for priority suppliers at risk (sand) • Development of a reporting and simulation tool for the responsible purchases and materials • Quarterly CSR Risk Committee meetings to review the supply chain

Within the scope of the Group's own activities and those of its subsidiaries, Verallia aims to ensure that all risks related to human rights and fundamental freedoms (e.g. abusive working hours, unethical payment practices, harassment, etc.) are factored into the materiality analysis in 2024.

Outside the Group, Verallia will aim to identify the nature of the risks induced (human rights, personal health and safety, and the environment) associated with each purchasing category at risk when it updates its purchasing risk map in 2024.

The diagram below summarises the Group's value chain, bearing in mind that the scope of the Duty of Care Plan is limited to the Group's own operations and its supply chain.



2. Assessment measures

For each of the areas covered by the duty of care, the Verallia Group has implemented various assessment measures. These are summarised in the Duty of Care Risks table in point 1.

In 2025, Verallia will endeavour to ensure that all underlying risks identified in relation to human rights and fundamental freedoms are covered in the next engagement survey conducted among the Group's employees.

Outside the Group, Verallia will seek to ensure that the criteria used in the assessments, particularly for critical sourcing categories, are specific to the nature of the risks identified in the three duty of care areas.

3. Prevention and mitigation action plan

Various prevention, mitigation and remediation measures have been implemented by the Verallia Group for each of the areas concerned by the duty of care, and are summarised below.

Human rights and fundamental freedoms

Verallia complies with the laws and regulations in force. Our values are inspired by the Universal Declaration of Human Rights and the principles of the International Labour Organization (ILO).

We adhere to the United Nations Global Compact and comply with the:

- OECD Guidelines for Multinational Enterprises;
- United Nations Guiding Principles on Business and Human Rights;
- International Bill of Human Rights;
- regulations of all the countries in which we operate, particularly with regard to:
  - anti-corruption,
  - competition law,
  - respect for the environment,
  - work organisation.

No Verallia employee shall, on behalf of the company, violate any law or regulation or induce anyone to do so.

This Code of Ethics applies to all people working within the Verallia Group, regardless of their function or hierarchical level. The principles of this Code also apply to our stakeholders, suppliers, external subcontractors, commercial agents, other intermediaries and service providers through the policies that apply to them.

Personal health and safety

Verallia is committed to protecting the health and safety of its employees, in particular by:

- ensuring a safe and healthy working environment for all employees;
- promoting an inclusive and diverse working environment, offering equal opportunities to all;
- protecting the personal data we process;
- combating forced labour, child labour and all forms of discrimination in our activities and those of our partners;
- asking all of our partners to join us in our CSR approach and to sign the Suppliers Charter.

Environment

As a committed corporate citizen and leader in glass, Verallia is playing a key role in the transformation of the packaging sector by:

- reducing our environmental footprint, notably by prioritising the reduction of CO_2 emissions;
- putting the circular economy at the heart of our business by increasing the use of external cullet;
- reducing our water consumption and limiting our production of waste;
- providing our customers with quality, innovative products.

Supply chain

In its relations with subcontractors and suppliers, the Verallia Group ensures that fundamental social principles and rights, and environmental protection are effectively respected throughout the world. The supplier selection process meets the requirements of the duty of care. To this end, all Purchasing teams have been trained in the Group's subsidiaries via the network of Responsible Purchasing correspondents. The training focused on the approach and tools, i.e. the use of the AFNOR Risk Mapping Matrix and the use of the EcoVadis assessment platform and the QIMA CSR audit prescription platform. A shared document database gives buyers access to all supporting and reference documents regarding responsible purchasing.

Similarly, Verallia has established a Responsible Purchasing policy, which was completely rewritten in 2022 to make it consistent with our Purpose and more binding for Verallia. In line with Verallia's Code of Ethics and its commitment to the United Nations Global Compact, Verallia's Responsible Purchasing policy emphasises circularity in purchasing, eco-design and decarbonisation of its products. A particular focus has been placed on the issues of decent remuneration for suppliers, diversity and inclusion, and respect for human rights.

With regard to the risks identified within the scope of our duty of care, in particular, outside the Group, Verallia will seek to ensure that the mitigation and prevention actions put in place (e.g. CSR criteria, CSR clauses) are appropriate and proportionate to the nature of the risks identified in the 2024 mapping in the three areas covered by the duty of care.

4. Whistleblowing platform

A whistleblowing system has been in place since 2018, in line with the mechanism set out in the Sapin II law. It allows Group employees or stakeholders to report the existence of inappropriate conduct that contravenes Verallia's guidelines or any legal or regulatory provision.

It is accessible in all countries, in the local language, via the intranet and the external Verallia website. The whistleblowing platform is also accessible to any third party directly on the internet at the dedicated address: https://ethics.verallia.com.

It allows any observed non-compliance to be reported. In May 2022, Verallia changed its whistleblowing platform (more accessible, more user-friendly and allowing the use of a hotline in all Group languages) and has updated the related documentation (policy, user guide, etc.). The whistleblower hotline can be used to report any ethical breach including cases of corruption or anti-competitive behaviour.

There is also a dedicated EHS incident reporting line. Reports are handled by dedicated teams.

Lastly, Verallia guarantees secure and confidential processing of reports.

5. Monitoring system

Systems are in place to monitor the measures implemented and evaluate their effectiveness for both the Group's activities and those of Verallia's suppliers. With regard to Verallia's activities, the Group has implemented monitoring initiatives:

- with regard to human rights and fundamental freedoms, internal tools to monitor the implementation of prevention action plans and control tools at all Group sites;
- in the area of health and safety, internal tools to monitor the implementation of prevention action plans and control tools at all Group sites:
  - the divisions have full responsibility for implementing the Group's annual recommendations. The annual action plan of each division is presented at the start of the year, and regular updates are made to track progress,
  - all sites must carry out a self-assessment of EHS standards twice a year and report the results. If any non-compliance is identified, it must be corrected within three months;
- on environmental issues, solutions to reduce CO_2 emissions associated with Verallia's operations at all Group sites:
  - a CO_2 dashboard is sent out every month to monitor actual deviations from targets,
  - three CO_2 Steering Committee meetings are held under the responsibility of the Chief Operating Officer.

Similarly, with regard to the Group's suppliers, the Purchasing teams have implemented the following procedures to ensure that risk prevention and mitigation measures are regularly assessed:

- monitoring, selecting, verifying and mitigating the risks associated with "major risk" suppliers;
- monitoring the inclusion of CSR criteria in calls for tender or referencing processes;
- monitoring the coverage of the supplier panel through purchasing risk mapping, audits, EcoVadis assessments, etc.;
- follow-up of audit findings with a supplier action plan;
- follow-up of corrective actions requested within six months for "critical" and "major" non-compliance.

The methodology for selecting and calculating the performance indicators and the means and performance indicators for "personal health and safety" and the "environment" are defined and presented in the Non-Financial Information Statement in section 2.7.2 of this Universal Registration Document.

In 2024, Verallia will present performance indicators on the risks identified in relation to human rights and fundamental freedoms within the Group, with regard to the risks identified and the underlying risks induced. These indicators will reflect the results of the employee engagement survey.

In the 2024 plan, Verallia will also present performance indicators for the non-Group scope with regard to the nature of the risks identified in critical purchasing categories.

2.7. Appendices

Our contribution to the Sustainable Development Goals

Verallia has been a member of the United Nations Global Compact since 2016. Its membership reflects a commitment to the ten principles of the United Nations Global Compact and, more broadly, to the Sustainable Development Goals (SDGs).

Verallia contributes to 15 of the 17 UN SDGs through its activities and CSR strategy. Below are details of the contribution and related commitments for each of those 15 SDGs.

1. Enhancing the circularity of glass packaging

Verallia is committed to optimising its water use (2.1.3) by reducing water withdrawals through circularity and by limiting discharges. Verallia's water standard guarantees the control and compliance of wastewater discharges. These commitments are directly linked to SDG 6: Clean water and sanitation; specifically targets 6.3, 6.4 and 6.a.

Verallia is committed to developing glass reuse through several pilot projects around the world (2.1.1.4). For Verallia, it is about making good use of its expertise as a glassmaker to develop an innovative, winning solution for reuse for the benefit of customers and consumers. In this way, Verallia supports the efficient use of the world's resources, diversification and innovation encouraged by SDG 8: Decent work and economic growth; specifically targets 8.2 and 8.4.

Verallia is committed to promoting the circularity of glass packaging through several key levers: maximising the use of cullet in production, developing reuse, supporting awareness and development of glass recycling, developing eco-design, optimising water use and reducing waste. Each of these levers makes a substantial contribution to SDG 12: Responsible consumption and production; specifically targets 12.1, 12.2, 12.5, 12.8 and 12.a.

Verallia is committed to maximising the use of cullet in its production, which actively contributes to reducing CO_2 emissions from glass production (2.1.1.3). In 2022, Verallia France created an in-house environmental impact calculator comparing single-use and reusable bottles to help customers better calculate the potential CO_2 gains from reuse. In this way, Verallia contributes directly to SDG 13: Climate action: specifically targets 13.2 and 13.3.

2. Decarbonising our activities

Verallia is committed to developing renewable and low-carbon energies by increasing the share of renewable and low-carbon electricity in its mix. To achieve this, Verallia has chosen to invest in long-term power purchase agreements (PPA) to develop renewable energies on a larger scale and in a sustainable manner. In this way, Verallia contributes directly to SDG 7: Affordable and clean energy; specifically targets 7.2 and 7.a.

Verallia is committed to optimising energy consumption and developing low-carbon furnaces. Electric and hybrid furnace technologies are innovative and more sustainable, thereby contributing to SDG 9: Industry, innovation and infrastructure; specifically target 9.4.

The use of decarbonised raw materials and the optimisation of energy use contribute to SDG 12: Responsible consumption and production; specifically targets 12.1, 12.2 and 12.5.

One of the strategic pillars of Verallia's CSR strategy is to decarbonise its activities (2.2) on all three CO_2 emission scopes. In this way, Verallia contributes to SDG 13: Climate action; specifically targets 13.2 and 13.3.

Verallia contributes to soil regeneration through agroforestry and reforestation projects. These projects contribute to SDG 15: Life on land; specifically targets 15.1, 15.a and 15.b.

3. Ensuring a safe and inclusive work environment for all

Ensuring the health and safety of everyone is Verallia's priority (2.3.1). To achieve this, systems aimed at achieving zero accidents have been implemented in all our operations. SDG 3: Good health and well-being; specifically targets 13.4, 3.9 and 3.d.

Verallia supports the development of its employees through training and mentoring programmes, thereby contributing to SDG 4: Quality education; specifically targets 4.3, 4.4 and 4.7.

Verallia is committed to diversity and inclusion, in particular with the objective of achieving 35% female managers by 2025. To achieve this, Verallia guarantees fairness in the hiring and promotion process and sets up mentoring programmes to help develop female leadership. SDG 5: Gender equality; specifically targets 5.5, 5.b and 5.c.

Verallia's commitment to health and safety ensures decent work for all teams. In addition, employee share ownership is growing every year, with more and more people participating. SDG 8: Decent work and economic growth; specifically targets 8.5 and 8.8.

Verallia is committed to fair pay and employee share ownership. SDG 10: Reduced inequalities; specifically targets 10.2 and 10.4.

Through its sponsorship activities and internal projects with non-profits and local communities, Verallia is committed to building partnerships. SDG Partnerships to achieve the goals; specifically target 17.17.

4. Ensuring a safe and inclusive work environment for all

Verallia is committed to building committed and respectful relationships with its suppliers, in particular through the Responsible Purchasing Charter and follow-up audits. SDG 12: Responsible consumption and production; specifically targets 12.a and 12.6.

The work of our Responsible Purchasing teams is also in line with our commitment to decarbonise our Scope 3 and all related actions. SDG 13: Climate action; specifically target 13.2.

The ethics and compliance policy is built on five pillars, each associated with objectives presented in the table of indicators. Verallia is committed to complying with key regulations and therefore with SDG 16: Peace, justice and strong institutions; specifically target 16.10.

2.7.1. Methodological note

1. Reference frameworks

The reporting of non-financial indicators is based on the GRI framework, the TCFD recommendations and the Sustainable Accounting Standards Board (SASB) standards for the "Containers & Packaging" sector.

2. Indicators

The indicators are provided in the Annexes in the table of non-financial indicators. They refer to consolidated data as of 31 December 2023 except for the "Waste recycling rate" indicator. It has been decided, from 2021 and for subsequent years, to publish all waste management indicators for the period from October in the prior year to September in the year under review so as to continue being able to refer to real data and to adapt to the operational realities of data reporting in a timeframe that has been brought forward compared with the previous year.

3. Reporting scope

The reporting scope for non-financial information corresponds to the Group's financial consolidation scope within the meaning of Article L. 233-16 of the French Commercial Code. It covers controlled entities and companies, with the exception of Verallia India and Verallia USA[64] for all indicators and for indicators related to water, waste and CO_2 emissions, with the exception also of Verallia Packaging.

The health and safety indicators cover all glass and non-glass plants and headquarters, unless otherwise stated.

The environmental indicators relate only to the glass plants, unless otherwise stated.

The scope has not changed from the previous year, but data including Verallia UK has been added wherever possible. Where scope limitations exist on certain indicators, they are specified in section 4. "Methodological clarifications and limitations relating to the indicators".

4. Methodological clarifications and limitations relating to the indicators

Social, and health and safety indicators

Total workforce

The total workforce is the number of employees present in the company on 31 December of the year under review. It includes both permanent and fixed-term employees, whether full-time or part-time. Work-study contracts (apprenticeship contracts and professional training contracts) are counted in the workforce unless otherwise stated. Trainees, temporary workers and subcontractors are not included in this indicator. A methodological adjustment has been made to the 2021 data (variations between the 2021 and 2022 data are not meaningful due to this adjustment).

Frequency rate 1 (TF1)

Number of lost-time accidents per million hours worked.

Frequency rate (with and without lost time) (TF2)

Number of accidents, with and without lost time, per million hours worked.

Severity rate

Number of days lost as a result of an accident x 1000 / Number of hours worked annually.

We count days of absence as from confirmation from the doctor, i.e. in line with details provided in the medical leave notice following the accident. Days are counted in calendar days. Days off work for relapses are only taken into account 7 days after the resumption of normal activity. Days lost are only counted after an employee has been incapacitated for 24 hours.

Number of accidents with and without lost time

Unit number of accidents with and without lost time.

Accidents are counted once in the year in which they occur. Subcontractors working on site are included in the calculation.

[64] Purchasing subsidiaries (India) and sales subsidiaries (USA) represent 46 employees at the end of December 2023.

Gender equality index

The index corresponds to the average of index scores computed for each entity of the Group and adjusted by the workforce of the entity which is taken into account for the calculation. For the French entities, the legal forms are applied. For foreign entities, the form for companies with more than 250 employees is applied for all entities regardless of the number of employees. It includes both permanent and fixed-term employees who were with the company for more than 6 months between 1 January and 31 December of the year under review. It reflects the level of salary, pay increases, promotion, pay increases upon return from maternity leave and the comparison with the 10 highest salaries.

Share of women managers

The share of female managers corresponds to the number of female managers in relation to the total number of managers, according to the definition of the category used in each country over the period from 1 January to 31 December of the year under review for permanent and fixed-term employees.

Total hours of training completed

(Total number of employees trained) / (Number of employees as of 31 December of the year under review)

Training courses include face-to-face training and e-learning. Travel time to and from training is excluded. Training hours are counted from 1 January to 31 December, with the exception of e-learning courses such as compliance. These e-learning courses are recorded from November N-1 to November N.

A course is deemed validated if the learner completes at least 90% of the module.

Engagement index

This index is the result of an opinion survey, consisting of about 50 questions, carried out every two years. It is intended for the entire workforce present at the time of the survey (permanent, fixed-term, apprentices). The questionnaire must be completed in full to be taken into account. It is conducted by an independent firm.

Absenteeism rate

(Number of hours of absence) / (Number of theoretical hours worked)

Here, the number of hours of absence excludes sick leave, time off work for more than 6 months due to accidents at work, legal or trade union absences, absences for unpaid leave, absences for strike or disciplinary reasons.

The number of theoretical hours worked is equal to the number of hours worked excluding paid holidays plus hours of absence.

The indicator covers permanent and fixed-term contracts, including contracts suspended for parental leave, sabbatical leave or leave to start a business.

Share of capital held by employees

(Number of shares held in the International Group Savings Plan (PEGI) managed by Verallia + shares held by employees following the acquisition of performance shares under the LTI (Long Term Incentive) plans, for employees present and excluding the CEO) + (Number of shares held in the FCPE Verallia company mutual fund managed by Amundi) / (Number of shares in the capital of Verallia) at 31 December of the reporting year).

The share of capital held by employees takes into account the total number of shares held in the Verallia employee investment fund to which is added the number of shares directly held, in registered form, by employees.

Environmental indicators

Rate of use of external cullet in production

Volume of external cullet divided by the volume of packed glass produced during the year.

Scope 1, 2 & 3 GHG emissions in $ktCO_2e$

Scopes 1 and 2:

Scope 1 covers "direct emissions", i.e. CO2 emissions linked to the physical scope of the plant, i.e. carbonated raw materials, heavy and domestic fuel oil, natural gas (melting and non-melting).

Scope 2 covers "indirect energy emissions", i.e. emissions related to the consumption of electricity required for the operation of the plant. Data is collected on the basis of the different entities. The data is entered into the BFC-SAP CONSO financial consolidation software.

Greenhouse gas emissions are calculated by multiplying energy and material consumption data by the associated emission factors.

Emissions from office buildings, decoration plants and cullet treatment centres are excluded from Scope 1 and 2 emissions, in accordance with the GHG Protocol and its emission categories, as they represent, according to our estimates and benchmark calculations, less than 1% of total Scope 1 and 2 emissions.

Scopes 1 and 2 are calculated according to an international methodology defined by the GHG Protocol.

The power emission factors for market-based analysis used were obtained from the AIB database for 2021 (https://www.aib-net.org/facts/european-residual-mix).

The power emission factors used for the location-based approach come from the IEA 2021 database.

Scope 3:

Scope 3 covers "other indirect emissions", i.e. all other greenhouse gas emissions that are not directly linked to the operation of the plant, but to all other stages of the product's life cycle. In line with the completeness requirements of the GHG Protocol, only insignificant sources were excluded (application of the < 1% threshold).

Scope 3 is calculated according to an international methodology defined by the GHG Protocol. The calculation is based on the collection of primary data (mileage, tonnage, etc.) and the use of secondary data (emission factors from ADEME databases, emission factors obtained directly from suppliers, etc.).

Tonne of CO_2 (Scopes 1 and 2) per tonne of glass packed

This indicator corresponds to the quantity in tonnes of Scope 1 and 2 CO_2 emitted in proportion to the total tonnes of glass packed. The quantity of glass packed is the quantity deemed fit for sale of all glass produced.

% of renewable or low-carbon electricity

Share of renewable or low-carbon electricity consumption (in MWh) out of total electricity consumption (in MWh) for Verallia's activities.

The following sources are considered low-carbon: wind, solar, hydraulic, bio-mass and nuclear. The assessment includes contracts signed by Verallia and certified by the producers, and the assessment of the share of the grid excluding certificates of origin (market-based approach).

Total energy consumption in MWh

Total on-site energy consumption related to Verallia's activities. Gas consumption is reported in PCI.

Alpha coefficient

The Alpha coefficient, as defined in the French standard H35-077 on the geometry of glass bottles, serves to express the degree of lightness of a product by determining the ratio of its weight to its capacity. It is calculated as follows: weight / volume ^0.8. The application of the 0.8 power allows the calculation to be standardised regardless of the capacity of the glass bottles.

Percentage of suppliers identified to date as priority risk according to the AFNOR matrix that are in the process of or have completed an EcoVadis assessment (initiated or completed)

Based on the risk mapping carried out with AFNOR, categories of goods have been identified as being more or less subject to risk. These categories have been grouped into Group-wide typologies ("red flags", "orange flags"). The supplier's status is then assigned according to the category of goods it supplies. The suppliers identified as priority risk are those supplying one of the six commodity groups identified as "red" (Quarrying, Buildings & Civil Work, etc.).

Water consumption in m^3 per tonne of packed glass (TPG)

This indicator corresponds to the ratio of water consumed to total tonnes of packed glass.

The calculation of this indicator is confined to glass plants.

Variations may be observed between the 2021 data reported in 2021 and those reported in 2022 due to methodological adjustments.

Waste recycling rate

Share of recycled waste in the total weight of waste produced (%)

In calculating the recycling rate, we refer to the definitions of the European Union Directive 2008/98/EC (Waste Framework Directive).

The calculation of this indicator is confined to glass plants.

Ethical indicators

Number of convictions or fines

Number of convictions or fines during the year in the areas of compliance (competition law, anti-corruption, embargoes and economic sanctions, personal data protection). No data escalation threshold is applied.

Number of ethics alerts received (and % handled)

An ethics alert is an alert reporting a violation or an attempted violation of laws relating to areas of compliance (see above) or any information relating to a crime or offence, a threat or a prejudice to the public interest, a violation or an attempt to conceal a violation of an international commitment regularly ratified or approved by France or another country whose laws applies to Verallia, a unilateral act of an international organisation taken on the basis of such a commitment, European Union law, a law or regulation, or a threat or harm to the public interest.

An ethics alert is deemed to have been handled when it is closed in our professional alert management platform.

% of the defined population trained in our anti-corruption programme

The population defined is similar to employees who may be exposed to the risk of active/passive corruption. Passive corruption involves asking for or accepting any advantage, for oneself or for others, in exchange for the performance or non-performance of an act relating to a person's office or facilitated by a person's office. Active corruption involves offering any advantage to a person in a position of public authority in exchange for the performance or non-performance of an act elating to a person's office or facilitated by a person's office.

The population defined at Group level includes at least the employees most exposed to the risk of active or passive corruption, i.e. all employees in each entity working in the areas of finance, HR, legal, general management, R&D, CSR, purchasing, communication, sales and marketing, and customer service.

They must complete the anti-corruption training programme in their first year of employment with the Group and repeat it every two years.

These e-learning courses are counted on the basis of registrations between December of the prior year and October of the reporting year.

% of the defined population trained in our competition law programme

The population defined at Group level includes at least the employees most exposed to competition risk, i.e. all employees in each entity working in the areas of finance, HR, legal, general management, R&D, CSR, purchasing, communication, sales and marketing and customer services.

They must complete the competition training programme in their first year of employment with the Group and repeat it every two years.

These e-learning courses are counted on the basis of registrations between December of the prior year and October of the year under review.

% of the defined population trained on risks of violation of economic sanctions and embargoes

The population defined at Group level includes at least the employees most exposed to the risk of violating economic sanctions and embargoes, i.e. over the last two years, all employees of each entity working in the areas of purchasing, sales and marketing, legal, audit and internal control, and communication, as well as the Chief Financial Officer.

These e-learning courses are counted on the basis of registrations between December of the prior year and October of the year under review.

% decrease in the customer complaint rate (number of complaints per 1 billion containers sold)

This indicator serves to measure the quality performance (product and service) of our glassmaking sites. It aims to measure the trend in the total number of industrial complaints received by our sites between 1 January and 31 December of the year under review, where the glass plant is responsible for the defect, in proportion to the number of glass containers produced and sold over the same period.

% of sites with at least 1 certified RCA coach

RCA coaches are Verallia employees (such as plant, quality or production managers) trained and recognised as contacts for promoting the root cause analysis (RCA) method, as well as the associated "attitudes" at all levels of the Group. They are a key element in the implementation of the quality culture and the approach to problem solving within Verallia.

5. Regulatory aspects not dealt with

In view of the nature of its activities, Verallia considers that the following issues do not constitute major CSR risks and do not warrant development in this report: the fight against food insecurity, food waste, respect for animal welfare, responsible, fair and sustainable food.

6. Note plan Verallia taxonomy

I. Integration of the Taxonomy into the Group's CSR strategy

The glass sector already finds itself in a good position in the ecological and energy transition thanks to its high recycling rates (80.1% of glass collected for recycling in 2021 and a 90% target by 2030, according to FEVE, the European Container Glass Federation). The sector's industrial groups are therefore already well placed as regards the objectives set out in the European Green Deal.

European Regulation 2020/852 (the Taxonomy Regulation) and the delegated act[65]s supplementing it have gradually become more specific about the terms for applying the new framework used to analyse the sustainability performances of certain economic sectors. Although the Taxonomy does not cover the glass sector explicitly, it does make it possible to include certain strategic investments that help to speed up the sector's decarbonisation. Verallia has applied the European Taxonomy since 2021 by analysing its decarbonisation and energy efficiency investments based on the corresponding technical screening criteria and by publishing its Taxonomy indicators.

As in previous years, the Group has set up a project team made up of members of its Finance, CSR, Technical, Legal and Tax departments to prepare its Taxonomy reporting. The committee has worked on analysing the eligibility and alignment of the Group's activities,

II. Defining and calculating KPIs

The Taxonomy's indicators (or KPIs) are calculated for the Group's eligible (potentially sustainable) activities and aligned (sustainable) activities based on three financial aggregates: turnover, CapEx and OpEx, in accordance with article 8 of the Taxonomy regulation[66].

Turnover KPI: the Taxonomy does not yet cover glass manufacturing, so the Group has not identified any Taxonomy-eligible or Taxonomy-aligned turnover. The numerator of the Turnover KPI is zero. The denominator of the Turnover KPI corresponds to the Group's consolidated turnover, i.e. €3,903.8 million (see section 6.1 of this universal registration document).

CapEx KPI: Verallia has launched an investment plan aimed at reducing the GHG emissions associated with its activity. These strategic investments have mostly been made to decarbonise production processes and make them more energy efficient and may be included in certain categories of Taxonomy-eligible activities (see tables 1 and 2).

The denominator for the CapEx KPI corresponds to the sum of increases (including those resulting from business combinations) in property, plant and equipment, intangible assets and rights-of-use (IFRS 16) during the period under review, as presented in the table of changes (see Notes 10 and 11 of section 6.1 of this universal registration document), i.e. €472.5 million. The CapEx KPI numerator corresponds to investments contributing to applicable environmental objectives, based on the Taxonomy's technical screening criteria (see tables 1 and 2).

OpEx non-materiality KPI: as in financial years 2021 and 2022, the Group's 2023 OpEx analysis resulted in an amount of operating expenditure within the meaning of the Taxonomy (mainly servicing and maintenance costs) being identified as non-material in relation to the Group's total operating expenditure during the year under review. The ratio was 6%. The OpEx identified mainly concerns servicing and maintenance costs and R&D costs, in small amounts compared to the Group's OpEx base in 2023.
As recommended by the European Commission, the three regulatory tables will be presented in the appendices. The tables corresponding to turnover and OpEx will be presented with an indicator based on a numerator equal to zero.

III. Eligibility and Alignment

III.1 Eligibility

Eligible activities only concern Verallia's investments in individual measures[67]. Investments were analysed and categorised according to the standards corresponding to each of the Taxonomy's 6 environmental objectives in order to determine their eligibility.

[65] (Respectively the "Climate" delegated act and the delegated act on the four other objectives) and its annexes on reporting conditions (Disclosures Delegated Act).
[66] https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32021R2178
[67] The numerator (of the CapEx KPI) equals to the part of the capital expenditure included in the denominator that is any of the following (…) c) related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, …
https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R2178

Tables 1 and 2: Verallia's Taxonomy-eligible investments

Taxonomy activity (climate change mitigation and climate change adaptation)	Types of Verallia CapEx recognised by the Taxonomy
3.6. Manufacture of other low carbon technologies	Investments in furnaces, annealing lehrs and cullet to reduce CO_2 emissions Compressors
4.14 Transmission and distribution networks for renewable and low-carbon gases	Equipment to transport gas in the production process
4.25. Production of heat/cool using waste heat	Recovery of waste heat from furnaces and annealing lehrs
4.9 Transmission and distribution of electricity	Equipment to connect production line machinery to the electricity grid
5.3 Construction, extension and operation of waste water collection and treatment	Equipment for recovering rainwater and water used during the production process
5.5. Collection and transport of non-hazardous waste in source segregated fractions	Containers for recovering used glass
5.9. Material recovery from non-hazardous waste	All equipment for sorting and reusing cullet in the glass manufacturing process
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	Vehicle fleet under long-term leases
7.1 Construction of new buildings	Buildings constructed to host new low-CO_2 furnaces
7.2. Renovation of existing buildings	Renovation of offices, car parks and other buildings
7.3. Installation, maintenance and repair of energy efficiency equipment	Installation of LED lighting Replacement of windows Replacement of heating systems
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Charging stations available within buildings for the fleet's electric and hybrid vehicles
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	Installation of energy meters
7.6. Installation, maintenance and repair of renewable energy technologies	Installation of photovoltaic panels
7.7 Acquisition and ownership of buildings	Office buildings under long-term leases
8.2. Data-driven solutions for GHG emissions reductions	Investments in low-CO_2 data solutions (ESIII, PDH, energy data systems, etc.)

Taxonomy activity (circular economy)	Types of Verallia CapEx recognised by the Taxonomy
1.2. Manufacture of electrical and electronic equipment	Investments in IT to monitor furnace operations
5.1. Repair, refurbishment and remanufacturing	Repair or replacement of production facilities such as furnaces or refractories

After the four new Taxonomy objectives took effect, the Group was able this year to have its investments in servicing and repairing furnaces recognised by the Taxonomy under category 5.1. Repair, refurbishment and remanufacturing of the circular economy objective. Such operations to partially or fully repair industrial equipment help to extend their lifespan and promote a circular economy model by reducing the consumption of raw materials and energy.

III.2. Alignment

As in financial year 2022, the alignment of Verallia's investments in 2023 was analysed solely through the prism of the (i) climate change mitigation and (ii) climate change adaptation objectives.

A. *Climate change mitigation objective: substantial contribution*

The technical teams analysed the substantial contribution made to climate change mitigation based on an analysis of each site's compliance with the corresponding Taxonomy criteria. A substantial contribution was demonstrated for the following categories of activities.

3.6. Manufacture of other low carbon technologies

Verallia has allocated various parts of its capital expenditure budget to making its glass manufacturing processes less carbon intensive and more energy efficient. These large-scale investments make use of state-of-the-art technologies involving process electrification, a transition to lower-carbon fuels, more efficient fuel reactions, etc. At various production sites, conventional furnaces have been replaced with electric or hybrid furnaces, processes have been optimised and better performing compressors have been installed.

In order to demonstrate the climate benefits of these operations, the greenhouse gas (GHG) emissions associated with the solutions deployed were compared with the best available technology/solution/product (which, in most cases, proved to be the solution prior to the investment in question given their innovative nature), as per best practice[68]. These calculations were verified by an independent third party, thus making it possible to confirm that the assessments made complied with applicable international standards.

In accordance with the Taxonomy regulation, investments shown to have led to a reduction in GHG emissions qualified as contributing substantially to climate change mitigation.

4.9. Transmission and distribution of electricity

Verallia has invested in equipment to electrify its glass manufacturing processes. This equipment consists mostly of cables to connect machinery to the electricity grid.

4.25. Production of heat/cool using waste heat

Verallia has invested in waste heat recovery and recycling systems (either through direct recycling at the process level or through recycling at the building level).

5.5. Collection and transport of non-hazardous waste in source segregated fractions

Verallia has invested in installing glass bins to collect used domestic glass for recycling and reuse in the production of new glass jars and bottles.

5.9. Material recovery from non-hazardous waste

Verallia has invested in plants designed to recycle used glass as cullet (a secondary raw material) for reuse - as a primary raw material - in glass manufacturing plants. The yield at each of the plants is well above 50% by weight.

7.1. Construction of new buildings

Verallia has invested in new industrial buildings and offices to host its future furnaces.

7.3. Installation, maintenance and repair of energy efficiency equipment

Verallia has invested in lighting equipment, consisting mostly of highly energy-efficient (LED) lamps which meet the requirements set out in Directive 2010/31/EU and Regulation (EU) 2017/1369 as referred to in the Taxonomy.

7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

Verallia has invested in charging stations for electric vehicles at some of its industrial sites.

7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings

Verallia has invested in various types of equipment (energy meters, heating meters, etc.) that adhere to substantial contribution criteria.

7.6 Installation, maintenance and repair of renewable energy technologies

Verallia has invested in photovoltaic systems to partly meet the electricity needs of certain of its industrial and office buildings. These investments were made in regions where meteorological conditions (especially sunshine) are the most conducive to the development of solar power.

[68] (Commission Recommendation 2013/179/EU, ISO 14067:2018 or ISO 14064-1:2018)

B. Climate change mitigation objective: DNSH[69]

Analysis of generic DNSH to Mitigation criteria was the same as for other investments included at these same sites. The Taxonomy criteria were reviewed for each site having received the investments referred to in part A:

I. Where DNSH to Adaptation criteria are concerned, vulnerability to physical climate risks was assessed and an adaptation plan put in place. Work is still ongoing (see "Focus" section).

II. Where DNSH to Biodiversity criteria are concerned, the various elements available (environmental procedures, environmental impact assessments carried out to the highest international standards, official permits/ authorisations, existence of biodiversity-sensitive sites and adaptation) were reviewed for each industrial site.

III. Where DNSH to Water criteria are concerned, the existence of qualitative and quantitative water resource management systems at each industrial site, including the operation of industrial water pre-treatment plants, ensures that any water discharges are compatible with local water quality regulations and plans.

IV. Where DNSH to the Circular Economy criteria are concerned, the ecodesign, reuse, recycling and recovery of waste and various materials at the equipment level and industrial site level were demonstrated by way of a robust policy on the matter as well as procedures applicable to suppliers and various service providers.

V. Where DNSH to Pollution criteria are concerned, analyses were carried out at each site to ensure they comply with regulations (REACH, RoHs[70] and equivalents) as regards chemicals, the existence of control procedures and the inventory of chemicals referred to in appendix C of the Taxonomy's Climate Delegated Act (most of which are not involved in the glass manufacturing process, which is primarily a thermal process).

A focus on DNSH to Adaptation criteria

Verallia is in the process of examining and mapping the climate risks at each of its industrial sites. A vulnerability assessment is being carried out with the help of an external specialist (see Section 2.6. Duty of Care Plan of the URD). Verallia's vulnerability and resilience against climate change are assessed at the local level, site level and Group level. The IPCC's 'worst-case' scenario (SSP5-8.5) was tested out to 2030 and 2050.

The assessment will be used to identify the main risks to which Verallia's activities will be exposed worldwide (extreme heat, drought, water stress, heavy precipitation, climate disasters) and to draw up an adaptation plan accordingly (with inspections, reorganizations, physical measures, etc.).

This continuous assessment - involving several of the Group's business lines and departments - is still ongoing and a dedicated report will be published in 2024.

C. Climate change adaptation objective

An analysis of climate risks and adaptation plans demonstrated the Group's compliance with DNSH to Adaptation criteria (under the mitigation objective). However, there are several projects and industrial sites for which Verallia's investments in adapting to climate risks cannot be isolated from the overall investment budget. Analysis of the Group's substantial contribution to this objective will be gradually reinforced over the course of developing its climate risk adaptation plan.

D. Minimum Safeguards

For its activities to qualify as Taxonomy-aligned, an undertaking must implement procedures "to ensure the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights" (Article 18 of the Taxonomy regulation). Verallia has rolled out a series of procedures relating to these guidelines, as reflected in the various procedures and policies set up by the Group and summarised in the table below.

[69] DNSH : Do No Significant Harm principle.
[70] ROHS (Restrction of Hazardous Substances): Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment.

Table 3: Analysis of Minimum Social Safeguards

<table>
<tr><th>Theme</th><th>Criteria</th><th>Examples of Verallia's policies and procedures</th><th>URD sections</th></tr>
<tr><td>Due diligence on human rights</td><td>Verallia has set up an appropriate due diligence process to ensure respect for human rights.</td><td>All policies relating to human rights:
• Group Code of Conduct/Ethics
• Whistleblowing procedure (no alerts in 2023)
• Suppliers Charter
• Sustainable Purchasing Policy
• EHS Policy
• Human Resources Policy
• …</td><td rowspan="4">2.4.1 – Ensure the health and safety of everyone
2.4.3 - Promote diversity and inclusion
2.4.4 - Support our employees/Support the development of our employees and prepare our talent
2.4.5 - Other social information
2.4.6 - Create partnerships with our communities
2.5.1 – Comply with key regulations (corruption, competition, embargoes, personal data, information security)
2.5.2 - Build engaging and respectful relationships with our suppliers
2.5.3 - Ensure product quality and safety for customer satisfaction</td></tr>
<tr><td>Anti-corruption procedures</td><td>Verallia has set up anti-corruption processes.</td><td>• Group Code of Conduct/Ethics
• Supplier Code of Conduct and Sustainable Purchasing Policy
• Anti-corruption and influence peddling policy
• Other procedures to comply with the Sapin II law (gift policy, conflicts of interest, etc.)</td></tr>
<tr><td>Tax governance</td><td>Tax governance and compliance are considered important aspects of supervision, and appropriate tax risk management strategies and processes are in place.</td><td>• Group tax policy and procedures
• Declaration of tax compliance and observance of economic sanctions in the URD</td></tr>
<tr><td>Free competition procedures</td><td>Verallia keeps its employees informed of the importance of complying with all applicable competition laws and regulations.</td><td>• Guidelines for complying with competition law and Professional Associations policy</td></tr>
</table>

In addition, neither the Group nor its Management have to date ever been charged with violating business ethics, taxation or human rights regulations.

For due diligence purposes, the Group set up a Vigilance Plan in 2023 geared towards human rights and fundamental freedoms and the health and safety of people and the environment. The plan includes (i) a risk map, (ii) assessment procedures, (iii) a plan of action to prevent and mitigate risks, (iv) a whistleblowing mechanism, (v) a monitoring procedure (see Section 2.6. Duty of Care Plan of the URD).

IV. Results

Turnover

As in financial years 2021 and 2022, the Group reported 0% sustainable turnover as its activities are not considered to be among the biggest contributors to GHG emissions and therefore not recognised or described.

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OpEx

The Group has also published an OpEx KPI of 0% since 2021, benefiting from the non-materiality of its 'Taxonomy' operating expenditure relative to its total operating expenditure.

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CapEx

The Group published an eligible CapEx KPI of 51.6% for 2023 (versus 6% in 2022), of which 32.3% relating to the two climate objectives and 25.3% to the circular economy objective, and a sustainable CapEx KPI of 26.6% (vs 1.5% in 2022).

Its eligible CapEx KPI rose significantly after the four new objectives came into effect as they enabled the Group to analyse certain types of CapEx and therefore include an additional €99.6 million as eligible CapEx. This improved ratio was also attributable, in the amount of €119 million, to the outcomes of the investment plan aimed at improving energy efficiency (investments made in electric and Heat-Ox furnaces).

So the Group's improved alignment ratio reflects the considerable efforts it has made to have €125.5 million of sustainable investments recognised by the Taxonomy, €98.2 million of which have been certified by an independent third party (as regards activity 3.6). These investments were certified by an independent third party which validated their climate benefits in comparison with the best available solution, as per best practice.

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	26,6%	32,3%
CCA	0%	32,3%
WTR	0%	0%
CE	0%	25,3%
PPC	0%	0%
BIO	0%	0%

In 2024, the eligibility and alignment of all the Group's investments will be analysed through the prism of all six objectives; they include the Spanish cullet plants it has acquired, which will be analysed to measure their alignment with the circular economy objective.

2.7.2. Table of non-financial performance indicators

Some KPIs are reported for the first year and no historical data is disclosed.

Indicator	2023 incl. UK	2023 excl. UK	2022	2021
ENVIRONMENT				
General				
% of operational sites for which an environmental risk assessment has been performed	100%	100%	100%	100%
% of the total workforce in all sites that received training (internal or external) on environmental issues	100%	100%	100%	100%
Energy and fuels				
Total energy consumption in MWh	10,871,540	10,383,317	10,708,709	10,810,763
Fossil fuel consumption (fuel oil, gas) in MWh PCI	8,955,478	8,533,436	8,743,156	8,859,621
of which fuels from crude oil and petroleum products	*674,659*	*674,659*		
of which fuels from natural gas	*8,280,819*	*7,858,777*		
of which electricity, heat, steam and refrigeration purchased or acquired from fossil sources	*771,818*	*771,818*		
Share of fossil fuels in total energy consumption (%)	*89.5%*	*89.6%*		
Total consumption of energy from nuclear sources	371656	371656		
Share of nuclear energy in total energy consumption (%)	*3.4%*	*3.6%*		
Total consumption of energy from renewable sources	*803,889*	*737,708*		
of which fuels from renewable sources	*12,903*	*12,903*		
of which electricity, heat, steam and refrigeration purchased or acquired from renewable sources	*778,501*	*712,320*		
of which self-generated non-combustible renewable energy	*12,486*	*12,486*		
Share of renewable energy in total energy consumption (%)	*7.4%*	*7.1%*		
Non-renewable energy production in MWh	31,301	31,301		
Renewable energy production in MWh	12,486	12486		
Electricity consumption in MWh PCI	1,934,461	1,868,280	1,965,553	1,951,142
Consumption of certified renewable electricity in MWh	790,986	724,806	575,224	522,045
% of renewable or low-carbon electricity out of total electricity consumed	60 %	59 %	50%	46%
Total energy cost (in € million)	766.9	735.6	586.961	364.512
Fuel consumption costs (in € million)	491.4	475.1	357.158	227.423
Scope 1 & 2 GHG emissions				
Scope 1 GHG emissions in $ktCO_2e$	2,358	2,249	2,286	2,347
of which from regulated emissions trading schemes (%)	*76%*	*75%*		
Scope 2 GHG emissions in $ktCO_2e$	354	354	471	486
Scope 2 location-based GHG emissions in $ktCO_2e$	396.1	386.6		
Scope 2 market-based GHG emissions in $ktCO_2e$	354	354		
Scope 1 & 2 GHG emissions in $ktCO_2e$	2,712	2,603	2,756	2,833
Scope 1 & 2 GHG emissions / revenue ($ktCO_2e$ / € million)	0.695	N/A	0.81	1.05
Scope 1 & 2 GHG emissions in tCO_2e per TPG	0.470	0.468	0.468	0.482
Scope 3 GHG emissions				
Scope 3 GHG emissions in $ktCO_2e$	*1,592*	*1,534*	*1,648*	*1,716*
% of Scope 3 within the Group's total emissions	N/A	*37.1%*	*37.5%*	*36.6%*
Scope 3 emissions from purchases of goods and services in $ktCO_2e$	*831*	*801*	*818*	*886*
of which scope 3 emissions from raw materials in kt CO_2	*579*	*553*	*549*	*565*
of which scope 3 emissions from packaging in kt CO_2	*112*	*107*	*104*	*159*
Scope 3 emissions from fixed assets in $ktCO_2$	*20*	*20*	*91*	*18*
Scope 3 emissions from fuel and energy-related activities (not included in Scopes 1 or 2) in $ktCO_2e$	*346*	*332*	*354*	*362*
Scope 3 emissions from upstream transport and distribution activities in $ktCO_2e$	*167*	*159*	*175*	*156*
Scope 3 emissions from waste generated during operations in $ktCO_2e$	*32*	*32*	*32*	*32*
Scope 3 emissions from business travel in $ktCO_2e$	3	3	3	1
Scope 3 emissions from employee commuting in $ktCO_2e$	8	8	8	0
Scope 3 emissions from upstream leased assets in $ktCO_2e$	0	0		

For intensity calculations, we have used the sales figures given in chapter 6.1.

Indicator	2023 incl. UK	2023 excl. UK	2022	2021
Scope 3 emissions from downstream transport and distribution activities in $ktCO_2e$	*144*	*137*	*126*	*146*
Scope 3 emissions from the processing of products sold in $ktCO_2e$	*3*	*3*	*3*	*3*
Scope 3 emissions from the use of products sold in $ktCO_2e$	*0*	*0*	*0*	*0*
Scope 3 emissions from end-of-life treatment of products sold in $ktCO_2e$	*38*	*38*	*38*	*105*
Scope 3 emissions from downstream leased assets in $ktCO_2e$	*0*	*0*	*0*	*0*
Scope 3 emissions from franchises in $ktCO_2e$	*0*	*0*	*0*	*0*
Scope 3 emissions from investments in $ktCO_2e$	*48*	*48*	*48*	*48*
Total scope 3 emissions from transport in kt CO_2	**311**	**296**	**302**	**278**
Total upstream Scope 3 emissions in kt CO_2	**1,407**	**1,356**	**1,481**	**1,461**
Total downstream Scope 3 emissions in kt CO_2	**185**	**178**	**168**	**254**
Total GHG emissions				
Total GHG emissions (location-based) in $ktCO_2e$	4,346.1	4,169.6		
GHG emissions intensity (location-based) in $ktCO_2e$/€m	1.113	1.130		
Total GHG emissions (market-based) in $ktCO_2e$/€m	4,304.1	4,136.7		
GHG emissions intensity (market-based) in $ktCO_2e$	1.103	1.122		
Soil regeneration				
Number of trees planted since 2019	513,000	513,000	413,000	313,000
Number of winning sites in the Nature on Site internal competition since 2019	11	11	9	6
Certified GHG emission offsets in tCO_2e	0	0	20,000	30,000
Water				
Total water consumption in m^3	3,203,941	2,765638	2,758,494	3,108,599
of which water consumption in areas at risk of water stress in m^3	*796,989*	*797,989*		
Water consumption in m^3 per tonne of packed glass (TPG)	0.56	0.50	0.47	0.53
Water consumption intensity ratio (m^3/€m)	0.82	/		
Waste				
Waste recycling rate	73%	75%	75%	68%
Weight of waste generated in plants (tonnes)	64,714	60,757	76,918	65,188
Total quantity of hazardous waste not eliminated (tonnes)	**9.499**	**9.289**		
Total quantity of hazardous waste prepared for reuse (tonnes)	/	/		
Total quantity of hazardous waste recycled (tonnes)	7,458	7,339		
Total quantity of hazardous waste not destroyed and recovered by other means (tonnes)	2,041	1,950		
Total quantity of non-hazardous waste not eliminated (tonnes)	41,568	39,125		
Total quantity of non-hazardous waste prepared for reuse (tonnes)	/	/		
Total quantity of non-hazardous waste recycled (tonnes)	39,632	38,398		
Total quantity of non-hazardous waste not destroyed and recovered by other means (tonnes)	1,936	727		
Total quantity of hazardous waste eliminated (tonnes)	6,740	6,554		
Total quantity of hazardous waste incinerated (tonnes)	490	490		
Total quantity of hazardous waste sent to landfill (tonnes)	5,801	5,615		
Total quantity of hazardous waste eliminated by other means (tonnes)	0	0		
Total quantity of non-hazardous waste not eliminated (tonnes)	6,908	5,788		
Total quantity of non-hazardous waste incinerated (tonnes)	33	33		
Total quantity of non-hazardous waste sent to landfill (tonnes)	6,022	4,903		
Total quantity of non-hazardous waste eliminated by other means (tonnes)	0	0		
Total quantity of waste not recycled (tonnes)	13,648	12,343		
Total quantity of waste recycled (%)	21%	20%		
Total quantity of hazardous waste (tonnes)	16,238	15,843	17,515	9,167
Total quantity of waste sent to landfill (tonnes)	11,824	10,518	11,345	13,230
Total quantity of non-hazardous waste (tonnes)	48,476	44,915	59,061	56,021
Total quantity of waste recycled or reused (tonnes)	51,067	48,414	61,894	45,816
Sustainable materials and products				
% of cullet recycled in the production of new glass (external cullet ratio)	53,9%	54,1%	55.7%	55%
Alpha coefficient	N/A	15,7	15.9	16

For intensity calculations, we have used the sales figures given in chapter 6.1.

Indicator	2023 incl. UK	2023 excl. UK	2022	2021
SOCIAL, HEALTH AND SAFETY				
General				
Total workforce	10,912	10,268	10,008	9,758
Percentage of employees by region:				
Europe (including France)	*86 % (23 %)*	*85 % (24 %)*	*87% (25%)*	*87% (25%)*
Latin America	*14 %*	*15 %*	*13%*	*13%*
Workforce by geographic area:				
Northern and Eastern Europe	*3,882*	*3,238*	*3,218*	*3,181*
Southern and Western Europe	*5,502*	*5,502*	*5,382*	*5,286*
Latin America	*1,528*	*1,528*	*1,408*	*1,291*
Breakdown of workforce by type of employment contract				
Permanent	*94%*	*94%*	*90%*	*90%*
Permanent (in number)	*10495*	*9873*		
Men	*76%*	*76%*		
Women	*17%*	*17%*		
Fixed term	*4 %*	*4 %*	*5%*	*5%*
Fixed (in number)	*417*	*395*		
Men	*3 %*	*3 %*		
Women	*1 %*	*1 %*		
Temporary staff	*3 %*	*3 %*	*5%*	*5%*
Temporary staff (in number)	*286*	*286*		
Men	*2 %*	*2 %*		
Women	*1 %*	*1 %*		
Full-time contracts	*95 %*	*95 %*		
Men	*78 %*	*78 %*		
Women	*17 %*	*17 %*		
Part-time contracts	*3 %*	*3 %*		
Men	*2 %*	*2 %*		
Women	*1 %*	*1 %*		
Breakdown of workforce by SPC:				
Managers	*1,205*	*1,154*	*1,065*	*1,014*
Employees, technicians and supervisors	*2,527*	*2,444*	*2,458*	*2,308*
Manual workers	*7,180*	*6,670*	*6,485*	*6,436*
Sales workforce	*348*	*329*	*310*	*318*
Company total payroll in millions of euros (the sum of all gross wages and salaries and employers' social security contributions, as well as employee profit-sharing and incentives and other personnel expenses recorded each financial year).	642,1		567.4	524.5
Change in employment				
Change in employment within the Group over the last three years:				
Total turnover (all departures combined)	*12,3%*	*11,9%*	*11.9%*	*11.2%*
Total turnover (all departures combined) in number	*1305*	*1195*		
Voluntary turnover (resignations only) as a percentage	*5,3%*	*4,9%*	*5.0%*	*4.6%*
Voluntary turnover (resignations only) in numbers	*565*	*486*		
Recruitment rate	*14,5%*	*14,2%*	*14.3%*	*12.0%*
% of hiring in permanent contracts	*10,7%*	*10,3%*	*9.4%*	*7.1%*

Indicator	2023 incl. UK	2023 excl. UK	2022	2021
Health and safety				
Number of accidents (with or without lost time)	*75*	*64*	*76(1)*	*105*
Accident frequency rate (TF1)	*3.1*	*2.7*	*3.5*	*5*
Frequency rate (with and without lost time) (TF2): Number of work-related accidents with or without lost time per million of worked hours	*3.1*	*2.8*	*3.6*	*5.3*
Number of days lost due to accidents at work and deaths due to accidents at work, work-related health problems and deaths due to these illnesses	*2,445*	*2,268*		
Severity rate	*0.13*	*0.13*	*0.25*	*0.29*
Number of deaths due to occupational accidents and illnesses	*0*	*0*	*0*	*0*
Number of cases of occupational illness	*11*	*11*		
Percentage of total workforce covered by health and safety management system	100%	100%		
% of the total workforce on all sites represented in a joint occupational Health and Safety Committee	100%	100%	100%	100%
% of operational sites for which an occupational health and safety risk assessment has been performed	100%	100%	100%	100%
% of employees covered by a health care expense scheme (mandatory or voluntary)	100%	100%	100%	100%
Diversity & Inclusion				
Percentage of women employed	18,9%	19,0%	17.9	17.2%
Number of women employed	2059	1953		
Number of female managers	383	372		
Number of women in senior management positions (Executive Committee)	3	3		
Percentage of women in senior management positions (Executive Committee)	27 %	30 %	30%	33%
Number of employees on management committees (by division)	53	47		
Share of female managers	31,8%	32,2%	31.3%	30.4%
Female hiring rate	27,6%	28,6%	28.3%	28.8%
Gender equality index	72	72	68	67
Average pay gap between men and women	5,2%			
Percentage of people with disabilities/average workforce	4,5%	4,1%	3.3%	3.4%
Men	3,6%	3,6%		
Women	0,9%	0,9%		
Hiring rate of people with disabilities	3,5%	2,7%	1.4%	1.5%
Number of nationalities of employees present in the Group			68	63
Percentage of employees aged under 30	15,0%	14,9%		
Percentage of employees aged 30 to 50	54,6%	54,9%		
Percentage of employees aged over 50	30,4%	30,2%		
Professional development				
Number of hours of total training completed	418 485	398,837	327,520	304,902
Percentage of workforce trained	81,0%	82,2%	85.2%	78.8%
Number of training hours per person (h/person)	39	40	33	31
Proportion of managers and non-managers trained:				
Managers	90,1%	89,6%	91.7%	93.3%
Senior technicians and supervisors	86,5%	86,0%	91%	74.7%
Manual workers, administrative staff and technicians	79,4%	77,8%	82.1%	70.9%
Percentage per type of training:				
Technical	50%	48%	52%	61%
Environment, Health, Safety	57%	56%	58%	54%
Management	35%	37%	32%	29%
Language	*3%*	*3%*	*4%*	*4%*
Other	*19%*	*4%*	*25%*	*24%*

(1) Sub*contractors being included in this number, as for 2021.*

Indicator	2023 incl. UK	2023 excl. UK	2022	2021
Employee engagement				
Number of agreements signed or approved with staff representatives during the year	80	79	64	70
Engagement index (every two years)	60	60	nd	55%
Percentage of employees receiving a regular appraisal interview	45%	48%		
of which managerial grade employees	10%	10%		
of which women	3%	3%		
of which percentage of senior technicians and supervisors	12%	12%		
of which women	4%	4%		
of which blue collar workers	24%	26%		
of which women	4%	4%		
Social dialogue and working conditions				
Employees covered by a collective bargaining agreement	97%	97%		
Number of collective bargaining agreements	41	36		
Percentage of employees covered by employee representatives	51,7%	53,0%		
Percentage of employees authorised to take family-related leave	81%	81%		
Share of employees taking family-related leave	10%	9%		
of which women	2%	2%		
Percentage of employees who were able to invest time in actions to promote the link between the nation and the army and to support commitment to the reserves	1%	1%		
Ratio of the remuneration of the highest-paid person to the median remuneration of employees	17			
Absenteeism rate	4,3%	4,3%	5.5%	5.0%
Capital held by employees				
Proportion of share capital held by employees	3,8%		3.8%	3.5%
Proportion of employee shareholders	44 %		41%	45%
Number of employee shareholders	4,794		4,132	4,367
ETHICS				
General				
Number of convictions or fines	0	0	0	0
Total number of alerts received (and % handled)	54 (87%)	51 (86%)	15 (87%)	7 (100%)
Number of ethical alerts received (and % handled)	5 (60%)	5 (60%)	0 (N/A)	1 (100%)
Percentage of all operational sites for which an internal audit/ethics risk assessment has been conducted	100%	100%	100%	100%
Corruption				
% of the defined population trained in our anti-corruption program (target: persons likely to be at risk of active/passive corruption)	99.9%	100%	97.5%	98.9%
Number of confirmed corruption incidents	1	1	0	0
Competition & embargo				
% of the defined population trained in our competition program	99.9%	100%	98.9%	98.8%
% of defined population trained in risks of violation of economic sanctions and embargoes	100%	100%	99.4%	94.8%
Personal data				
% of requests for the exercise of GDPR rights handled	100%	100%	100%	100%
Information security				
Number of information security incidents confirmed	0	0	2	1
Number of IT security events collected in billions for analysis	95	95	81.9	25.8
Number of incidents with impacts	0	0	2	1

Indicator	2023 incl. UK	2023 excl. UK	2022	2021
Suppliers				
Group purchases (in € million)	2.53	2.39	2.18	1.6
Number of suppliers	14400	13200	12,800	10,250
• % of suppliers in number for the energy purchase category	1%	1%	1 %	1 %
• % of suppliers in number for the raw materials purchase category	4%	4%	8 %	8 %
• % of suppliers in number for the investment purchase category	20%	20%	17 %	21 %
• % of suppliers in number for the transport purchase category	8%	8%	13 %	10 %
• % of suppliers in number for the production purchase category	28%	28%	26 %	28 %
• % of suppliers in number for the packaging purchase category	3%	3%	5 %	6 %
• % of suppliers in number for the general and other purchase category	36%	36%	30 %	26 %
Percentage of the amount of purchases covered by the Suppliers Charter	88%	88%	88 %	82 %
Percentage of suppliers identified to date as priority risk according to the AFNOR matrix that are in the process of or have completed an EcoVadis or ACESIA assessment	96%	96%	99 %	89 %
Total number of CSR physical inspections of supplier facilities	22	22	24	78
Percentage of targeted suppliers that have been subject to an on-site CSR audit	42%	42%	37 %	30 %
Number of actions plans initiated as a result of supplier non-compliance	91	91	57	24
Percentage of buyers from all sites who have received responsible purchasing training	100%	100%	100 %	100 %
Percentage of suppliers covered by conflict minerals regulations for which information about conflict minerals is available	100%	100%	100 %	100 %
Product safety and customer satisfaction				
% of sites with at least 1 certified RCA coach*	94%	100%	100%	84%
Number of sites covered by Food Safety certification	100%	100%	100%	94%
% decrease in customer complaint rate (number of complaints per 100 million containers sold)	'-24% vs 2022	'-20% vs 2022	-43% vs 2020	-13% vs 2020
Communities				
Monetary contributions to communities, NGOs made by the company per year	€0.8million		€1.5million	€1.5 million
Governance				
Number of members on your Board (Board of Directors or Supervisory Board or equivalent) as of 31 December	13		13	10
Percentage of Directors present (in person, by teleconference or by proxy) at Board meetings held during the reporting period	93%		96 %	94 %
Total number of regular and special meetings of the Board of Directors of the Company held during the reporting period	7		6	7
Percentage of independent members on the Board of Directors or Supervisory Board as at 31 December. A Director is independent when he or she does not have any relationship of any kind with the Company, its Group or its management, which may compromise the exercise of his or her freedom of judgement.	50%		50 %	56 %
Percentage of women on the Board of Directors or Supervisory Board	40%		40 %	44 %
Percentage of women on the Management Committee	27%		27 %	30 %

2.7.3. Green taxonomy results table

Turnover

Financial year N		2023		Substantial contribution criteria						Do no significant harm (DNSH) criteria (h)									
Economic activities (1)	Code (a) (2)	Turnover (3)	Proportion of turnover, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		
Of which enabling	N/A	0	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	N/A	
Of which transitional	N/A	0	0%	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		N/A
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0	0%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
A. Turnover of Taxonomy-eligible activities (A.1. + A.2.)		0	0%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		3903775	100%																
TOTAL (A. + B.)		**3 903 775**	**100%**																

CapEx

Financial year N		2023		Substantial contribution criteria						Do no significant harm (DNSH) criteria (h)									
Economic activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
3.6 Manufacture of other low carbon technologies	CCM 3.6	98 200	20,8%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	OUI	OUI	OUI	OUI	OUI		H	
4.9 Transmission and distribution of electricity	CCM 4.9	4 107	0,9%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	OUI	OUI	OUI	OUI		H	
4.25 Production of heat/ cool using waste heat	CCM 4.25	8 271	1,8%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	OUI	OUI	OUI	OUI	1,20%		
5.5. Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	905	0,2%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	N/A	OUI	N/A	OUI			
5.9. Material recovery from non-hazardous waste	CCM 5.9	7 026	1,5%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	N/A	N/A	OUI	OUI			
7.1 Construction of new buildings	CCM 7.1	5 439	1,2%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	OUI	OUI	OUI	OUI	OUI			
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	335	0,1%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	OUI	N/A	N/A	OUI	0,20%	H	
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	55	0,01%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	N/A	N/A	N/A	OUI		H	
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	CCM 7.5	408	0,1%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	N/A	N/A	N/A	OUI	0,00%	H	
7.6. Installation, maintenance and repair of renewable energy technologies	CCM 7.6	364	0,1%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	N/A	N/A	N/A	OUI	0,00%	H	
8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2	437	0,1%	OUI	NON	N/EL	N/EL	N/EL	N/EL	N/A	OUI	N/A	N/A	OUI	N/A	OUI		H	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		125 547	26,6%	%	%	%	%	%	%	OUI	OUI	OUI	OUI	OUI	OUI	OUI	1,50%		
Of which enabling		103 906	22,0%	%	%	%	%	%	%	OUI	OUI	OUI	OUI	OUI	OUI	OUI	0,24%	H	
Of which transitional		0	0,0%	%						OUI	OUI	OUI	OUI	OUI	OUI	OUI	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
1.2. Manufacture of electrical and electronic equipment	CE 1.2	604	0,1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										

3.6 Manufacture of other low carbon technologies	CCM 3.6 et CCA 3.6	8 153	1,7%	EL	EL	N/EL	N/EL	N/EL	N/EL										
4.14 Transmission and distribution networks for renewable and low-carbon gas	CCM 4.14 et CCA 4.14	1 491	0,3%	EL	EL	N/EL	N/EL	N/EL	N/EL										
4.25 Production of heat/ cool using waste heat	CCM 4.25 et CCA 4.25	0	0,0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
4.9 Transmission and distribution of electricity	CCM 4.9 et CCA 4.9	0	0,0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
5.1. Repair, refurbishment and remanufacturing	CE 5.1	90 776	19,2%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
5.3 Construction, extension and operation of waste water collection and treatment	CCM 5.3 et CCA 5.3	29	0,0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5 et CCA 6.5	1 549	0,3%	EL	EL	N/EL	N/EL	N/EL	N/EL										
7.1 Construction of new buildings	CCM 7.1, CCA 7.1 et CE 3.1	14 417	3,1%	EL	EL	N/EL	N/EL	EL	N/EL										
7.2. Renovation of existing buildings	CCM 7.2, CCA7.2 et CE 3.2	289	0,1%	EL	EL	N/EL	N/EL	EL	N/EL										
7.7 Acquisition and ownership of buildings	CCM 7.7 et CCA 7.7	1 189	0,3%	EL	EL	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		118 498	25,1%	%	%	%	%	%	%								4,50%		
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		244045	51,6%	%	%	%	%	%	%								6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		228 455	48,4%																
TOTAL (A. + B.)		**472 500**	**100%**																

OpEx

Financial year N		2023		Substantial contribution criteria						Do no significant harm (DNSH) criteria (h)									
Economic activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		
Of which enabling	N/A	0	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	N/A	
Of which transitional	N/A	0	0%	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A	0		N/A
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0	0%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		0	0%	N/A	N/A	N/A	N/A	N/A	N/A								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		191 157	100%																
TOTAL (A. + B.)		**191 157**	**100%**																

GRI correspondence tables

The Group has chosen to comply with the essential level of the GRI framework and as such presents a table of correspondence with the general elements and the specific elements related to its most material issues.

GRI source	Disclosure	Correspondence
General Disclosures		
2-1	Organizational details	Section "Our Business Model"
2-2	Entities included in the organization's sustainability reporting	2.7.1 ; 6.1
2-3	Reporting period, frequency and contact point	2.7.1 ; 5 ; 6.1
2-4	Restatements of information	2.7.1 ; 6.1
2-5	External assurance	2.8 ; 6.2 ; 6.5
2-6	Activities, value chain and other business relationships	Section "Our Business Model" ; 1
2-7	Employees	2.7.2
2-8	Workers who are not employees	N.A.
Governance		
2-9	Governance structure and composition	3.1
2-10	Nomination and selection of the highest governance body	3.1
2-11	Chair of the highest governance body	3.1
2-12	Role of the highest governance body in overseeing the management of impacts	2.1.3 ; 3.1
2-13	Delegation of responsibility for managing impacts	2.1.3 ; 2.2 ; 2.3 ; 2.4 ; 2.5 ; 3.1
2-14	Role of the highest governance body in sustainability reporting	2.1.3 ; 3.1
2-15	Conflicts of interest	3.1
2-16	Communication of critical concerns	2.5.1 ; 3.1
2-17	Collective knowledge of the highest governance body	3.1
2-18	Evaluation of the performance of the highest governance body	3.1
2-19	Remuneration policies	3.3
2-20	Process to determine remuneration	3.3
2-21	Annual total compensation ratio	3.3
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Section "Message from the CEO" ; 2.1
2-23	Policy commitments	2.5 ; 3.1.1.1
2-24	Embedding policy commitments	2.5 ; 3.1.1.1
2-25	Processes to remediate negative impacts	2.5 ; 2.6 ; 3.1.1.1
2-26	Mechanisms for seeking advice and raising concerns	2.5 ; 2.6
2-27	Compliance with laws and regulations	2.5 ; 2.7.2
2-28	Membership associations	2. Section "Our memberships"
Stakeholder engagement		
2-29	Approach to stakeholder engagement	2.5 ; 2.6
2-30	Collective bargaining agreements	2.4.5 ; 27.2
Material Topics		
3-1	Process to determine material topics	Section "General Comments"
3-2	List of material topics	1.2.2 ; 1.3.1 ; 2.1 ; 2.7 ; 4.1 ; 6.1
3-3	Management of material topics	2. ; 4.

GRI source	Disclosure	Correspondence
	Economic	
203 - Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	1.2.1.3 ; 2.4.6
203-2	Significant indirect economic impacts	1.2.1.2
205 - Anti-corruption		
205-1	Operations assessed for risks related to corruption	2.5 ; 4.1.5.1
205-2	Communication and training about anti-corruption policies and procedures	2.5 ; 2.6 ; 4.2.1.2
205-3	Confirmed incidents of corruption and actions taken	N.A.
206 - Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N.A.
	Environment	
301 - Materials		
301-1	Materials used by weight or volume	1.5.1.1
301-2	Recycled input materials used	1.5.1.1
301-3	Reclaimed products and their packaging materials	2.2 ; 2.3 ; 2.5 ; 2.7.2
302 - Energy		
302-1	Energy consumption within the organization	2.3 ; 2.7.2
302-2	Energy consumption outside of the organization	N.A.
302-3	Energy intensity	2.3 ; 2.7.2
302-4	Reduction of energy consumption	2.3
302-5	Reductions in energy requirements of products and services	2.3
303 - Water and Effluents		
303-1	Interactions with water as a shared resource	2.2
303-2	Management of water discharge-related impacts	2.2
303-3	Water withdrawal	2.2
303-4	Water discharge	N.A.
303-5	Water consumption	2.2 ; 2.7.2
305 - Emissions		
305-1	Direct (Scope 1) GHG emissions	2.3 ; 2.7.2
305-2	Energy indirect (Scope 2) GHG emissions	2.3 ; 2.7.2
305-3	Other indirect (Scope 3) GHG emissions	2.3 ; 2.7.2
305-4	GHG emissions intensity	2.3 ; 2.7.2
305-5	Reduction of GHG emissions	2.3
305-6	Emissions of ozone-depleting substances (ODS)	N.A.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	2.2
306 - Waste		
306-1	Waste generation and significant waste-related impacts	2.2 ; 2.7.2
306-2	Management of significant waste-related impacts	2.2 ; 2.7.2
306-3	Waste generated	2.2 ; 2.7.2
306-4	Waste diverted from disposal	2.7.2
306-5	Waste directed to disposal	2.7.2
308 - Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	2.5
308-2	Negative environmental impacts in the supply chain and actions taken	2.5

Social		
403 - Occupational Health and Safety		
403-1	Occupational health and safety management system	2.4
403-2	Hazard identification, risk assessment, and incident investigation	2.4
403-3	Occupational health services	N/A
403-4	Worker participation, consultation, and communication on occupational health and safety	2.4
403-5	Worker training on occupational health and safety	2.4
403-6	Promotion of worker health	2.4
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2.4
403-8	Workers covered by an occupational health and safety management system	2.4
403-9	Work-related injuries	2.4 ; 2.7.2
403-10	Work-related ill health	2.4 ; 2.7.2 ; 4.1.2.6 ; 4.1.5.3
404 - Training and Education		
404-1	Average hours of training per year per employee	2.7.2
404-2	Programs for upgrading employee skills and transition assistance programs	2.4
404-3	Percentage of employees receiving regular performance and career development reviews	2.7.2
405 - Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	2.7.2 ; 3.1.1.2
405-2	Ratio of basic salary and remuneration of women to men	N/A
406 - Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	2.7.2
416 - Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	2.5
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.5 ; 2.7.2

Sustainability Accounting Standards Board (SASB) correspondence tables

Given the specificity of our activities and the circular economy model, the Group has chosen the following as the most representative sector of the Sustainable Accounting Standards Board (SASB): "Containers & Packaging" (in "Resource Transformation").

The correspondence table is as follows:

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE
Greenhouse gas emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tons (t) CO_2e Percentage (%)	RT-CP-110a.1	2; 2.3; 2.7.2
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	N/A	RT-CP-110a.2	2; 2.3
Air quality	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM)	Quantitative	Metric tons (t)	RT-CP-120a.1	2.2
Energy management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Quantitative	Gigajoules (GJ), Percentage (%)	RT-CP-130a.1	2.7.2
Water management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m^3), Percentage (%)	RT-CP-140a.1	2.7.2
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Quantitative	Number	RT-CP-140a.2	2.2
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Quantitative	Number	RT-CP-140a.3	N/A
Waste management	Amount of hazardous waste generated; percentage recycled	Quantitative	Metric tons (t), Percentage (%)	RT-CP-150a.1	2.2; 2.7.2
Product safety	Number of recalls issued; total units recalled	Quantitative	Number	RT-CP-250a.1	2.5; 2.7.2
	Discussion of process to identify and manage emerging materials and chemicals of concern	Discussion and Analysis	N/A	RT-CP-250a.2	2.2
Product Lifecycle Management	Percentage of raw materials from: (1) recycled content, (2) renewable resources, and (3) renewable and recycled content	Quantitative	Percentage (%) by weight	RT-CP-410a.1	2.2; 2.7.2
	Revenue from products that are reusable, recyclable, and/or compostable	Quantitative	Reporting currency	RT-CP-410a.2	
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	N/A	RT-CP-410a.3	2.2; 2.3
Supply chain management	Total wood fibre procured, percentage from certified sources	Quantitative	Metric tons (t), Percentage (%)	RT-CP-430a.1	N/A
	Total aluminium purchased, percentage from certified sources	Quantitative	Metric tons (t), Percentage (%)	RT-CP-430a.2	N/A
	Amount of production, by substrate	Quantitative	Metric tons (t)	RT-CP-000.A	
	Percentage of production as: (1) paper/ wood, (2) glass, (3) metal, and (4) plastic	Quantitative	Percentage (%) by revenue	RT-CP-000.B	N/A
	Number of employees	Quantitative	Number	RT-CP-000.C	2.7.2

TCFD (Task Force on Climate-Related Financial Disclosures) cross-reference table

The cross-reference table with the TCFD recommendations is presented below.

The Verallia Group's response to the CDP also includes more details on certain matters.

Alignment with the 11 recommendations of the TCFD		Correspondence
Governance	Control exercised by Board of Directors over climate-related risks and opportunities	2.1; 3.1.5.4
	Management's role in the assessment and management of climate-related risks and opportunities	2; 2.1; 2.3; 4.2.1.1
Strategy	Description of the short, medium and long term climate risks and opportunities	2.1; 2.3; 4.1.3.2; 4.1.3.3
	Description of the impact of climate-related risks and opportunities on the investment strategy	2.1
	Presentation of the resilience of the investment strategy, considering different climatic scenarios, including a scenario of 2°C or below	
Risk management	Description of risk management processes to identify, assess and manage climate-related risks	2.1; 2.3; 4.1.3.2; 4.1.3.3
	Description of climate risk management processes	2.1; 2.3; 4.1.3.2; 4.1.3.3
	Description of how climate-related risks are integrated into risk management processes	4.1.3.2; 4.1.3.3
Indicators and objectives	Presentation of information on the indicators used to assess climate-related risks and opportunities in the context of the investment strategy and risk management process	2.1; 2.3; 2.7.2
	Presentation of information on greenhouse gas (GHG) emissions and related risks under Scopes 1 and 2, and where applicable, Scope 3	2.1; 2.3; 2.7.2
	Presentation of the objectives set to manage the risks and opportunities related to the climate, as well as the results achieved in the pursuit of these objectives	2.1; 2.3; 2.7.2

2.8. Report by the Statutory Auditors on the non-financial statement included in the management report

Report of one of the Statutory Auditors, appointed as an independent third party, on the verification of the consolidated non-financial information statement

(For the year ended December 31, 2023)

This is a free translation into of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders of Verallia,

VERALLIA
Tour Carpe Diem
31, Place des Corolles - Esplanade Nord
92400 Courbevoie

In our capacity as Statutory Auditor of your company VERALLIA SA (hereinafter the "Entity"), appointed as an independent third party ("third party") and accredited Cofrac Inspection Accreditation, n°3-1862 (scope available at www.cofrac.fr), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023 (hereinafter the "Information" and the "Statement", respectively), presented in the management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code *(code de commerce)*.

Conclusion

Based on the procedures we have performed as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarised in the Statement and available on request from its headquarters.

Inherent Limitations in preparing the Information

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Entity

Management of VERALLIA SA are responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the

outcomes of said policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- preparing the Statement by applying the Entity's "Guidelines" as referred above; and
- designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been endorsed by the Board of Directors.

Responsibility of the Statutory Auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:
- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information".

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:
- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors *(Compagnie Nationale des Commissaires aux Comptes)* applicable to such engagement, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes, Intervention du commissaire aux comptes – Intervention de l'OTI – déclaration de performance extra-financière*, and acting as the verification programme and with the international standard ISAE 3000 (revised).

Independence and quality control

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and French Code of Ethics for Statutory Auditors *(Code de déontologie)* of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors *(Compagnie Nationale des Commissaires aux Comptes)* relating to this engagement.

Means and resources

Our work engaged the skills of 8 people between December 2023 and February 2024 and took a total of 9 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted some twenty interviews with the people responsible for preparing the Statement, representing in particular CSR, Compliance, Human Resources, Environment Health and Safety, Operations and Purchasing departments.

Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:
- obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;

- verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code as well as information regarding compliance with Human rights and anti-corruption and tax avoidance legislation and includes, where applicable, an explanation of the reasons for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks;
- verified that the Statement presents the business model and a description of the main risks associated of all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. Concerning certain (Integrating the circular economy into the manufacturing of our products and the value chain, Social and environmental risks in the subcontracting chain, Compliance with applicable regulations, fight against corruption, personal data protection, Cybersecurity and Quality of our products) our work was carried out on the consolidating entity, for other risks, our work was carried out on the consolidating entity and on a selection of sites (Saint-Romain in France, Neuburg in Germany, Lonigo and Dego in Italy, Zaragoza and Séville in Spain, Mendoza in Argentina) for environmental, health and safety information, and on a selection of countries (France and Italy) for social information;
- verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing sites (Saint-Romain in France, Neuburg in Germany, Lonigo and Dego in Italy, Zaragoza and Séville in Spain, Mendoza in Argentina) for environmental, health and safety information, and countries (France and Italy) for social information and covers between 20% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors *(Compagnie Nationale des Commissaires aux Comptes)*; a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, February 14, 2024

One of the Statutory Auditors

PricewaterhouseCoopers Audit

Nicolas Brunetaud Partner	Aurélie Castellino-Cornetto Partner, Sustainable Development

Appendix: List of the information we considered most important

Key performance indicators and other quantitative results :

- Rate of external cullet use in our glass production
- Number of glass reuse pilot project in France
- Alpha coefficient
- Total water consumption in m3, Water consumption intensity ratio (m3/€m), Cubic metres of water consumed per tonne of packed glass (TPG)
- Weight of waste generated in plants (tonnes), Total quantity of hazardous waste (tonnes),Total quantity of waste recycled or reused (tonnes), Total quantity of hazardous and non-hazardous waste incinerated (tonnes), Total quantity of waste sent to landfill (tonnes), Total quantity of waste not recycled (tonnes), Waste recycling rate
- Scope 1 GHG emissions in ktCO2e, Scope 2 market-based GHG emissions in ktCO2e, Scope 2 location-based GHG emissions in ktCO2e, Scope 1 & 2 GHG emissions in ktCO2e, Scope 1 & 2 GHG emissions in tCO2e per TPG, Reduction in CO2 emissions (scope 1 and 2) vs. 2019
- Scope 3 GHG emissions in ktCO2e, % of Scope 3 within the Group's total emissions
- Total energy consumption in MWh, Fossil fuel consumption (fuel oil, gas) in MWh PCI, Total consumption of energy from renewable sources, % of renewable or low-carbon electricity out of total electricity consumed
- Number of trees planted since 2019
- Number of accidents (with or without lost time), Number of days lost due to accidents at work and deaths due to accidents at work, work-related health problems and deaths due to these illnesses, Severity rate, Frequency rate (with and without lost time) (TF2)
- Total workforce, Number of women employed, Breakdown of workforce by type of employment contract : Permanent (in number), Breakdown of workforce by type of employment contract : Fixed term (in number), Total turnover (all departures combined), Total turnover (all departures combined) in number, Number of female managers, Percentage of women employed, Number of hours of total training completed, Share of female managers, Percentage of people with disabilities/average workforce
- Capital held by employees
- % of the defined population trained in our anti-corruption program, Number of convictions or fines, Number of events collected in billions for analysis, Number of incidents with impacts
- Percentage of the amount of purchases covered by the Suppliers Charter
- % decrease in customer complaint rate (number of complaints per 100 million containers sold)

Qualitative information (actions and outcomes):

- Partnership with Bout'à Bout, Organization of the second Re-use Lab,
- Verallia Environment Day, Creation of a map to identify internal waste flows;
- Set up a program to exhaustively identify energy losses, Preparing to use green hydrogen,
- H&S 2023 Day, Analysis of mold production flows in 2023
- Verallia Italy obtains UNI/PDR 125 certification, Organization of a whole week dedicated to disability at the Chalon plant
- et up specific compliance audits, New mandatory global training campaign renewed in August 2023 (economic sanctions & embargo), Annual Cyber Risk Awareness campaigns for all employees
- -"Supplier CSR group award" presented for the first time, beginning of a new collaboration with SGS, which carried out 3 audits in Russia in 2023
- Second RCA (root cause analysis) competition Group in December 2023

3

CORPORATE GOVERNANCE

The Report on Corporate Governance under Article L. 225-37 of the French Commercial Code has been prepared on the basis of contributions from several of the Company's corporate functional divisions, including in particular the Legal, Financial and Human Resources Departments. The Report on Corporate Governance was also submitted to the Nomination Committee and the Compensation Committee for their review. It was approved by the Board of Directors during its meeting on 14 February 2024.

3.1. Composition and operation of the Board of Directors

3.1.1. Composition of the Board of Directors

3.1.1.1. Corporate Governance Code

In accordance with Article L. 22-10-10 of the French Commercial Code, the Company refers to and, subject to what is set out below, complies with the Corporate Governance Code of listed companies developed by the *Association française des entreprises privées* (the "AFEP") and the *Mouvement des Entreprises de France* (the "MEDEF") in its version updated in December 2022 (the "AFEP-MEDEF Code").

The AFEP-MEDEF Code is available online at: http://www.medef.com.

The Company comply with the AFEP-MEDEF Code, except for the following recommendation:

3.1.1.2. Operation of the Board of Directors

(a) Composition: members of the Board of Directors as at 31 December 2023

The table below sets out the composition of the Board of Directors of the Company as at 31 December 2023:

	PROFIL					POSITION			BOARD COMMITTEE – ROLE AND ATTENDANCE RATE 2023				
DIRECTORS	AGE	SEX	NATIONALITY	SHARES	OTHER OFFICES IN LISTED COMPANIES [71]	APPOINTMENT DATE	END OF TERM OF OFFICE	ATTENDANCE RATE 2023 [72]	AUDIT	NOMINATIONS	COMPENSATION	SUSTAINABLE	STRATEGIC
EXECUTIVE OFFICERS													
Michel Giannuzzi	59	M	French	1,055,878	2	01.09.2017	GM 2027	100%				● 100%	♦ 100%
Patrice Lucas	57	M	French	2,000	0	11.05.2022	GM 2026	100%					
DIRECTORS REPRESENTING COMPANIES													
Marcia Freitas BWSA representative	57	F	Brazilian	NA	0	03.10.2019	GM 2025	100%	● 100%				
João Salles BWGI representative	42	M	Brazilian	NA	2	17.12.2020	GM 2027	100%		● 100%	● 100%		● 100%
Sébastien Moynot Bpifrance Investissement representative	51	M	French	NA	2	03.10.2019	GM 2025	100%				● 100%	
INDEPENDENT DIRECTORS													
Marie-José Donsion	52	F	French and Spanish	1 000	0	20.09.2019	GM 2024	71,4%	♦ 100%		● 100%		
Virginie Hélias	58	F	French and Swiss	1 000	0	20.09.2019	GM 2027	100%		● 100%		♦ 100%	
Cécile Tandeau de Marsac	60	F	French	1 000	2	20.09.2019	GM 2025	85,7%		♦ 100%	♦ 100%		
Pierre Vareille	66	M	French	10 000	1	04.02.2016	GM 2025	100%		● 100%	● 100%		● 100%
Didier Debrosse	67	M	French	3 000	1	11.05.2022	GM 2026	100%	● 100%				● 100%
EMPLOYEE REPRESENTATIVE DIRECTORS													
Xavier Massol	50	M	French	NA	0	10.01.2022	GM 2026	100%				● 100%	
Oliver Späth	46	M	German	NA	0	06.12.2023	GM 2026	N/A[73]					
EMPLOYEE SHAREHOLDER REPRESENTATIVE DIRECTORS													
Beatriz Peinado Vallejo	53	F	Spanish	3 673	0	11.05.2022	GM 2026	100%				● 100%	

[71] Number of offices held in listed companies outside of the Group, including foreign companies, in accordance with Article 20 of the AFEP-MEDEF Code.
[72] At meetings of the Board of Directors (excluding specialist committees).
[73] Not applicable since Oliver Späth was appointed after all meetings that were held in 2023.

VERALLIA'S GOVERNANCE IN A FEW FIGURES

57 years old	46%	40%	50%	93%
AVERAGE AGE	FOREIGN NATIONALITIES	PERCENTAGE OF WOMEN	OF INDEPENDENT DIRECTORS	ATTENDANCE RATE[74]

Key: ♦ Chair ● Member

The composition of the Board is thus consistent with the recommendation of the AFEP-MEDEF Code, which recommends that independent Directors should account for half the members of the Board in widely held corporations without controlling shareholders. The composition of the Board of Directors is also compliant with the recommendation of the French Financial Markets Authority on the diversification of Directors in terms of international experience: close to half of the Directors are foreign nationals (Brazilian, German, Spanish and Swiss) as at the date of this Universal Registration Document.

Pursuant to Article L. 225-27-1 of the French Commercial Code, and insofar as the Board of Directors is made up of more than eight Directors, the Board of Directors comprises, as at 31 December 2023, two employee representative Directors: Xavier Massol, appointed in January 2022 following an election organised by the Company in accordance with Article L. 225-28 of the French Commercial Code, and Oliver Späth, appointed by the Group's European Works Council in December 2023.
In accordance with Article L. 225-23 of the French Commercial Code, as at 31 December 2023, the Board of Directors also comprises an employee shareholder representative Director, Beatriz Peinado Vallejo, following her appointment under the seventh resolution adopted by the shareholders at their General Meeting of 11 May 2022.

Changes to the composition of the Board of Directors from 1 January 2024 to the date of this Universal Registration Document

There has been no change to the composition of the Board of Directors since 1 January 2024.

Planned changes to the composition of the Board of Directors following the General Shareholders' Meeting due to take place on 26 April 2024

The directorships of Marie-José Donsion and Pierre Vareille will expire at the end of the General Meeting to be held on 26 April 2024.

Accordingly, the shareholders will be asked, on the recommendation of the Nomination Committee, to renew the terms of Directors Marie-José Donsion and Pierre Vareille for a period of four years, i.e. until the end of the General Meeting to be held in 2028 to vote on the financial statements for the year ended on 31 December 2027.

[74] At meetings of the Board of Directors (excluding specialist committees).

(b) Personal information and the list of other offices of members of the Board of Directors as at 31 December 2023

Age: 59 years old

Nationality: French

Number of shares held: 1,055,878

Date of first appointment: 1 September 2017

Date term of office expires: GM 2027

Committee: Chairman – Strategic

Member - Sustainable Development

Attendance rate: 100%

Michel GIANNUZZI

CHAIRMAN OF THE BOARD OF DIRECTORS

Michel Giannuzzi was Verallia's Chairman and Chief Executive Officer from September 2017 until May 2022. Thanks to the successful implementation of a value creation strategy, he successfully led Verallia's initial public offering on the Euronext Paris market in October 2019.

Previously, from 2007 to 2017, he served as Chairman of the Management Board of Tarkett, a world leader in innovative solutions for floor coverings and sports surfaces. During his term of office, he implemented a profitable and sustainable growth strategy, leading to Tarkett's initial public offering on the Euronext Paris market in 2013.

Prior to that, Michel Giannuzzi held a series of executive positions at the Valeo and Michelin groups in France, Japan and the United Kingdom.

He is a graduate of École polytechnique and Harvard Business School.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Chairman of the Board of Directors, Chairman of the Strategic Committee and member of the Sustainable Development Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- Daher – Member of the Board of Directors and of the Strategic Committee
- Factory Mutual Insurance Company (FM Global) – Member of the Board of Directors and of the Audit Committee
- Kaufman & Broad – Member of the Board of Directors and of the Nomination and Compensation Committee
- Peugeot Invest – Member of the Board of Directors, the Finance and Audit Committee and the Investments and Shareholdings Committee

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- Verallia Deutschland AG – Chairman of the Supervisory Board
- Verallia Packaging – Chairman
- Verallia France – Chairman of the Board of Directors
- Verallia Italia S.p.A – Chairman of the Board of Directors
- Rayen Curá S.A.I.C – Chairman of the Board of Directors
- Vidrieras de Canarias S.A. – Permanent representative of the Verallia Packaging Director
- Horizon Intermediate Holdings S.C.A. – Person responsible for day-to-day management

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- N/A

Age: 57 years old

Nationality: French

Number of shares held: 2,000

Date of first appointment: 1 February 2022

Date term of office expires: GM 2026

Committee: N/A

Attendance rate: 100%

Patrice LUCAS

CHIEF EXECUTIVE OFFICER

Patrice Lucas has been the Chief Executive Officer of Verallia since 11 May 2022, having held the position of Deputy Chief Executive Officer from 1 February 2022.

For 30 years, he built his career in the automotive industry, including 15 years at the automotive supplier Valeo and 15 years at automotive manufacturer PSA/Stellantis. Having graduated in mechanical engineering from the University of Technology of Compiègne, which included a year at the University of Illinois, he obtained a Master's degree in Quality Management from the engineering institute ENSAM in Paris and joined Valeo in 1991 as a quality engineer. He subsequently took on various roles there as an engineer, then as a plant Director in Mexico and finally as general manager of a European business unit.

In 2006, he joined the PSA group as Senior Vice-President in the engineering organisation. In 2010, he was then appointed Light Commercial Vehicles Program Director, with responsibility for updating the product range and for lifecycle management.

In 2014, he became Executive Vice-President and a member of the Global Executive Committee, in charge of Corporate Planning and Strategy: he was responsible for overseeing strategic plans, optimising R&D and allotting capital expenditure in accordance with the Product Plan, and looking after matters pertaining to business development. In 2018, he was named Deputy Chief Engineering Officer at Stellantis and joined the Group's Executive Committee in this capacity.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Chief Executive Officer
- Verallia Packaging – Chairman
- Verallia Deutschland AG – Chairman of the Supervisory Board

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- Verallia France – Chairman
- Verallia Holding UK – Member of the Board

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- N/A

Age: 58 years old

Nationality: Brazilian

Number of shares held: 100

Date of first appointment: 3 October 2019

Date term of office expires: GM 2025

Committee: Member – Audit

Attendance rate: 100%

Marcia FREITAS

PERMANENT REPRESENTATIVE OF BWSA

Marcia Freitas has been Executive Director and member of the Executive Committee of Brasil Warrant S.A. (BW) since 2013, where she is responsible for overseeing all legal, tax and regulatory matters of the Group's holding company and of BWGI, the Group's asset management subsidiary. Before joining BW, Marcia Freitas worked for more than 25 years as a lawyer in the Brazilian financial industry, 15 of which as head of legal and general counsel for Unibanco and HSBC Brazil. Marcia Freitas obtained her law degree at the Rio de Janeiro State University (UERJ) in 1988 and has an LLM in corporate law from the New York University School of Law (1993). In 2014, she also attended the Corporate Governance and Capital Markets for Executives Program at B.I. International, in partnership with Columbia University and Johns Hopkins University.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – permanent representative of Brasil Warrant Administração de Bens e Empresas S.A. (Director) and member of the Audit Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- Brasil Warrant Administração de Bens e Empresas S.A. – Member of the Executive Committee
- Brasil Warrant, LLC – Chairwoman
- BW Gestão de Investimentos Ltda. – Executive Director
- Cambuhy Agrícola LTDA. – Director
- Cambuhy Alpa Holding LTDA. – Executive Director
- Companhia e. Johnston de Participações – Executive Director
- Imopar Participações Imobiliárias LTDA. – Executive Director
- Itaparica S/A. Empreendimentos Turísticos – Chairwoman of the Board of Directors
- IUPAR – Itau Unibanco Participações S.A. – Executive Director
- Marilia Investimentos Ltd. – Director
- Patizeiro Participações Ltda. – Executive Director
- Santana Investimentos Ltd. – Director
- Santo Aleixo Empreendimentos Agropecuários Ltda. – Executive Director
- São Gregório Representação E Participações Ltda. – Executive Director
- São Vicente Representação E Participações Ltda. – Executive Director
- Unicorp International Finance Corporation – Director
- Baryon Fund Ltd. – Director
- Lepton Fund Ltd. – Director
- Mantiqueira Overseas Fund Ltd. – Director
- Meson Fund Ltd. – Director
- Art Corporation – Director
- Atom Ltd. – Director
- Hadron Investment LLC – Manager
- Itatiaia Overseas Fund Ltd. – Director
- Meson Investment Ltd. – Director
- Meson LLC – Director
- Tandem Fund Ltd – Director
- Malu International Corp. – Director
- Kirkiville Financial Inc. – Director

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- Triz Design Ltda. – Chief Executive Officer
- Amityville Overseas Corp. – Director
- Blue Mountains Limited – Director
- Brattleboro Overseas Limited – Director
- Duetto Holdings Ltd – Director
- Groveport International Corp. – Director
- Hoffsfield Finance Ltd – Director
- Jabuticaba Investment Ltd – Director
- Jamboree Holdings Ltd – Director
- Mooresville Ltd – Director
- Orionis Ltd – Director
- Santo Andre Investimentos Ltd – Director
- São Carlos Investimentos Ltd – Director
- São João Investimentos Ltd – Director
- São Lucas Investimentos Ltd – Director
- São Marcos Investimentos Ltd – Director
- Sprigtree Consultants Ltd – Director
- Vesperi Ltd – Director

Age: 43 years old

Nationality: Brazilian

Number of shares held: 103

Date of first appointment: 3 October 2019

Date term of office expires: GM 2027

Committee:

Member – Nomination

Member - Compensation

Member - Strategic

Attendance rate: 100%

João SALLES

PERMANENT REPRESENTATIVE OF BWGI

João Salles holds a B.A. in Economics from INSPER, a Master's degree in Economics and an M.S. in Finance both from Columbia University in New York, and a Ph.D. in Economics from the University of São Paulo. He has been a member of the Executive Committee at BWSA, a holding company, since 2017, and is the Chairman and CEO of its asset management firm, BWGI, where he has been a member of the Investment, Risk and Management Committees since 2014. João Salles currently holds positions as Board member of Itaú Unibanco, of IUPAR (which controls Itaú Unibanco), and of Alpargatas. Between 2013 and 2018, João Salles was a Partner, Investment Professional (MD) and member of Cambuhy Investimentos' Investment Committee. Prior to that, he worked at the investment bank, J.P. Morgan in New York, focusing on M&A, ECM and DCM.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia - permanent representative of BW Gestão de Investimentos Ltda (Director), member of the Nomination Committee, the Compensation Committee and the Strategic Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- Brasil Warrant Administração de Bens e Empresas S.A. – Managing Director and Member of the Executive Committee
- BW Gestão de Investimentos Ltda. – Chairman and Chief Executive Officer
- Itaú Unibanco Holding S.A. – Director and member of the Committees of the Board of Directors
- IUPAR – Itau Unibanco Participações S.A. – Director
- Alpargatas – Director and Member of the Finance Committee, the Strategic Committee and the HR Committee

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- Verallia – permanent representative of BW Gestão de Investimentos Ltda, member of the Nomination and Compensation Committee
- Verallia – permanent representative of Brasil Warrant Administração de Bens e Empresas S.A., member of the Nomination and Compensation Committee

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- Cambuhy Investimentos Ltda. – Partner, Managing Director and Member of the Investment Committee
- XP Investimentos – Director

Age: 52 years old
Nationality: French
Number of shares held: 0
Date of first appointment: 3 October 2019
Date term of office expires: GM 2025
Committee: Member - Sustainable Development
Attendance rate: 100%

Sébastien MOYNOT

REPRÉSENTANT PERMANENT DE BPIFRANCE INVESTISSEMENT

Sébastien Moynot, ancien élève de l'École Normale Supérieure de Paris et diplômé de l'École nationale de la statistique et de l'administration économique, est depuis 2013 membre du Comité de direction et du capital development chez Bpifrance, où il dirige aujourd'hui l'activité investissements au capital des ETI et des grandes entreprises. Préalablement, Sébastien Moynot a exercé pendant une dizaine d'années plusieurs responsabilités à la Direction du Trésor du ministère des Finances ; il a notamment été en charge des entreprises du secteur des transports à l'Agence des Participations de l'État et était auparavant Responsable de la Stratégie puis des Opérations de Marché à l'Agence France Trésor.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – permanent representative of Bpifrance Investissement (Director) and member of the Sustainable Development Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- Kyoto TopCo SAS – Member of the Supervisory Committee
- Arkema – Director
- Bénéteau – Director
- Cosmeur SAS – Chairman of the Board of Directors
- Vivescia Industries – Non-voting member of the Supervisory Board
- Nexteam – Non-voting member of the Strategic Committee

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- Verallia – permanent representative of Bpifrance Participations, Director

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- Farinia SA – Director
- AD Industries SAS – Non-voting member
- Albioma – Director
- Altrad Investment Authority SAS – Director
- Green Yellow – Member of the Supervisory Board

Age: 59 years old
Nationality: French and Swiss
Number of shares held: 1,000
Date of first appointment: 3 October 2019
Date term of office expires: GM 2027
Committee: Chairwoman – Sustainable Development
Member - Nomination
Attendance rate: 100%

Virginie HELIAS

INDEPENDENT DIRECTOR

Virginie Hélias, alumna of HEC Paris (Hautes Études Commerciales), has been Vice President in charge of sustainable development in the Procter & Gamble Group since 2016. She has been a member of the Procter & Gamble Group Executive Committee since January 2020. She began her career in 1988 in the same group, where she held various positions in France, the United States and Switzerland in marketing, brand management, sales, innovation and digital, before creating, in 2011, a sustainable development position at the intersection between brand management and the Environment Department.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Independent Director, Chairwoman of the Sustainable Development Committee and member of the Nomination Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- Procter & Gamble - Chief Sustainability Officer

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- N/A

Marie-José DONSION

INDEPENDENT DIRECTOR

Age: 53 years old

Nationality: French and Spanish

Number of shares held: 1,000

Date of first appointment: 3 October 2019

Date term of office expires: GM 2024

Committee: Chairwoman – Audit

Member – Compensation

Attendance rate: 71.4%

Marie-José Donsion graduated from the European School of Management (Paris) business school and currently serves as Chief Financial Officer of Arkema. Prior to that, she was a Director on the Arkema Board of Directors and Chairwoman of its Audit Committee. During her earlier career within the Alstom Group, she was Chief Financial Officer of the Group, after holding various financial positions within several subsidiaries in France and abroad. Before joining Alstom, Marie-José Donsion had begun her career with Pricewaterhouse Coopers in the audit branch.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Independent Director and Chairwoman of the Audit Committee and Compensation Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

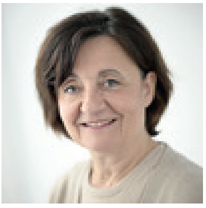
- Arkema – Chief Financial OfficerArkema – Chief Financial Officer

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- Arkema – Director and Chairwoman of the Audit and Accounts Committee



Cécile TANDEAU DE MARSAC

INDEPENDENT DIRECTOR

Age: 60 years old

Nationality: French

Number of shares held: 1,000

Date of first appointment: 3 October 2019

Date term of office expires: GM 2025

Committee: Chairwoman – Nomination

Chairwoman – Compensation

Attendance rate: 85.7%

Cécile Tandeau de Marsac, a graduate of NEOMA Business School, holds a Master's degree in Economics and has been an Independent Director on the Board of Directors of the Sodexo Group since 2016, where she chairs the Nomination Committee and the Compensation Committee. From 2012 to 2019, she was General Manager in charge of Human Resources for the Solvay Group in Belgium. From 2011 to 2012, she led the integration of the Rhodia and Solvay groups. Prior to that, she held various positions in the Rhodia Group in the Human Resources Department from 2007 to 2011, and at Nestlé in marketing, sales, communication and human resources from 1987 to 2006.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Independent Director and Chairwoman of the Nomination Committee and Compensation Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- Sodexo – Director, Chairwoman of the Compensation Committee and member of the Nomination Committee
- Unibel – Member of the Supervisory Board and of the Nomination and Compensation Committee
- Daher – Director and member of the Governance Committee

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- Verallia - Chairwoman of the Nomination and Compensation Committee

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- Arkema – Director and Chairwoman of the Audit and Accounts Committee
- Groupe BEL - Member of the Nomination and Compensation Committee

Pierre VAREILLE

INDEPENDENT DIRECTOR

Age: 66 years old

Nationality: French

Number of shares held: 10,000

Date of first appointment: 4 February 2016

Date term of office expires: GM 2024

Committee: Member – Strategic

Member – Nomination

Member – Compensation

Attendance rate: 100%

Pierre Vareille est diplômé de l'École Centrale de Paris et ancien élève de l'Université de la Sorbonne, de SciencesPo Paris et de l'Institut de Contrôle de Gestion. Il a été Directeur Général au sein de plusieurs entreprises internationales, en particulier Wagon Automotive, fabricant britannique d'équipements automobiles, coté à Londres, et FCI, un des principaux fournisseurs mondiaux de connecteurs électroniques. Pierre Vareille occupait jusqu'en juillet 2016 la fonction de Directeur Général de Constellium, un leader mondial dans la vente de produits en aluminium à forte valeur ajoutée, coté à New York. Pierre Vareille a été Président du Conseil d'administration du Groupe Bic et est actuellement Vice-Président du Conseil d'administration de Vallourec et Administrateur d'Outokumpu Oyj en Finlande.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Independent Director, Chairman of the Strategic Committee and member of the Nomination Committee and the Compensation Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- Vallourec – Vice-Chairman of the Board of Directors, Independent Reference Director, Chairman of the Nomination and Governance Committee and Chairman of the Compensation Committee
- Outokumpu Oyj – Director and member of the Remuneration Committee

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- Verallia – member of the Nomination and Compensation Committee
- Verallia – Chair of the Strategic Committee

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- Bic – Chairman of the Board of Directors
- Ferroglobe plc – Director
- Etex SA – Director
- Vectra – Director

Didier DEBROSSE

INDEPENDENT DIRECTOR

Age: 67 years old

Nationality: French

Number of shares held: 3,000

Date of first appointment: 11 May 2022

Date term of office expires: GM 2026

Committee: Member – Audit

Member – Strategic

Attendance rate: 100%

Didier Debrosse a été Directeur Général au sein de plusieurs entreprises internationales opérant dans le secteur de la grande consommation : Beiersdorf Nivea, Mondelez international et Heineken. Après une carrière commerciale, il a occupé des fonctions dans les achats, les ressources humaines et finalement de Direction Générale jusqu'en décembre 2019. Au sein du groupe Heineken, il a été successivement président de la France, de l'Europe de l'Ouest et finalement du Brésil. Il a participé activement à deux acquisitions majeures pour le groupe Heineken : S&N en 2008 et Kirin Brasil en 2016. À ce titre, il a acquis une grande expérience des intégrations et des relations avec les autorités de la concurrence. Didier Debrosse a également été administrateur des sociétés Chr. Hansen au Danemark et de Compania Cervecerias Unidas au Chili. Il est actuellement Président du Conseil d'administration des sociétés Baru Panama et de FIFCO au Costa Rica.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Independent Director, member of the Audit Committee and of the Strategic Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- Baru Panama – Chairman of the Board of Directors
- FIFCO – Chairman of the Board of Director

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- Heineken Brazil – Chairman

Age: 50 years old

Nationality: French

Number of shares held: N/A

Date of first appointment: 10 January 2022

Date term of office expires: GM 2026

Committee: Member – Sustainable Development

Attendance rate: 100%

Xavier MASSOL

EMPLOYEE REPRESENTATIVE DIRECTOR

Xavier Massol was born in 1973 and, since 2000, has worked for Verallia France in the Albi factory where he started his career as a general production operative and has been an IS machine operator since 2004. He is a member of the Confédération Générale du Travail (CGT) union and has performed various duties as an employee representative. In particular, he was secretary of the Works Council from 2006 to 2019, deputy secretary of the French group council, director of the VOA mutual company and member of the VOA Occupational Health and Safety Committee and of the Supervisory Board.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Director, employee shareholder representative and member of the Sustainable Development Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- N/A

Age: 46 years old

Nationality: German

Number of shares held: N/A

Date of first appointment: 6 December 2023

Date term of office expires: GM 2026

Committee: Member – Compensation

Attendance rate: N/A

Oliver SPÄTH

EMPLOYEE REPRESENTATIVE DIRECTOR

as Head of Workshop – CE Operations since 2010. When he first joined the Group, he was a Workshop Manager until 2015.

Before joining Verallia, Mr Späth began his career with Liebherr where he successfully completed his training as an industrial mechanic before working as a welder and machine operator for Hohen Zollern from 1997 to 2000.

Mr Späth went on to work for Voith Paper, a leading paper machine manufacturer, where he worked as a service technician. He obtained a Bachelor's degree in Metal Production and Management in 2009.

Mr Späth was also a member of Verallia Deutschland Works Council from 2021 to 2023.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Director, employee shareholder representative and member of the Compensation Committee

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- N/A

Age: 53 years old

Nationality: Spanish

Number of shares held: 3,673

Date of first appointment: 11 May 2022

Date term of office expires: GM 2026

Committee: Member – Sustainable Development

Attendance rate: 100%

Beatriz PEINADO VALLEJO

EMPLOYEE SHAREHOLDER REPRESENTATIVE

Beatriz Peinado Vallejo, born in 1970, a graduate of Law School at Complutense University of Madrid, holds a Master's degree in Compliance from the Charles III University of Madrid. From 2007 to 2015, she was Head of the Legal Department at Loxam-Hune Group (rental of equipment for construction and public building) for Iberia. From 2005 to 2007, she was Vice-Director of the Legal Department at Sigla, S.A. (VIPS Group) in Iberia, dedicated to leisure and catering activities. Prior to that, from 1996 to 2005, she was Head of the Legal Department at Tengelmann España, S.A. (Tengelmann Group), dedicated to hard-discount supermarkets for Iberia.

OFFICES AND POSITIONS HELD WITHIN THE VERALLIA GROUP

- Verallia – Director, employee shareholder representative and member of the Sustainable Development Committee
- Verallia Spain, S.A. - Secretary of the Board and member of the Board
- Verallia Portugal, S.A. - member of the Board.
- Ecosan Ambiental, S.A.: Secretary of the Board and member of the Board
- Ecolabora – Reciclado y Gestión de Residuos, S.L.U. - Secretary of the Board and member of the Board
- Vidrologic – Gestão de Resíduos e Ambiente Unipessoal, Lda. - member of the Board

OFFICES AND POSITIONS HELD OUTSIDE THE GROUP

- IMAI LA CABRERA, S.L. : Co-administrator

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS WITHIN THE GROUP

- N/A

TERMS OF OFFICE THAT EXPIRED IN THE LAST FIVE YEARS OUTSIDE THE GROUP

- N/A

3.1.1.3. Non-voting members

Pursuant to Article 15 of the Articles of Association, the Board of Directors may appoint one or more non-voting members, up to a maximum number of two. Non-voting members may be natural or legal persons, but need not be shareholders. The term of office of non-voting members shall be four years, unless they resign or the Board of Directors decides to terminate the appointment early. The duties of non-voting members, including any compensation, shall be decided by the Board of Directors. Non-voting members shall be eligible for re-election. They shall be invited to meetings of the Board of Directors and shall participate in discussions in an advisory capacity. The procedures relating to the prevention of conflicts of interests and the implementation of the Market Abuse Regulation, implemented by the Company in respect of Directors, are also applicable to non-voting members.

By decision of the Board of Directors dated 3 October 2019, Guilherme Bottura was appointed as non-voting member for a term of four years, expiring at the end of the General Shareholders' Meeting of 25 April 2023. Mr. Guilherme Bottura's term of office was renewed by the Board of Directors on 15 February 2023, for a period of four years, i.e. until the close of the General Shareholders' Meeting to be held in 2027.

Non-voting members do not receive any remuneration for their term of office.

Age: 44 years old

Nationality: Brazilian

Number of shares held: N/A

Date of first appointment: 3 October 2019

Date term of office expires: GM 2027

Guilherme BOTTURA

NON-VOTING MEMBER

Guilherme Bottura graduated from the Polytechnic School of the University of São Paulo with a bachelor's degree in production engineering. He is the Managing Director of BWGI, the Global Asset Management Division of BWSA, and has been a member of BWGI's Investment Committee, Risk Committee and Management Committee since 2018. Guilherme Bottura is currently a Director, a member of the Finance Committee and the Audit Committee of Eneva SA, a member of the Finance Committee of Alpargatas SA and a member of the Audit Committee of Fundo Patrimonial Amigos da Poli, an endowment fund affiliated with the Polytechnic School of the University of São Paulo. Between 2011 and 2018, Guilherme Bottura was a partner and member of the Investment Committee of Cambuhy Investimentos. Before that, he was a portfolio manager at Lanx Capital between 2009 and 2011, and Vice-President at Goldman Sachs between 2005 and 2009.

3.1.2. Declarations relating to members of the Board of Directors and to the executive officers

To the Company's knowledge, in the last five years:

- (i) none of the members of the Board of Directors or the Chief Executive Officer of the Company has been convicted of fraud;
- (ii) none of the members of the Board of Directors or the Chief Executive Officer of the Company has been associated with a bankruptcy, sequestration, liquidation or placement of a company under court-ordered administration;
- (iii) none of the members of the Board of Directors or the Chief Executive Officer of the Company has been found guilty and/or been subject to official public sanction by judicial or administrative authorities (including designated professional bodies); and
- (iv) none of the members of the Board of Directors or the Chief Executive Officer of the Company has been prohibited by a court from acting as a member of an administrative, management or supervisory body of an issuer or from being involved in the management or conduct of business of an issuer.

3.1.3. Conflicts of interest

3.1.3.1. Conflicts of interest at the level of management bodies and executive officers

Under the Internal Rules of the Board of Directors, each Board member is required to inform the Board of any conflict of interest situation, even potential, and must refrain from attending the debate and taking part in the vote on the corresponding deliberation. This obligation also applies to non-voting Board members.

To the Company's knowledge, as at the date of this Universal Registration Document, there are no potential conflicts of interest between the duties of members of the Board of Directors or the Chief Executive Officer of the Company towards the Company and their private interests and/or other duties.

3.1.3.2. Information on service agreements linking the members of the Board of Directors to the Company or any of its subsidiaries

To the Company's knowledge, only the service agreement between the Company and one of the members of the Board of Directors described in paragraph 5.6 exists as at the date of this Universal Registration Document.

3.1.4. Operation of the Board of Directors

3.1.4.1. Rules for the composition of the Board of Directors

The Articles of Association provide that the Company's Board of Directors (the "**Board**" or the "**Board of Directors**") shall consist of between three and eighteen members, subject to the exceptions permitted by law. As at 31 December 2023, the Board was composed of 13 members and one non-voting member.

In accordance with Article 15 of the Articles of Association, the term of office of a Director shall be four years and is renewable. This term complies with the recommendations of the AFEP-MEDEF Code. Directors shall not be older than 75 years of age (it being specified that the number of Directors over the age of 70 may not exceed one third of the Directors in office) and shall be subject to applicable laws and regulations on multiple appointments.

Directors are appointed by the shareholders at their General Meeting on the proposal of the Board of Directors, which itself receives proposals from the Nomination Committee. They may be removed from office at any time by the Ordinary General Shareholders' Meeting.

3.1.4.2. Internal Rules of the Board of Directors

The Board of Directors has Internal Rules to set out its operating procedures, in addition to the applicable legal and regulatory provisions and the Company's Articles of Association. The provisions of the Internal Rules entered into force on 7 October 2019, the date on which the Company's shares were admitted to trading on the Euronext Paris regulated market. They were successively updated on 30 July 2020, 6 December 2021, 27 July 2022, 15 February 2023 and 5 December 2023. The Internal Rules of the Board of Directors include in the appendix the respective Internal Rules of the Audit Committee, the Nomination Committee, the Compensation Committee, the Sustainable Development Committee and the Strategic Committee.

The Internal Rules of the Board of Directors are in line with marketplace recommendations aimed at ensuring compliance with the fundamental principles of corporate governance, and in particular those referred to in the AFEP-MEDEF Code. These Internal Rules describe the manner of operation, powers and duties of the Board of Directors. They also specify the rules of ethics applicable to its members. They include rules for the holding of meetings of the Board of Directors, as well as provisions relating to the frequency of meetings, the attendance of Directors and their disclosure obligations with regard to the rules governing multiple appointments and conflicts of interest.

The Company's Articles of Association and Internal Rules are available on the Company's website (www.verallia.com).

3.1.4.3. Duties of the Board of Directors

The Board of Directors shall determine and monitor the implementation of the Company's overall business strategy, in accordance with its corporate interest. It examines and decides on significant transactions. Board members are informed of market developments, the Company's competitive environment and key issues, including in terms of social and environmental responsibility.

The Board of Directors shall perform the duties and exercise the powers conferred on it by law, the Company's Articles of Association and its Internal Rules. The Board of Directors shall determine and assess the implementation of the Company's business strategy, objectives and performance. It shall examine any and all matters pertaining to the efficient operation of the Company and make decisions about any and all issues concerning the Company, within the limits of the Company's corporate purpose and except for those issues which, by law, can only be decided upon by shareholders at a General Meeting.

On the recommendation of the Executive Management, the Board of Directors also determines the multi-year strategic guidelines in relation to social and environmental responsibility. The climate strategy contains specific objectives set for different time scales. The Board is kept informed annually by the Executive Management of the findings obtained. In accordance with the recommendations of the AFEP-MEDEF Code, as updated in December 2022, this climate strategy, together with the main action undertaken to this end, will be presented to the General Shareholders' Meeting at least once every three years or whenever a material change is made.

The Board of Directors shall also carry out the controls and checks that it deems appropriate and may be provided with the documents it considers useful for the performance of its duties.

The Board of Directors shall set the limitation of the powers of the Chief Executive Officer, if the Company has one, in accordance with its Internal Rules, with regard to operations for which the prior authorisation of the Board of Directors is required (for further details, see Section 3.2 "Methods and operation of Executive Management").

The Board of Directors shall ensure the good corporate governance of the Company and the Group as well as the quality of the information given to shareholders and investors.

The Internal Rules define information procedures for Directors. In particular, they state that the Chairman of the Board of Directors shall provide the members of the Board of Directors, within a sufficient period of time and except in emergencies, with the information or documents in his or her possession to enable them to carry out their duties effectively. Any member of the Board of Directors who has not been able to knowingly deliberate on an issue has a duty to inform the Board of Directors and to request the information necessary for the performance of his or her duties.

3.1.4.4. Meetings and deliberations of the Board of Directors

The terms and conditions of meetings of the Board of Directors are set out in its Internal Rules. Thus, the Board is called by its Chairman or one of its members, by any means, even orally. The person who convenes the meeting shall set the agenda for the meeting.

The Board of Directors meets at least four times a year and, at any other time, as often as the interests of the Company require. The frequency and duration of the meetings should be such that they allow for a thorough review and discussion of matters within the remit of the Board of Directors. During the financial year ended on 31 December 2023, the Board of Directors met seven times (see sub-section 3.1.4.7 below).

Board of Directors' meetings are chaired by the Chairman. In the event of the absence of the Chairman, the meetings shall be chaired by a member appointed by the Board of Directors.

At least half of the Board members must be present for decisions taken at Board meetings to be valid. Members participating in meetings shall be deemed to be present, for the purposes of quorum and majority calculations, by means of video conferencing or telecommunications, enabling their identification and ensuring their effective participation, under the conditions set out in applicable laws and regulations. Certain decisions of the Board of Directors can be taken by written consultation of Directors, on the conditions of the applicable legislative and regulatory provisions.

Each meeting of the Board of Directors and of the committees put in place by the Board must be long enough to allow productive and thorough discussion of the agenda. Decisions shall be taken by a majority of Directors present or represented. In the event of a tie, the Chairman of the meeting shall have the casting vote.

The Internal Rules of the Board of Directors also recall the obligations of the members of the Board of Directors, as described in the AFEP-MEDEF Code. The Internal Rules provide, in particular, that the members of the Board of Directors, upon appointment, may benefit from additional training on the specific characteristics of the Company and the companies it controls, their business lines and business sector, and the challenges faced by the Company in relation to social and environmental responsibility, particularly climate matters. Board members may occasionally hear from the main executive managers of the Group, who may be invited to attend meetings of the Board of Directors.

Finally, the Board of Directors is expected to be regularly informed of the financial situation of the Company and the Group and the Chief Executive Officer shall notify the Directors on an ongoing basis of any information concerning the Company that he/she is aware of and deems useful or relevant. The Board of Directors and the committees may also hear from experts in their respective fields.

3.1.4.5. Independence of Directors

The Board of Directors ensures that the proportion of independent members on the Board and on Board committees meets the recommendations of the AFEP-MEDEF Code. As the Company's share capital is widely held and in the absence of a controlling shareholder at the date of this Universal Registration Document, the proportion of Independent Directors must therefore be half of the members of the Company's Board of Directors, in accordance with paragraph 10.3 of the AFEP-MEDEF Code.

Employee representative Directors, the employee shareholder representative Director and the non-voting member do not count when determining the percentage of independent members.

In accordance with the AFEP-MEDEF Code, the Board of Directors examines the situation of each of its members (or candidates) with regard to the independence criteria adopted by the Company at the time of each renewal or appointment of a member of the Board of Directors and at least once a year before the publication of the Company's corporate governance report. During this assessment, the Board of Directors, after consulting the Nomination Committee, shall examine on a case-by-case basis the qualifications of each of its members (or candidates) with respect to the criteria of the AFEP-MEDEF Code, the specific circumstances and the position of the person concerned in relation to the Company. The findings will be disclosed to shareholders in the report on corporate governance and, where appropriate, at the General Shareholders' Meeting when members of the Board of Directors are elected.

At its meeting on 14 February 2024, the Board of Directors reviewed and assessed the independence of the members of the Board and confirmed, with regard to the independence of Marie-José Donsion, Virginie Hélias, Cécile Tandeau de Marsac, Pierre Vareille and Didier Debrosse, that the previous independence analyses made were still valid.

For each Director, this assessment was backed by the independence criteria mentioned in points 10.5 to 10.7 of the AFEP-MEDEF Code, as indicated in the table below.

Concerning more particularly the analysis of independence with respect to the criterion of direct or indirect business relationship, an additional quantitative and qualitative analysis is conducted on a case-by-case basis, with special attention paid to assessing the existence or absence of a business relationship, its materiality and assessing the independence of the Director concerned. To the Company's knowledge, as at 31 December 2023 and as at the date of this Universal Registration Document, no business relationship (as defined by Article 10.5.3. of the AFEP-MEDEF Code) existed between, on the one hand, a member of the Board of Directors considered as independent and on the other hand, the Company or any of its subsidiaries.

With regards to Bpifrance Investissement, its status as a major shareholder means that it cannot be considered as an Independent Director. The Board of Directors nevertheless wished to examine the business relationships existing between the Company and the Bpifrance group. This approach allows an assessment to be made, per Section 5.6.1.1, as to whether their importance and nature could affect the judgement of this Director.

After conducting a study using different criteria, the Board of Directors concluded that there was no economic dependence or exclusivity between the two groups, and that the business relationships were not considered material. This study was completed by integrating several key parameters such as the Company's overall indebtedness and liquidity and the size of the loan granted by Bpifrance, which is below the materiality threshold (determined by the Board of Directors) of 5% of the Group's net indebtedness.

Sébastien Moynot, permanent representative of Bpifrance Investissement, has also confirmed that he has no direct decision-making power within the Bpifrance group bodies that may be called upon to occasionally decide on whether loans should be granted to, or partnerships should be forged with, the Company or its subsidiaries. He has also confirmed that he receives no compensation and has no personal interest related to the aforementioned business relationships.

Application of the independence criteria of Article 10 of the AFEP-MEDEF Code										
	Michel Giannuzzi (NI)	Patrice Lucas (NI)	Bpifrance Investissement (NI)	BWGI (NI)	BWSA (NI)	Marie-José Donsion (I)	Virginie Hélias (I)	Cécile Tandeau de Marsac (I)	Pierre Vareille (I)	Didier Debrosse (I)
Criterion 1: employee/ corporate officer within the past five years	x	x								
Criterion 2: cross-directorships	x	x								
Criterion 3: significant business relationships										
Criterion 4: family ties										
Criterion 5: auditor										
Criterion 6: period of office exceeding 12 years										
Criterion 7: status of non-executive officer	x									
Criterion 8: status of the major shareholder			x	x	x					

I: Independent / NI: Non Independent / X: independence criterion not met

Criterion 1: Employee/corporate officer in the previous five years

Not be or not have been in the previous five years:

• an employee or executive officer of the Company;

• an employee, executive officer or Director of a company consolidated by the Company;

• an employee, executive officer or Director of the parent company of the Company or of a company consolidated by such parent company.

Criterion 2: Cross-directorships

Not be an executive officer of a company in which the Company holds, directly or indirectly, a directorship or in which an employee appointed as Director or an executive officer of the Company (currently or within the last five years) holds a directorship.

Criterion 3: Material business relationships

Not be a significant customer, supplier, business banker, financing banker, consultant:

• of the Company or Group;

• or for which the Company or Group represents a significant share of the business.

Criterion 4: Kinship

Not be a close relative of a corporate officer.

Criterion 5: Statutory Auditor

Not have been the Company's Statutory Auditor in the last five years.

Criterion 6: Term of office exceeding 12 years

Not be a Director of the Company for more than 12 years. The loss of the Independent Director title occurs on the anniversary date of the twelve years.

Criterion 7: Status of non-executive officer

A non-executive officer cannot be considered independent if he or she receives variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group.

Criterion 8: Status of major shareholder
Directors representing the Company's major shareholders may be considered as independent insofar as these shareholders do not participate in the Company's control. However, beyond a threshold of 10% in capital or in voting rights, the Board of Directors, on the basis of a report of the Nomination Committee, shall systematically review the qualification of independent, taking into account the composition of the Company's capital and the existence of a potential conflict of interest.

3.1.4.6. Shares held by Directors

Under Article 2.10 of the Board of Directors' Internal Rules, each Director shall hold at least 1,000 shares of the Company throughout his or her term of office and, in any event, within six months of his or her appointment. This requirement does not apply to permanent representatives of Directors that are legal persons, nor to employee representative Directors and employee shareholder representative Directors of the Group. This also does not apply, following a decision of the Board of Directors, to employee shareholder representative Directors, for whom the internal procedures prohibit the direct holding of shares by their representatives (which is notably the case for the permanent representative of Bpifrance Investissement, the Director appointed at the proposal of Bpifrance Participations, a shareholder). Loans of shares by the Company to members of the Board of Directors are not permitted in order to fulfil this obligation. Upon assuming office, members of the Board of Directors shall register the securities they hold in the nominative form. The same shall apply for any securities subsequently acquired.

3.1.4.7. Operation of the Board of Directors

(a) Integration and training of members of the Board of Directors

Once a Board Member has been appointed, they may benefit from a site visit, training on the specific characteristics of the Company and the companies it controls, their business lines and business sector, and the challenges faced by the Company in relation to social and environmental responsibility, particularly climate matters. Moreover, when new Directors join, they can meet the Group's main executives.

(b) Activities of the Board of Directors during the financial year ended 31 December 2023

During the 2023 financial year, the Board of Directors met seven times and held one executive session, in the absence of the Chief Executive Officer but with all other Directors, on 25 July 2023.

The Board mainly considered and debated the following issues:

- The accounting and financial information;
- press releases relating to the financial results;
- the budget for 2024 and the medium-term business plan;
- the Group's CO2 emissions reduction initiatives and those for the increased use of cullet;
- safety within the Group.
- the Group's strategic plan;
- risk management;
- cybersecurity;
- the share buyback programme;
- projects for strategic investments and acquisitions;
- say-on-pay matters;
- the employee engagement study and approving and monitoring of the action taken;
- reviewing the CSR performance indicators;
- the self-assessment of the Board of Directors;
- the appointment of the Group Director of Human Resources to the Group's Executive Committee;
- the update to the Performance Share Plan;
- the continuation of the employee shareholding programme;
- the analysis of the comments shared by main shareholders and proxy advisors during the governance roadshow;
- the analysis of the votes cast by shareholders at the General Meeting of 25 April 2023, and more specifically the analysis of the reasons which could have led to negative votes;
- compliance (particularly with regard to competition law, prevention of corruption and protection of whistleblowers); and
- the applicable regulations with regard to market abuse and insider information (annual reminder).

Board members also received training on Directive 2022/2464 of the European Parliament and of the Council of 14 December 2022, known as the "CSRD", on 4 December 2023.

Furthermore, at its meeting on 14 February 2024, the Board of Directors reviewed and signed off the annual financial statements for the 2023 financial year and the resolutions to submit to the General Meeting on 26 April 2024, or carried out a review of the independence of its members. Moreover, the Board of Directors reviewed the criteria for determining usual agreements carried out at arm's length to ensure that they are always appropriate and in line with market practices, in accordance with the procedure for the annual assessment of agreements on transactions which are deemed usual and carried out at arm's length, adopted on 28 April 2020 in accordance with the provisions of Article L. 22-10-12 of the French Commercial Code.

The secretariat for the work of the Board of Directors is provided by the CSR Director and General Counsel.

(c) Diversity within the Board of Directors

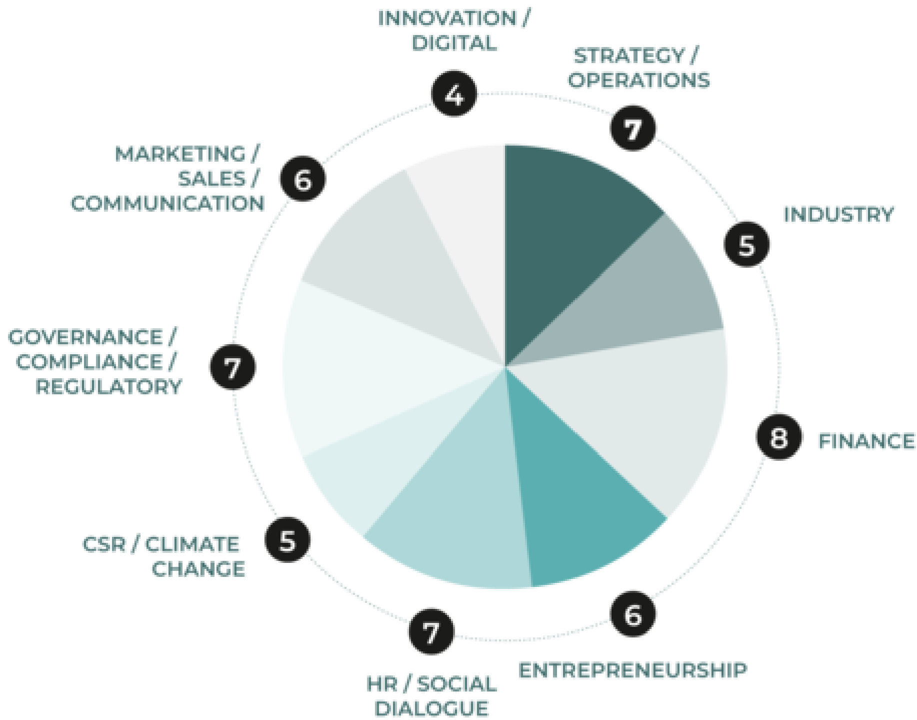
The Company seeks to continually improve its governance practices. Accordingly, beyond gender parity, the presence of the required number of independent Directors and the diversity of nationalities has been satisfied since the Company's initial public offering.

Furthermore, employee representation on the Board of Directors is ensured by the presence of two employee representative Directors, namely Xavier Massol and Oliver Späth, who have been members of the Board since 10 January 2022 and 6 December 2023 respectively, together with Beatriz Peinado Vallejo, who has acted as the employee shareholder representative Director since 11 May 2022.

Diversity on the Board of Directors is also represented in the plurality of nationalities of its members.

Lastly, the Directors of the Company come from different backgrounds and have varied and complementary experience and expertise, reflecting the objectives of the Board of Directors and various long-term challenges of the Group's strategy.

Skills and background



The Board shall ensure the balance of its composition and that of its ad hoc committees, in particular in terms of diversity (international experience, skills etc.). Based on recommendations made by the Nomination Committee, Directors are appointed on the basis of their qualifications, professional skills and their independence of mind.

(d) Information on the balanced representation of women and men within the Board of Directors

As at 31 December 2023, there were four women on the Board of Directors: Marie-José Donsion, Marcia Freitas (as permanent representative of Brasil Warrant Administração de Bens e Empresas S.A.), Virginie Hélias and Cécile Tandeau de Marsac, thus representing 40% of Directors (excluding employee representative Directors and employee shareholder representative Directors pursuant to Article L. 225-27-1 and L. 225-23 of the French Commercial Code).

In addition, the employee shareholder representative Director is also a woman: Beatriz Peinado Vallejo.

The Company thus complies with the provisions of Law No. 2011-103 of 27 January 2011 on the balanced representation of women and men on Boards of Directors and Supervisory Boards and professional equality, and the proportion of female Directors is at least equal to 40%, in accordance with the provisions of Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code.

(e) Annual assessment of the Board of Directors

The Internal Rules of the Board of Directors provide for the terms and conditions by which the Board of Directors must assess its ability to meet shareholder expectations by periodically analysing its composition, organisation and operation. To this end, once a year, the Board of Directors shall, on the report of the Nomination Committee, devote an item on its agenda to the assessment of its operating procedures, to ensure that important issues are properly prepared and discussed within the Board of Directors, as well as to the extent of each member's effective contribution to the work of the Board of Directors with regard to their competence and involvement in the deliberations.

The 2023 Board assessment was performed by an internationally renowned external firm, in accordance with the recommendations contained in the AFEP-MEDEF Code. This assessment took the form of a written questionnaire sent to all Board members, together with an individual interview with each one of them.

All Directors in office at that time took part in the self-assessment exercise.

The Chairwoman of the Nomination Committee submitted the findings to the Board meeting of 19 October 2023. These conclusions are described below.

Overall, the Board members are satisfied with how the Board and its committees are made up, organised and operate.

In particular, the Directors welcome the fact that there has been an appropriate balance between financial and other subjects since the Company's initial public offering. Furthermore, the Directors deem that the Board of Directors is a real strategic asset for the Company and that its composition is appropriate with regard to the Group's activities, enabling it to ensure there is a good balance between Independent Directors, representatives of major shareholders and employee representatives. Finally, Michel Giannuzzi's leadership as Chairman is acknowledged and highlighted.

As part of their commitment to continuously improving how the Board of Directors operates, certain Board members have suggested that more presentations on underlying and long-term trends be given so they can better understand the Group's performance compared with the performance of the packaging industry as a whole. More frequent training sessions have also been requested. Two training sessions were organised in this regard in December 2023.

3.1.5. Board committees

Conseil d'administration

13 Members 8 5	**7** meetings	**93%** Attendance	**50%** independent members

Chariman - Michel Giannuzzi

Upon its initial public offering in 2019, the Board of Directors had decided to set up three Board committees: an Audit Committee, a Nomination and Compensation Committee and a Sustainable Development Committee, to assist it in some of its tasks and to contribute effectively to the preparation of specific matters submitted to it for approval. The Board decided, at its meeting of 6 December 2021, to split the Nomination and Compensation Committee into two separate committees, the Nomination Committee and the Compensation Committee, reflecting the strong desire of the Board of Directors to comply with the recommendations of the AFEP-MEDEF Code and, more generally, with best governance practices. It was also decided during this meeting to create a Strategic Committee.

Each of these committees has Internal Rules (appended to the Internal Rules of the Board of Directors).

Minutes of the meetings of the specialised committees of the Board of Directors are regularly sent to the Board of Directors. The composition of these specialised committees, detailed below, is in line with the recommendations of the AFEP-MEDEF Code.

3.1.5.1. Audit Committee

3 Members 1 2	5 Meetings	100% attendance	66% independent members

(a) Composition of the Audit Committee as at 31 December 2023

Chairwoman	Marie-José Donsion	100 % attendance	Independant Director
Members	Didier Debrosse	100% attendance	Independent Director
	BWSA, represented by Marcia Freitas	100% attendance	Director

Under Article 2 of its Internal Rules, the Audit Committee shall consist of at least three members, two of whom shall be appointed from among the independent members of the Board of Directors, on the proposal of the Nomination Committee. The Board of Directors may alter the composition of the Audit Committee, which must be altered in the event of a change in the overall composition of the Board. In accordance with applicable legal provisions, members of the Audit Committee shall have special financial and/or accounting skills. The term of office of Audit Committee members is the same as their term of office on the Board of Directors. Such term of office may be renewed at the same time as their re-election to the Board.

The Chairperson of the Audit Committee is appointed from among the independent members after a specific examination by the Board of Directors, acting on a proposal from the Nomination Committee. No executive corporate officer may serve on the Audit Committee. The Audit Committee is chaired by an Independent Director.

As at 31 December 2023, the Audit Committee had three members (including two independent members): Marie-José Donsion (Chairwoman and Independent Director), Didier Debrosse (Independent Director) and Brasil Warrant Administração de Bens e Empresas S.A. (Director) represented by Marcia Freitas.

The secretariat for the work of the Audit Committee is provided by the Group Director of Audit and Internal Control.

(b) Duties of the Audit Committee

Pursuant to Article 1 of the Audit Committee's Internal Rules, the Audit Committee is tasked with overseeing matters pertaining to the preparation and auditing of accounting and financial information and the effectiveness of the operational risk monitoring and internal control system, in order to enable the Board of Directors to carry out the relevant monitoring and investigations.

In this respect, the Audit Committee primarily has the following duties:

- monitoring the process used to prepare financial and extra-financial reporting;
- monitoring the effectiveness of internal control, internal audit and risk management systems relating to accounting, financial and extra-financial information;
- monitoring the audit of the Company's statutory financial statements and consolidated financial statements by the Company's Statutory Auditors;
- monitoring the independence of the Statutory Auditors; and
- monitoring of compliance procedures in place.

Pursuant to the Internal Rules, the Audit Committee shall regularly report to the Board of Directors on its work and immediately inform it of any difficulties encountered.

(c) Meetings and work of the Audit Committee during the financial year ended 31 December 2023

Under the Internal Rules of the Audit Committee, the Audit Committee shall meet at least twice a year to prepare the annual and half-year financial statements and the quarterly results.

During 2023, the Audit Committee met five times, and discussed the following subjects:

- the audit of accounting and financial information (including the progress on works concerning the publication of the annual financial report in the European Single Electronic Format (ESEF) and the assessment of ordinary transactions carried out at arm's length);
- the audit of extra-financial data (particularly included in the Extra-Financial Performance Statement, with the assistance of the Chairwoman of the Sustainable Development Committee);
- reviewing and analysing gaps between the Extra-Financial Performance Statement and the requirements of the "CSRD" (with the assistance of the Chairwoman of the Sustainable Development Committee);
- the mapping, assessment and hierarchy of risks;
- the review of risk management activities and internal control procedures;
- the review of cybersecurity risks;
- the internal audit charter, the review of the Internal Audit Plan and monitoring of conclusions and internal audit action plans;
- compliance (particularly anti-corruption risk mapping, the anti-corruption policy, the donations/sponsorship policy, the gifts/invitations policy, competition law, personal data protection, sanctions/embargoes and specifically the application of sanctions relating to the Ukrainian-Russian conflict and training programmes);
- monitoring the Statutory Audit of the accounts, the independence of the statutory auditors and the rules of approval and procedures applicable to the provision of services that could be entrusted to Statutory Auditors and to their networks.

3.1.5.2. Nomination Committee

4 Members (2 men, 2 women)	3 Meetings	100% attendance	75% independent members

(a) Composition of the Nomination Committee as at 31 December 2023

CHAIRWOMAN	Cécile Tandeau de Marsac	100% attendance	Independent Director
Members	BWGI, represented by João Salles	100% attendance	Director
	Pierre Vareille	100% attendance	Independent Director
	Virginie Hélias	100% attendance	Independent Director

Under Article 2 of its Internal Rules, the Nomination Committee shall consist of at least four members, with at least half of those members being independent members of the Board of Directors. The Board of Directors appoints them from among its members in view of their independence and expertise in the selection or compensation of the executive officers of listed companies. The Nomination Committee may not include any executive officer. The Board of Directors may alter the composition of the Nomination Committee, which must be altered in the event of a change in the overall composition of the Board. The term of office of Nomination Committee members is the same as their term of office on the Board of Directors. Such term of office may be renewed at the same time as their re-election to the Board.

As at 31 December 2023, the Nomination Committee had four members (including three Independent Directors): Cécile Tandeau de Marsac (Chairwoman and Independent Director), Virginie Hélias (Independent Director), BW Gestão de Investimentos Ltda. (Director), represented by João Salles, and Pierre Vareille (Independent Director).

The secretariat for the work of the Nomination Committee is provided by the Group Director of Human Resources.

(b) Duties of the Nomination Committee

Under Article 1 of its Internal Rules, the Nomination Committee is a specialised Board Committee, the main duties of which include assisting the latter in the composition of the executive bodies of the Company and its Group and the succession plan for the Group's Chair and Chief Executive Officer and Executive Committee.

It primarily has the following duties:

- proposals for the appointment of members of the Board of Directors, Executive management and Board committees;
- annual review of the independence of Board members.

(c) Meetings and work of the Nomination Committee during the financial year ended 31 December 2023

In accordance with its Internal Rules, the Nomination Committee meets when required and, in any event, at least twice a year, including before the Board meeting deciding on the Board members' positions regarding the independence criteria adopted by the Company.

During 2023, the Nomination Committee met three times, and discussed the following subjects:

- monitoring the succession plans of executives;
- reviewing the independence of Board members;
- appointing the Group Director of Human Resources;
- monitoring of election procedures for the Director representing employees through the Group's European Works Council;
- monitoring the Group's key executives;
- continuing the employee shareholding programme;
- reviewing the results of the employee engagement study and monitoring the action taken;
- monitoring election procedures for Directors representing employees; and
- the annual self-assessment of the Board of Directors.

The Chairman and the Chief Executive Officer participated in the works carried out as part of the nominations duties, in particular for the definition of needs in terms of skills and experience, on the one hand, and values and desired personal qualities, on the other hand.

3.1.5.3. Compensation Committee

5 members (3 men, 2 women)	2 Meetings	90% attendance	60% independent members

(a) Composition of the Compensation Committee as at 31 December 2023

CHAIRWOMAN	Cécile Tandeau de Marsac	100% attendance	Independent Director
Members	BWGI, represented by João Salles	100% attendance	Director
	Pierre Vareille	100% attendance	Independent Director
	Marie-José Donsion	67% attendance	Independent Director
	Oliver Späth	N/A [75]	Employee representative Director
	Dieter Müller [76]	0% attendance	Employee representative Director

Pursuant to Article 2 of its Internal Rules, the Compensation Committee comprises at least four members (i) at least half of whom are independent members of the Board of Directors (appointed by the Board of Directors from among its members and in consideration in particular of their expertise in terms of compensation of executive officers of listed companies) and (ii) an employee representative Director. No executive officer may serve on the Compensation Committee. The Board of Directors may alter the composition of the Compensation Committee, which must be altered in the event of a change in the overall composition of the Board of Directors. The term of office of the Compensation Committee members is the same as their term of office on the Board of Directors. Such term of office may be renewed at the same time as their re-election to the Board.

[75] Oliver Späth was appointed to the Compensation Committee by decision of the Board of Directors dated 18 January 2024.
[76] Member until he retired in July 2023.

As at 31 December 2023, the Nomination Committee had four members (including three Independent Directors): Cécile Tandeau de Marsac (Chairwoman and Independent Director), BW Gestão de Investimentos Ltda. (Director), represented by João Salles, Pierre Vareille (Independent Director) and Marie-José Donsion (Independent Director).

As at that date, the Board had no employee representative Director following the retirement of Dieter Müller. Oliver Späth, employee representative Director appointed by the European Works Council on 6 December 2003, was appointed to the Compensation Committee by the Board of Directors on 18 January 2024.
The secretariat for the work of the Compensation Committee is provided by the Group Director of Human Resources.

(b) Duties of the Compensation Committee

Pursuant to Article 1 of its Internal Rules in force, the Compensation Committee is a specialised committee of the Board of Directors whose main duties include assisting the latter in the determination and regular assessment of all compensation and benefits of the Company's executive officers, including all deferred benefits and/or voluntary or forced severance pay.

It primarily has the following duties:

- review and proposal to the Board of Directors concerning all the components and conditions of compensation of the Group's main corporate executives;
- review and proposal to the Board of Directors on the method for allocating Directors' compensation;
- consultation for recommendation to the Board of Directors on any exceptional compensation for any special assignments that the Board may entrust, as the case may be, to some of its individual members.

(c) Meetings and work of the Compensation Committee during the financial year ended 31 December 2023

Pursuant to its Internal Rules, the Sustainable Development Committee meets as often as required, and in any event at least twice a year, particularly before the meeting of the Board of Directors at which the compensation of Executive Management is set or the compensation allocated to the Board of Directors is allotted.

During 2023, the Compensation Committee met twice, and primarily discussed the following subjects:

- the compensation policy for the Company's corporate officers (particularly the criteria connected to variable compensation, including the ESG criteria);
- the variable compensation of members of the Executive Committee;
- the continuation of the employee shareholding programme;
- bonus share plans.

3.1.5.4. Sustainable Development Committee

5 Members 3 2	**4** Meetings	**100%** attendance	**20%** independent members

(a) Composition of the Sustainable Development Committee as at 31 December 2023

CHAIRWOMAN	Virginie Hélias	100% attendance	Independent Director
Members	Michel Giannuzzi	100% attendance	Chairman of the Board
	Bpifrance Investissement, represented by Sébastien Moynot	100% attendance	Director
	Xavier Massol	100% attendance	Employee representative Director
	Beatriz Peinado Vallejo	100% attendance	Employee shareholder representative Director

Under Article 2 of its Internal Rules, the Sustainable Development Committee shall consist of at least five members, including the Chairman of the Board of Directors, the two employee representative Directors sitting on the Board of Directors, and at least one member appointed from among the independent members of the Board of Directors. The Board of Directors may alter the composition of the committee, which must be altered in the event of a change in the overall composition of the Board of Directors. The term of office of Sustainable Development Committee members is the same as their term of office on the Board of Directors. Such term of office may be renewed at the same time as their re-election to the Board.

As at 31 December 2023, the Sustainable Development Committee had five members (including one Independent Director): Virginie Hélias (Chairwoman and Independent Director), Bpifrance Investissement (Director), represented by Sébastien Moynot, Michel Giannuzzi (Chairman of the Board of Directors), Xavier Massol (employee representative Director) and Beatriz Peinado Vallejo (employee shareholder representative Director).

The secretariat for the work of the Sustainable Development Committee is provided by the CSR Director and General Counsel (also Board Secretary).

(b) Duties of the Sustainable Development Committee

Under Article 1 of its Internal Rules, the Sustainable Development Committee is a specialised committee of the Board of Directors, the main tasks of which are to (i) ensure that social and environmental responsibility issues are taken into account in the Group's strategy and in its implementation, (ii) consider the report referred to in Articles L. 225-102-1 and L. 22-10-36 of the French Commercial Code relating to sustainable development and (iii) review the Group's commitments on sustainable development, with regard to the issues specific to its activities and objectives.

(c) Meetings and work of the Sustainable Development Committee during the financial year ended 31 December 2023

Pursuant to its Internal Rules, the Sustainable Development Committee meets as often as required, and in any event at least once a year.

During 2023, the Sustainable Development Committee met four times, and primarily discussed the following subjects:

- the Extra-Financial Performance Statement for the 2022 financial year;
- organising and monitoring reuse projects;
- the Company's Ecovadis and CDP reports;
- monitoring the partnership with CITEO;
- reviewing and monitoring the climate and carbon
- the action plan for reducing water consumption;
- monitoring the Group's policy regarding electricity supply contracts; and
- the review of sponsorship activity.

3.1.5.5. Strategic committee

4 members (4 men, 0 women)	4 meetings	100% attendance	50% independent members

(a) Composition of the Strategic Committee as at 31 December 2023

CHAIRMAN	Michel Giannuzzi	100% attendance	Chairman of the Board of Directors
Members	BWGI, represented by João Salles	100% attendance	Director
	Pierre Vareille	100% attendance	Independent Director
	Didier Debrosse	100% attendance	Independent Director

Under Article 2 of its Internal Rules, the Strategic Committee shall consist of at least three members, including the Chairman of the Board of Directors, and one member appointed from among the independent members of the Board of Directors. The Board of Directors may alter the composition of the Strategic Committee, which must be altered in the event of a change in the overall composition of the Board of Directors. The term of office of Strategic Committee members is the same as their term of office on the Board of Directors. It may be renewed at the same time as their re-election to the Board.

As at 31 December 2023, the Strategic Committee had four members, including two Independent Directors: Michel Giannuzzi (Chairman of the Board of Directors), Pierre Vareille (Independent Director), BW Gestão de Investimentos Ltda. (Director), represented by João Salles, and Didier Debrosse (Independent Director).

The secretariat for the work of the Strategic Committee is provided by the Director of Planning and Mergers/Acquisitions.

(b) Duties of the Strategic Committee

Under Article 1 of its Internal Rules in force, the Strategic Committee is a specialised committee of the Board of Directors whose main duties include assisting the latter in the preparation and implementation of the Group's strategic guidelines.

It primarily has the following duties:

- reviewing the competitive environment and the main challenges facing the Group and providing the Board of Directors, through its analyses, with further insight into development points and the resulting medium- and long-term outlook for the Group;
- reviewing strategic projects (such as, primarily, any acquisition, merger, disposal, financial transaction, joint-venture or partnership) presented by Executive Management and likely to have a material impact on the scope, activities, risk profile, results or balance sheet structure of the Group and/or the market valuation of the Company;
- monitoring the completion and development of ongoing significant transactions and maintaining major financial balances.

(c) Meetings and work of the Strategic Committee during the financial year ended 31 December 2023

In the 2023 financial year, the Strategic Committee met four times and, in particular, discussed and debated the Group's strategic plan and certain strategic investment projects, including the acquisition of cullet treatment centres in Spain and Portugal that previously belonged to the Santaolalla group.

3.2. Methods and operation of Executive Management

3.2.1. Chairmanship of the Board of Directors

As at 31 December 2023, the positions of Chair of the Board of Directors and Chief Executive Officer of the Company were separated.

Indeed, since Michel Giannuzzi wished to see a change in his responsibilities within the Group after around five years heading it up in his role as Chairman and Chief Executive Officer, the Board of Directors decided on 6 December 2021 to separate the roles of Chair of the Board of Directors and Chief Executive Officer with effect from the end of the General Shareholders' Meeting that took place on 11 May 2022.

Accordingly, from 11 May 2022, Michel Giannuzzi has performed the duties of Chairman of the Board of Directors and Patrice Lucas has acted as Chief Executive Officer.

As part of the separation of the duties of Chair of the Board of Directors and Chief Executive Officer, the Chairman oversees the work of the Board of Directors. In addition to the exercise of his legal powers, the Chairman may be consulted by the Executive Management on any issue concerning the conduct of the Group's business.

He may also attend internal meetings with the Company's teams, at the invitation of the Chief Executive Officer.

Michel Giannuzzi has also pledged to represent the Group to the best of his abilities (particularly with the Company's shareholders), to defend its interests (in particular within the Fédération Européenne de Verre d'Emballage), to promote its values, and to do so under all circumstances.

3.2.2. Powers of the Chief Executive Officer

Patrice Lucas has performed the duties of Chief Executive Officer since 11 May 2022.

The Chief Executive Officer shall be fully empowered to act on behalf of the Company in any and all circumstances. He or she shall exercise those powers within the scope of the corporate purpose and subject to the powers expressly reserved by law for General Shareholder Meetings and for the Board of Directors.

He or she represents the Company in its dealings with third parties. The Company shall be bound by the actions of the Chief Executive Officer even if such actions are beyond the scope of the corporate purpose, unless the Company can prove that a third party knew that the action concerned was beyond the scope of the corporate purpose or had constructive knowledge thereof in view of the circumstances.

The publication of the Articles of Association alone may not be deemed to constitute evidence of such knowledge.

The Chief Executive Officer may, within the limits set by applicable legislation, delegate powers as he or she deems appropriate, for one or more specified purposes, to any representatives, even outside the Company, individually or meeting as a committee or commission, with or without the possibility of substitution, subject to the limitations provided by law. Such powers may be permanent or temporary, and may or may not include the possibility of substitution. Any authority thus delegated shall remain in full effect notwithstanding the expiry of the term of office of the person granting them.

Under Article 3.2 of its Internal Rules, the following decisions are subject to prior authorization by the Board of Directors voting at simple majority of its members present or represented:

- Approval of, and/or change in, the medium-term Group Business Plan and annual budget (including hedging policy);
- Any investment (excluding acquisitions) exceeding the Group's annual budget, for an aggregate amount exceeding €10 million;
- Any acquisition or disposal of assets or securities for an amount exceeding €10 million and the entry into, amendment or termination of joint-ventures or partnerships representing more than €10 million of revenues or capex;
- Any decision to take part in an activity which falls outside the usual frame of activities of the Group and any decision to stop or significantly reduce material activities of the Group;

- Any decision to grant guarantees or security interests to third parties (i.e. not a Group Company), to the exception of (i) guarantees or security interests to be granted to public administrations or state-owned entities in the ordinary course of business and/or pursuant to a legal obligation (ii) guarantees to be granted under energy supply agreements within the limit of an annual aggregate amount of €20 million; (iii) guarantees to be granted to third parties to ensure the commitments of Verallia Ukraine within the limit of an aggregate amount of €10 million; and (iv) guarantees to be granted to third parties to ensure the commitments of Rayen Cura within the limit of an aggregate amount of €11 million. Regarding paragraphs (iii) and (iv), it is specified that the exchange rates to be used for the calculation should be the ones in effect at the date of issue of each issued guarantees and that any expired guarantee shouldn't be included in the said calculation;
- Any decision to participate in a project or to enter into an agreement with a maturity exceeding 5 years (including contracts with guaranteed rents) for an aggregate amount exceeding €50 million, to the exception of energy supply agreement for an amount of €30 million per year with a duration of a maximum of 15 years; (i.e for a maximum amount exceeding €450 million over 15 years) and with guarantees of 2.5 the annual amount of the supply energy agreement, (i.e for a maximum guarantee amount equal to €75 million per year);
- Any decision to settle or to initiate a dispute relating to a claim for an amount exceeding €5 million or a claim having a material reputational impact on the Group;
- Additional financial indebtedness exceeding €50 million;
- Changes to the by-laws of the Company or of any of its Material Subsidiaries (except for amendments of administrative nature); the term "**Material Subsidiaries**" means any subsidiary of the Company which consolidated revenue represents, for the previous financial year, more than 5% of the Company's consolidated annual revenue;
- Merger/demerger/winding up of a Material Subsidiary, excluding intra-Group reorganisations;
- Issue of shares or securities granting access, whether immediately or in the future, to the Company's share capital, as well as any issue of shares or securities granting access, whether immediately or in the future, to the share capital of a Material Subsidiary, in each case to the benefit of a third party to the Group;
- Purchase or sale of real estate assets for an amount exceeding €10 million;
- Any distribution for an amount exceeding €5 million, excluding distributions between wholly-owned subsidiaries;
- Any recruitment, suspension or dismissal of the Chief Executive Officer (or, in the event of separation of offices, the General Manager (Directeur Général)), any significant change in the Chief Executive Officer's compensation (including pension plans, profit-sharing plans or special departure conditions) and the entry into, amendment or termination of an agreement with the Chief Executive Officer (or, in the event of separation of offices, the General Manager (Directeur Général);
- The creation or amendment to stock option plans, stock subscription plans or plans for the attribution of free shares of the Company or of any other Group company (or any other similar instrument) to the benefit of the officers and/or employees of the Group or of certain categories of them;
- The implementation or change in any pension plan or any reorganisation of the workforce resulting in total restructuring costs for the Group exceeding €10 million;
- Any significant change in the accounting principles applied by the Group companies for the preparation of their financial statements, except for amendments imposed by applicable law or accounting standards;
- The appointment, renewal or dismissal of the statutory auditors of the Company;
- Acquisition by the Company of its own shares;
- Delisting of the Company, listing of a Group company;
- The implementation of any insolvency procedure, dissolution or winding-up (or any similar procedure in each applicable jurisdiction), of the Company or any of its Material Subsidiaries.

Under Article 3.3 of its Internal Rules, the following decisions are subject to the ratification by the Board of Directors voting at simple majority of its members present or represented:

- Any recruitment, suspension or dismissal of the members of the Group executive committee (other than the Chief Executive Officer (or, in the event of separation of offices, the Chief Executive Officer (Directeur Général));
- Any significant change in the compensation of the members of the Group executive committee (other than the Chief Executive Officer (or, in the event of separation of offices, the Chief Executive Officer (Directeur Général)) (including pension plans, profit-sharing plans or special departure conditions); and
- The entry into, amendment or termination of an agreement with any of the members of the Group executive committee (other than the Chief Executive Officer (or, in the event of separation of offices, the Chief Executive Officer (Directeur Général)), made by the Chief Executive Officer (or, in the event of separation of offices, the Chief Executive Officer (Directeur Général), acting upon recommendation from the Nomination Committee. The Board of Directors will be requested to rule on such ratification during the next meeting to be held after the occurrence of any of the aforementioned events.

3.2.3. Executive Committee

Under the responsibility of the Chief Executive Officer, the Executive Committee constitutes the management body of the Group.

Focused on operations, it steers and ensures the operational implementation of the Group's strategy (as approved by the Board of Directors of the Company), the monitoring of performance and the coordination of projects and priorities in the Group's various operating countries and regions. The Executive Committee notably ensures the adequacy of the organisation with respect to changes in the environment and expectations of stakeholders.

The Executive Committee includes 11 members. In addition to the Chief Executive Officer, it is composed of the functional and operational managers of the Group, and namely:

- at Group level, the Chief Financial Officer, the Director of Human Resources, the Operations Director and the CSR Director and General Counsel, each of them having clearly defined areas of responsibility; and
- the Directors in charge of various geographical regions.

The Executive Committee meets approximately once a month, thus favouring communication, sharing and close exchanges among its members within their respective areas of responsibility.

The Executive Committee was **27% female** as at 31 December 2023. The composition of the Executive Committee also reflects the geographical diversity of the Group's production regions and markets, since **55% of its members are of foreign nationality** (German, Italian, Mexican, Dutch, Portuguese and English).

The Group is very attentive to both the diversity, in all respects, and gender balance of its teams. The diversity policy described in Section 2.4.3 applies not just to the Executive Committee, but also to all the teams of the Group.

3.3. Compensation of corporate officers

3.3.1. Compensation policy for corporate officers

The following sections constitute the compensation policy for the Company's corporate officers. They describe the components of fixed and variable compensation and explain the decision-making process used to determine, review and implement it. According to the AFEP-MEDEF Code, to which the Company refers, the executive officers of a société anonyme (public limited company) with a Board of Directors are the Chairman and Chief Executive Officer, the Chief Executive Officer, the Deputy Chief Executive Officer(s) and the Chairman of the Board of Directors not acting as Chief Executive Officer.

The compensation policy for corporate officers described below was approved by the Board of Directors, on the recommendation of the Compensation Committee. It sets out the components of fixed and variable compensation of the Chairman of the Board of Directors, the Chief Executive Officer and the Company Directors.

In accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, the compensation policy presented below is subject to approval by the shareholders at their General Meeting.

3.3.1.1. Principles and decision-making processes followed to identify, review and implement the Group's compensation policy

The Group's compensation policy, which includes compensation for executive officers, is part of the general development policy for Verallia employees as described in Section 2.4.2.3 of this Universal Registration Document.

It is intended, in accordance with the Company's corporate interest, and in accordance with market and industry practices, to ensure competitive compensation levels while retaining a strong link to company performance and maintaining the balance between short-term and medium-/long-term performance in support of the Group's business and ESG strategy and its sustainability.

In 2024, the Group has thus implemented a compensation policy consisting of (i) a basic salary, to compensate the position held, that is attractive for recruiting and retaining talent, and for the relevant employees, and (ii) a variable annual portion, which compensates collective performance based on the achievement of ambitious objectives while being limited by a maximum level in order to avoid excessive risk-taking. This variable annual portion, a source of motivation for teams, is based on annual criteria that are in line with the Group's objectives, including safety, the environment and financial and operational performance.

In addition to this variable annual compensation, the Group intends to link all its employees to its growth through a stake in its share capital; the employee share ownership programme is thus a strategic pillar to support the Group's profitable and sustainable growth, which the Group intends to pursue actively (as at 31 December 2023, employee shareholding in the Company (via the Verallia employee investment fund (FCPE) and direct shareholding) represented 3.8% of the Company's share capital). In particular, during the second quarter of 2024, the Company intends to offer Group employees the possibility of subscribing to another share capital increase reserved for them, in particular via the Verallia employee investment fund (FCPE), under conditions providing a discount and an employer matching contribution approved by the Board of Directors.

For the Chief Executive Officer and its senior executives, the Group has also set up a performance share plan, which involves them in the creation of value over a long-term period and whereby the final vesting is subject to continued service and ambitious performance conditions, in accordance with the principles of good governance and the recommendations of the AFEP-MEDEF Code.

Within the Group, the compensation policy for executive officers is set by the Board of Directors on the recommendation of the Compensation Committee. The Compensation Committee is chaired by an Independent Director and includes (for at least half of its composition) Independent Directors within the meaning of the AFEP-MEDEF Code and an employee representative Director. As part of its thinking, it relies in particular on benchmarking carried out on companies of a similar size and in a similar industry, where appropriate with the assistance of one or more external consultants. The members of the Compensation Committee were selected for their technical skills, as well as for their understanding of current standards and emerging trends. The Compensation Committee shall ensure at the beginning of the year the level of achievement of the performance criteria set for the previous year, on which the variable compensation is based. The Board of Directors and the

Compensation Committee shall ensure that the compensation of corporate officers is consistent with the recommendations of the AFEP-MEDEF Code.

Finally, as part of the 'say on pay' arrangement, the compensation policy for the Company's executive officers, as well as the components of compensation and benefits that were awarded to them during the past financial year, described in this chapter 3, are submitted annually, in accordance with the provisions of Articles L. 22-10-8 and L. 22-10-34 of the French Commercial Code, for approval by the Company's shareholders at their General Meeting.

3.3.1.2. Compensation policy for the Chairman of the Board of Directors

The compensation policy for the Chairman of the Board of Directors approved by the Board of Directors on 14 February 2024, on the recommendation of the Compensation Committee, is described below.

(a) Fixed compensation

The Board of Directors, on the recommendation of the Compensation Committee, shall determine the fixed annual compensation of the Chairman of the Board of Directors, in particular with regard to a detailed study of the fixed and variable compensation of executives of comparable listed companies carried out by an external firm.

On this basis, the fixed annual gross compensation of the Chairman of the Board of Directors for 2024 was set by the Board of Directors at the amount of €350,000.

(b) Benefits in kind

The Chairman of the Board of Directors benefits from a company car and a complementary health plan.

Summary table of the fixed and variable components of the compensation of the Chairman of the Board of Directors

Compensation components –	Principle	Criteria of definition
Fixed compensation	The Chairman of the Board of Directors receives fixed compensation in 12 monthly instalments.	For 2024, the gross annual amount is set at €350,000.
Annual variable compensation	N/A	N/A
Long-term compensation (performance shares)	N/A	
Long-term compensation (stock options)	N/A	N/A
Supplementary pension plan	N/A	N/A
Termination and non-compete benefits	N/A	N/A
Benefits in kind	The Chairman of the Board of Directors benefits from a company car and a complementary health plan.	N/A

Draft resolution prepared by the Board of Directors pursuant to Articles L. 225-100 and L. 22-10-8 of the French Commercial Code for submission to the Combined General Meeting to be held on 26 April 2024

NINTH RESOLUTION

(Approval of the compensation policy for the Chairman of the Board of Directors)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the compensation policy for the Chairman of the Company's Board of Directors not acting as Chief Executive Officer, as presented in the aforementioned report.

3.3.1.3. Compensation policy for the Chief Executive Officer

The compensation policy for the Chief Executive Officer approved by the Board of Directors on 14 February 2024, on the recommendation of the Compensation Committee, is described below.

(a) Fixed compensation

The Board of Directors, on the recommendation of the Compensation Committee, determines the fixed annual compensation of the Chief Executive Officer, in particular with regard to a detailed study of the fixed and variable compensation of executives of comparable listed companies carried out by an external firm.

On this basis, the fixed annual gross compensation of the Chief Executive Officer for 2024 was set by the Board of Directors at the amount of €750,000.

(b) Variable compensation

The Board of Directors, on the recommendation of the Compensation Committee, determines the variable annual compensation of the Chief Executive Officer on the basis of financial and ESG criteria. For 2024, the Board of Directors' meeting of 14 February 2024 set the annual variable portion at an amount equal to 100% of the fixed annual compensation, i.e. €750,000 if the targets are fully achieved and, in the event that the set targets are exceeded, a maximum amount equal to 135% of the fixed annual compensation, i.e. €1,012,500.

70% of the variable portion of the compensation is calculated based on financial criteria, to which a weighting is applied, and 30% on ESG criteria.

In accordance with the provisions of Article L. 22-10-34 of the French Commercial Code, the payment of this variable compensation shall be subject to approval by the shareholders at their ordinary General Meeting convened in 2025 to approve the financial statements for the financial year ending on 31 December 2024.

Financial criteria

These are based on indicators that the Board of Directors, on the recommendation of the Compensation Committee, has deemed most relevant for assessing the Group's financial performance. For 2024, the financial criteria represent 70% of variable compensation (40% are linked to the achievement of an adjusted EBITDA threshold and 30% are linked to the achievement of an operational cash flow threshold for the financial year ending on 31 December 2024).

If these financial criteria are exceeded, this variable annual compensation (i.e. €525,000 gross) will be increased in a linear way up to a maximum amount corresponding to 105% of the fixed annual compensation, i.e. €787,500 gross.

ESG criteria

These are based on indicators that the Board of Directors, on the recommendation of the Compensation Committee, has deemed most relevant for assessing the Group's social and environmental performance. For 2024, the ESG criteria are related to safety and sustainable development targets, including (i) for 50%, a safety criterion, linked to the improvement of a workplace accident frequency rate with or without lost days (known as "TF2") to a level equal to or below 1.9 based on a linear calculation method, and (ii) for 50%, a sustainable development criterion, linked to the increase in the rate of external cullet use to at least 57.5% based on a linear calculation method. Please note that the increased rate of external cullet use helps the Group to achieve its CO_2 emissions reduction targets (+10pts of cullet = an approximate 5% reduction in CO_2 emissions).

(c) Allocation of performance shares

The Group's compensation policy is aimed at retaining and motivating talented employees, and at involving the Group's executive officers and main managerial staff in the creation of long-term value, in line with the principles of good governance and the recommendations of the AFEP-MEDEF Code, mainly through a long-term incentive plan in the form of bonus share awards subject to performance criteria linked to the Group's long-term strategy.

Acting pursuant to the authorisation conferred by the 33rd resolution of the Company's General Shareholders' Meeting of 25 April 2023, the Board of Directors resolved at its meetings of 19 October 2023 and 14 February 2024 to set up a new performance share plan spread over a period of three years running from 2024 to 2026 (the "**2024-2026 Plan**").

Executive corporate officers and employees of the Company and its affiliates (within the meaning of Article L. 225-197-2 of the French Commercial Code) are eligible for the 2024–2026 Plan, including in particular the Chief Executive Officer of the Company.

The final allocation of shares granted each year under the 2024-2026 Plan will be done without discount, on the condition of continued service of the employee or executive concerned. The 2024-2026 Plan is aligned with the evolution of market practices, in particular in terms of performance criteria adopted and based on:

- for 40%, a theoretical value creation target with respect to the 2024-2026 medium-term business plan (defined as the increase in the following aggregate: 8 times adjusted EBITDA minus the net financial debt before payment of dividends and/or share buybacks), measured between 31 December 2023 and 31 December 2026;
- for 15%, a total shareholder return (TSR) target for the Company's share relative to the evolution of the TSR of companies included in the SBF 120 index on Euronext Paris, measured between 31 December 2023 and 31 December 2026[77];
- for 15%, a total shareholder return (TSR) target for the Company's share relative to the evolution of the TSR of a minimum of three or four listed companies in the glass industry, measured between 31 December 2023 and 31 December 2026;
- for 30%, sustainable development targets, in line with the targets defined in Chapter 2 of this Universal Registration Document and broken down as follows:
  - a CO_2 emissions reduction target[78]; and
  - an objective to increase the percentage of women holding management positions[79].

If the theoretical value creation target is exceeded, the allocation may be increased by 20% for this criterion, raising the allocation for this indicator from 40% to 48% and leading to the allocation of a maximum total of 108% of the target allocation.

The 2024-2026 Plan also includes the commitment by executive officers benefiting from performance shares not to use personal risk hedging until the end of the retention period of these shares.

Acting pursuant to the authorisation conferred by the 33rd resolution of the Extraordinary General Shareholders' Meeting of the Company of 25 April 2023, the Board of Directors resolved as follows at its meeting of 14 February 2024: to grant a maximum number of 318,600 shares[80] (corresponding to an initial allocation of 295,000 shares) to approximately 226 members of staff of the Company and its subsidiaries (with a maximum number of 41,040 shares[81] (corresponding to an initial allocation of 38,000 shares) for the Chief Executive Officer) (the total number of shares attributable to the Chief Executive Officer not exceeding 20% of the 318,600 attributable shares), subject to achievement of the above-mentioned performance conditions.

Shares granted under the 2024-2026 Plan are subject to a three-year vesting period, without a retention period, except for the Chief Executive Officer, who is subject to an obligation to retain 30% of any vested shares for the duration of his term of office, and the members of the Group's Executive Committee, who are subject to an obligation to retain 20% of any vested shares for as long as they remain members of the Executive Committee.

(d) Benefits in kind

The Chief Executive Officer benefits from a company car, an executive unemployment insurance scheme (GSC) and a complementary health plan.

(e) Pension plan

The Company has not implemented a supplementary pension plan, opting instead to allot performance shares. Therefore, the Chief Executive Officer does not benefit from a supplementary pension plan.

(f) Termination and non-compete benefits

Termination benefit

The Chief Executive Officer shall receive a gross termination benefit of up to 150% of the amount of fixed and variable compensation for the 12 months preceding the effective termination of his term of office. This would be payable in the event of his removal from office as Chief Executive Officer, unless he is dismissed for gross negligence or serious misconduct. The performance conditions applicable to such termination benefit are based on the average rate of achievement of the targets set with respect to the financial and ESG criteria of the variable compensation of the Chief Executive Officer (as

[77] The allocation rate for performance shares to be granted in respect of this criterion is determined as follows:
- 0% if the performance of Verallia's TSR is less than the SBF 120 TSR; and
- 100% if the performance of Verallia's TSR is equal to or greater than the SBF 120 TSR.

[78] Target of CO_2 emissions at Group level in absolute value of 2,622kt in 2026 for scopes 1 and 2 (in line with SBTI and for the ESG KPIs set out in the sustainability-linked bonds). This target includes United Kingdom.

[79] Target of 35% in 2026. This target includes United Kingdom.

[80] If the theoretical value creation target is exceeded, the allocation may be increased by 20% for such criterion, raising the allocation for this indicator from 40% to 48% and leading to the allocation of a maximum total of 108% of the target allocation of 295,000 shares.

[81] If the theoretical value creation target is exceeded, the allocation may be increased by 20% for such criterion, raising the allocation for this indicator from 40% to 48% and leading to the allocation of a maximum total of 108% of the target allocation of 38,000 shares.

referred to in Section 3.3.1.3(b) above) over the two years preceding the effective termination of his term of office, such average rate having to be equal to or to exceed 70% for the termination benefit to be fully paid. In the event where such average rate is below 70% over the two years preceding the effective termination of his term of office, no termination benefit shall be paid to the Chief Executive Officer.

In accordance with the recommendations of the AFEP-MEDEF Code, no termination benefit will be due to the Chief Executive Officer if he leaves the Company at his own initiative to take up a new position, or changes position within the Group, or invokes his retirement rights, or has reached the age of 65.

Non-compete indemnity

The Chief Executive Officer is also subject to a 12-month non-compete obligation and as such would receive a fixed monthly benefit equal to 1/12th of 70% of the amount of his fixed and variable compensation for the last 12 months preceding the effective termination of his term of office. In the event of the combined application of the termination benefit described above and the non-compete indemnity, the aggregate amount of the two benefits will be capped at an amount corresponding to the sum of the fixed and variable compensation received by the Chief Executive Officer during the two years preceding the effective termination of his term of office.

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors has provided that it can waive the implementation of the non-compete agreement upon departure of the Chief Executive Officer and that the payment of the non-compete indemnity will be excluded if the Chief Executive Officer invokes his retirement rights or has reached the age of 65.

Summary table of the fixed and variable components of the compensation of the Chief Executive Officer for 2024

		Criteria of definition
Fixed compensation	The Chief Executive Officer receives fixed compensation in 12 monthly instalments.	For 2024, the gross annual amount is set at €750,000.
Annual variable compensation	The Chief Executive Officer shall receive variable compensation determined in view of the Group's performance. This compensation shall be paid during the corporate financial year following that in which the performance was recorded. In accordance with the provisions of Article L. 22-10-34 of the French Commercial Code, the payment of variable compensation is conditional on the approval by an ordinary General Shareholders' Meeting of the compensation components of the Chief Executive Officer under the conditions set out in Articles L. 22-10-8 and L. 22-10-34 of the French Commercial Code.	The annual variable portion of the Chief Executive Officer's compensation is set at €750,000 if the targets are fully achieved and, in the event that the set targets are exceeded, a maximum amount equal to 135% of the fixed annual compensation, i.e. €1,012,500. Seventy percent of the variable portion of the compensation is calculated based on financial criteria (40% related to the achievement of an adjusted EBITDA threshold and 30% related to the achievement of an operational cash flow threshold), and 30% on ESG criteria related to safety and sustainable development targets (including (i) for 50%, a safety criterion, linked to the improvement of a workplace accident frequency rate with or without lost days (known as TF2) to a level equal to or below 1.9 and (ii) for 50%, a sustainable development criterion, related to the increase in the rate of external cullet use to at least 57.5% (noting that the increased rate of external cullet use helps to meet the CO2 reduction target).
Long-term compensation (performance shares)	The Chief Executive Officer is entitled to free Company shares, subject to the achievement of performance criteria.	The number of performance shares allocated and transferred to each beneficiary at the end of the vesting period varies according to the level of achievement of the objectives detailed in Section 3.3.1.3(c) above.
Long-term compensation (stock options)	N/A	N/A
Supplementary pension plan	The Company has not implemented a supplementary pension plan, opting instead to allot performance shares.	The Chief Executive Officer does not benefit from any supplementary pension plan.

		Criteria of definition
Termination and non-compete benefits	The Chief Executive Officer shall be entitled to a termination benefit in the event of the termination of his duties.	The Chief Executive Officer shall receive a gross termination benefit of up to 150% of the amount of fixed and variable compensation for the 12 months preceding the effective termination of his term of office. This would be payable in the event of his removal from office as Chief Executive Officer, unless he is dismissed for gross negligence or serious misconduct. No termination benefit will be paid (i) if the average rate of achievement of the targets set with respect to the financial and ESG criteria for the variable compensation of the Chief Executive Officer over the two years preceding the effective termination of his term of office is below 70% or (ii) if the Chief Executive Officer leaves the Company on his own initiative, changes position within the Group, has the possibility of invoking his retirement rights or reaches the age of 65. If the average rate of achievement of the targets relating to the financial and ESG criteria for the variable compensation of the Chief Executive Officer is greater than or equal to 70% during the two years preceding the end of his term of office, the termination benefit will be payable in full. The Chief Executive Officer is also subject to a 12-month non-compete obligation (which the Board of Directors may waive) and as such would receive a fixed monthly benefit equal to 1/12th of 70% of the amount of his fixed and variable compensation for the last 12 months preceding the effective termination of his term of office. In the event of the combined application of the severance benefit described above and the non-compete benefit, the aggregate amount of the two benefits will be capped at an amount corresponding to the sum of the fixed and variable compensation received by the Chief Executive Officer during the two years preceding the effective termination of his term of office.
Benefits in kind	The Chief Executive Officer benefits from a company car, an executive unemployment insurance scheme (GSC) and a complementary health plan.	N/A

Draft resolution prepared by the Board of Directors pursuant to Articles L. 225-100 and L. 22-10-8 of the French Commercial Code for submission to the Combined General Meeting to be held on 26 April 2024

TENTH RESOLUTION

(Approval of the compensation policy for the Chief Executive Officer)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the compensation policy for the Company's Chief Executive Officer, as presented in the aforementioned report.

3.3.1.4. Components of the compensation of Directors

The Company's shareholders at their General Meeting of 25 April 2023 set the overall compensation for directors at the annual amount of €850,000.

On the recommendation of the Compensation Committee, the Board of Directors freely distributes among its members this budget allocated to the Board by the shareholders at their General Meeting, mainly taking into account, in accordance with the recommendations of the AFEP-MEDEF Code, the actual participation of Directors in Board and committee meetings. It may, in addition, allocate special compensation to some of its members for specific duties or assignments entrusted to them. The Board of Directors examines whether the level of compensation allocated to Directors is appropriate in view of their duties and responsibilities.

The criteria for dividing up the annual fixed amount allocated to Directors were set by the Board as described below.

The Board of Directors decided that only Independent Directors would receive compensation for their term of office.

This basic compensation of Independent Directors for the year 2024 includes a fixed fee of €20,000 p.a. and, if applicable, this will be calculated pro rata for terms of office ending or becoming effective during the year.

In addition, fixed compensation of €15,000 p.a. is allocated to the Chairs of the Audit Committee, the Sustainable Development Committee and the Strategic Committee, fixed compensation of €10,000 p.a. is allocated to the Chair of the Nomination Committee, and fixed compensation of €5,000 p.a. is allocated to the Chair of the Compensation Committee, as compensation for their duties.

In addition to this basic compensation, a variable amount of €4,500 is paid for each Board and committee meeting attended by the Independent Director concerned.

Draft resolution prepared by the Board of Directors pursuant to Articles L. 225-100 and L. 22-10-8 of the French Commercial Code for submission to the Combined General Meeting to be held on 26 April 2024

ELEVENTH RESOLUTION

(Approval of the compensation policy for directors)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the compensation policy for the Directors, as presented in the aforementioned report.

3.3.2. Compensation of corporate officers during the year ended on 31 December 2023

The shareholders at their Annual General Meeting shall decide on a draft resolution on the information referred to in Article L. 22-10-9 I of the French Commercial Code, to be included in the corporate governance report, including the components of compensation paid for the term of office during the past financial year or allocated for the term of office for the same financial year, that is, the financial year ended on 31 December 2023.

The shareholders at their Annual General Meeting shall decide on the fixed, variable and exceptional components making up the total compensation and benefits of any kind paid during the past financial year or allocated for the same financial year, in a separate resolution for each corporate officer.

As regards the Company's Chairman of the Board of Directors, these components are presented in Section 3.3.2.1.

As regards the Company's Chief Executive Officer, these components are presented in Section 3.3.2.2.

It will therefore be put to the Combined General Shareholders' Meeting of 26 April 2024 to approve, as part of various resolutions, on the one hand, the information referred to in Article L. 22-10-9 of the French Commercial Code, in particular comprising the components presented in Sections 3.3.2.1 and 3.3.2.2 below.

3.3.2.1. Components of the compensation of Michel Giannuzzi, Chairman of the Board of Directors

(a) Fixed compensation

The gross amount of fixed compensation paid to the Chairman of the Board of Directors for the financial year ended on 31 December 2023 was €350,000.

(b) Benefits in kind

The gross amount of fixed compensation paid to the Chairman of the Board of Directors for the financial year ended on 31 December 2023 was €350,000.

(c) Allocation of performance shares

As part of the final allocation of shares under the performance share plan put in place by the Company, the following performance shares were previously awarded to Michel Giannuzzi in respect of his role as Chairman and Chief Executive Officer:

- 60,500 shares, vested on 1 March 2023, in accordance with the terms of the 2021-2022 Plan

The allocation rate for the 2021-2022 Plan was 110%, given a rate of achievement of the performance criteria with the following results:

  - an allocation rate of 120% of the criterion based on the "Creation of TSV", the target rate of achievement of which is 299%;
  - an allocation rate of 100% of the criterion based on the "Total Shareholder Return" (TSR), the performance of which is 15.9% (121% of the target);
  - an allocation rate of 100% of the criterion based on the "Return on Capital Employed (ROCE)", the performance of which is 31.7% (151% of the target);
  - an allocation rate of 100% of the criterion based on CO_2 emissions, the performance of which is 484kg CO2/tpg (103% of the target); and
  - an allocation rate of 100% of the criterion based on the Gender Equality Index, the performance of which is 68.1% (103% of the target).

- 60,500 shares, vested on 1 March 2024, in accordance with the terms of the 2021-2023 Plan

The allocation rate for the 2021-2023 Plan was 110%, given a rate of achievement of the performance criteria with the following results:

  - an allocation rate of 120% of the criterion based on the "Creation of TSV", the target rate of achievement of which is 277%;
  - an allocation rate of 100% of the criterion based on the "Total Shareholder Return" (TSR), the performance of which is 31.7% (104% of the target);
  - an allocation rate of 100% of the criterion based on the "Return on Capital Employed (ROCE)", the performance of which is 33.5% (152% of the target);

- an allocation rate of 100% of the criterion based on CO2 emissions, the performance of which is 468kg CO_2/tpg (100% of the target); and
- an allocation rate of 100% of the criterion based on the Gender Equality Index, the performance of which is 72% (104% of the target).

The Board of Directors of the Company, on the recommendation of the Compensation Committee, has indeed decided to maintain the performance shares which had been attributed to Michel Giannuzzi in accordance with the terms of the 2021-2023 Plan when he was Chairman and Chief Executive Officer of the Company, even though he ceased to act as Chief Executive Officer on 12 May 2022. This was the final allocation received by Michel Giannuzzi in respect of his role as Chairman and Chief Executive Officer. He does not receive performance shares in respect of his role as Chairman.

This decision was based on the following circumstances:

In order to ease the transition from Michel Giannuzzi to Patrice Lucas as Chief Executive Officer and to benefit from Michel Giannuzzi's in-depth knowledge of the Group, additional responsibilities have been conferred upon Michel Giannuzzi as Chairman of the Board that go beyond the roles usually granted to Chairmen of listed companies. He is particularly involved in strategic issues and development projects such as M&A transactions (such as, for example, the strategic successful acquisition of Allied Glass). Michel Giannuzzi also participates in internal meetings with the Company's teams, at the invitation of the Chief Executive Officer. The impact of the performance action plans implemented at the initiative of Michel Giannuzzi as Chief Executive Officer and his strong initiatives on the improvement of the Group's profitability since he took up his role as Chief Executive Officer in 2017 still have a significant positive impact on the Group's EBITDA, which is part of the performance criteria used by the Company for its long-term incentives plan.

The Chairman is subject to a 30% retention obligation for vested shares, for a period expiring at the end of his term of office.

(d) Profit sharing and employer matching contribution

For the financial year ended on 31 December 2023, the Chairman was not a beneficiary of the profit-sharing agreement for employees of Verallia Packaging.

During the year ended on 31 December 2023, the Chairman received a gross employer matching contribution of €2,000, i.e. a net amount of €1,806, in connection with the purchase of Verallia shares under the Group Savings Plan.

Fixed compensation	€350,000.
Variable compensation	€493,723 paid in 2023 for the role of Chairman and Chief Executive Officer in respect of the 2022 financial year.
Exceptional bonus	N/A.
Compensation for term of office as Director	N/A.
Performance shares	60,500 shares, vested on 1 March 2023, in respect of the 2021-2022 Plan and 60,500 shares, vested on 1 March 2024, in respect of the 2021-2023 Plan.
Pension plan	N/A.
Termination benefit	N/A.
Non-compete indemnity	N/A.
Profit sharing and employer matching contribution	For the year ended on 31 December 2023, the Chairman received a gross employer matching contribution of €2,000, i.e. a net amount of €1,806.
Benefits in kind	Company car Benefit of a complementary health plan.

Draft resolution prepared by the Board of Directors pursuant to Articles L. 225-100 and L. 22-10-8 of the French Commercial Code for submission to the Combined General Meeting to be held on 26 April 2024

TWELFTH RESOLUTION

(Approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Michel Giannuzzi, Chairman of the Company's Board of Directors)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the fixed, variable and exceptional items comprising the total compensation and benefits in kind paid in the previous financial year or awarded in respect of the same financial year to Michel Giannuzzi, Chairman of the Board of Directors, as presented in the aforementioned report.

3.3.2.2. Components of the compensation of Patrice Lucas, Chief Executive Officer

(a) Fixed compensation

The gross amount of fixed compensation paid to the Chief Executive Officer for the financial year ended on 31 December 2023 was €750,000.

(b) Annual variable compensation

At their meeting of 14 February 2024 the Board of Directors, on the recommendation of the Compensation Committee and after having reviewed the results of the Company and the financial results of the Chief Executive Officer during the financial year ended on 31 December 2023, set the financial portion of the variable compensation due to the Chief Executive Officer in respect of the financial year ended on 31 December 2023 at €787,500, i.e. 150% of the target for the financial portion, and the ESG portion of that compensation at €71,550, i.e. 31.8% of the target for the ESG portion (i.e. a total of €859,050), i.e. 114.54% of the target).

With regard to the financial portion, representing 70% of the variable compensation, the Board of Directors therefore noted that entitlements to variable compensation rights follow the grid below:

Objective	Weighting	Achievement of the target (as a % of the target) for the financial year ended on 31 December 2023	Amount of variable compensation (as a % of target amount)
Adjusted EBITDA	40%	110%	150%
Operating cash flows	30%	115%	150%

Regarding the ESG portion, representing 30% of the variable compensation, the following ESG objectives were reviewed by the Compensation Committee and the Board of Directors therefore noted that entitlements to variable compensation rights follow the grid below:

Objective	Weighting	Achievement of the target (as a % of the target) for the financial year ended on 31 December 2023	Amount of variable compensation (as a % of target amount)
Work accident frequency rate (TF2)	15%	63.6 %	63.6 %
Increase in the rate of cullet use	15%	Not achieved	— %

The payment of the variable compensation shall be conditional upon the approval by the Company's shareholders at their General Meeting to be held on 26 April 2024 of the components of the Chief Executive Officer's compensation under the conditions set out in Articles L. 225-100 and L. 22-10-9 of the French Commercial Code.

(c) Exceptional bonus

None.

(d) Compensation for term of office as Director

None.

(e) Allocation of performance shares

Acting pursuant to the authorization conferred by the 22nd resolution of the Extraordinary General Meeting of the Company's Shareholders of 10 June 2020, the Board of Directors resolved, at its meeting held on 15 February 2023, to grant to the Chief Executive Officer 38,000 shares under the 2023-2025 Plan subject to a three-year vesting period ending on 1 March 2026 and subject to (a) the continued service of the Chief Executive Officer with the company and (b) the performance criteria set out below:

- for 40%, a theoretical value creation target with respect to the 2023–2025 LRP (defined as the increase in the following aggregate: 8 times adjusted EBITDA minus the net financial debt before payment of dividends and/or share buybacks), measured between 31 December 2022 and 31 December 2025;
- for 15%, a total shareholder return (TSR) target for the Company's share relative to the evolution of the TSR of companies included in the SBF 120 index on Euronext Paris, measured between 31 December 2022 and 31 December 2025[82];
- for 15%, a total shareholder return (TSR) target for the Company's share relative to the evolution of the TSR of a minimum of three or four listed companies in the glass industry, measured between 31 December 2022 and 31 December 2025;

[82] The allocation rate for performance shares to be granted in respect of this criterion is determined as follows:
- 0% if the performance of Verallia's TSR is less than the SBF 120 TSR; and
- 100% if the performance of Verallia's TSR is equal to or greater than the SBF 120 TSR.

- for 30%, sustainable development targets, in line with the targets defined in Section 2 of this Universal Registration Document and broken down as follows:
  - a CO_2 emissions reduction target of 15%[83]; and
  - an objective to increase the percentage of women holding management positions up to 15%[84].

The Chief Executive Officer is subject to a 30% retention obligation for vested shares, for a period expiring at the end of his term of office.

(f) Termination and non-compete benefits

See Section 3.3.1.3(f) above.

(g) Profit sharing and employer matching contribution

For the financial year ended on 31 December 2023, the Chief Executive Officer was not a beneficiary of the profit-sharing agreement for employees of Verallia Packaging.

During the year ended on 31 December 2023, the Chief Executive Officer received a gross employer matching contribution of €2,000, i.e. a net amount of €1,806, in connection with the purchase of Verallia shares under the Group Savings Plan.

(h) Benefits in kind

During the financial year 2023, the Chief Executive Officer benefited from a company car, an executive unemployment insurance scheme (GSC) and a complementary health plan.

(i) Summary tables of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid during the financial year ended on 31 December 2023 or allocated for the same year to the Chief Executive Officer

Fixed compensation	€750,000.
Variable compensation	€590,972 paid in 2023 for the role of Chief Executive Officer in respect of the 2022 financial year, €259,328 paid in 2023 for the role of Deputy Chief Executive Officer in respect of the 2022 financial year, and €859,050 allocated for the financial year ended on 31 December 2023
Exceptional bonus	N/A.
Compensation for term of office as Director	N/A.
Performance shares	38,000 performance shares allocated under the 2023-2025 Plan.
Pension plan	N/A.
Termination benefit	Termination benefit of up to 150% of the amount of fixed and variable compensation for the 12 months preceding the effective termination of his term of office. This would be payable in the event of his removal from office as Chief Executive Officer, unless he is dismissed for gross negligence or serious misconduct. No termination benefit will be paid (i) if the average rate of achievement of the targets set with respect to the financial and ESG criteria for the variable compensation of the Chief Executive Officer over the two years preceding the effective termination of his term of office is below 70% or (ii) if the Chief Executive Officer leaves the Company on his own initiative, changes position within the Group, has the possibility of invoking his retirement rights or reaches the age of 65. If the average rate of achievement of the targets relating to the financial and ESG criteria for the variable compensation of the Chief Executive Officer is greater than or equal to 70% during the two years preceding the end of his term of office, the termination benefit will be payable in full.
Non-compete indemnity	A 12-month non-compete obligation,compensated by a fixed monthly benefit equal to 1/12th of 70% of the amount of his fixed and variable compensation for the last 12 months preceding the effective termination of his term of office. In the event of the combined application of the termination benefit described above and the non-compete indemnity, the aggregate amount of the two benefits will be capped at an amount corresponding to the sum of the fixed and variable compensation received by the Chief Executive Officer during the two years preceding the effective termination of his term of office.
Profit sharing and employer matching contribution	For the year ended on 31 December 2023, the Chief Executive Officer received a gross employer matching contribution of €2,000, i.e. a net amount of €1,806.
Benefits in kind	Company car Benefit of an executive unemployment insurance scheme (GSC) and a complementary health plan.

[83] Target of CO_2 emissions at Group level in absolute value of 2,627kt in 2025 (excluding United Kingdom) for scopes 1 and 2 (in line with SBTI and for the ESG KPIs set out in the sustainability-linked bonds).
[84] Target of 35% in 2025 (excluding United Kingdom).

Draft resolution prepared by the Board of Directors pursuant to Articles L. 225-100 and L. 22-10-8 of the French Commercial Code for submission to the Combined General Meeting to be held on 26 April 2024

THIRTEENTH RESOLUTION

(Approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Patrice Lucas, Chief Executive Officer of the Company)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the fixed, variable and exceptional items comprising the total compensation and benefits in kind paid in the previous financial year or awarded in respect of the same financial year to Patrice Lucas, Chief Executive Officer of the Company, as presented in the aforementioned report.

The tables below also show the compensation and benefits of any kind paid by the Company and any Group company during the financial years ended on 31 December 2023 and 2022 to Michel Giannuzzi in respect of his successive terms of office as Chairman and Chief Executive and Chairman of the Board of Directors and to Patrice Lucas in respect of his successive terms of office as Deputy Chief Executive Officer and Chief Executive Officer.

Table 1 (AMF nomenclature)

Summary of compensation, options and shares granted to each executive officer		
(amounts paid in €)	Financial year 2023	Financial year 2022
Michel Giannuzzi – Chairman and Chief Executive Officer		
Compensation for the year (see Table 2 for details)		€894,426
Value of multi-year variable compensation paid during the financial year	—	—
Value of stock options granted during the financial year (see Table 4 for details)	—	—
Value of performance shares granted	—	
Value of other long-term compensation plans	—	—
Total		**€894,426**
Michel Giannuzzi – Chairman of the Board of Directors		
Compensation for the year (see Table 2 for details)	€354,158	€225,633
Value of multi-year variable compensation paid during the financial year	—	—
Value of stock options granted during the financial year (see Table 4 for details)	—	—
Value of performance shares granted	—	—
Value of other long-term compensation plans	—	—
Total	**€354,158**	**€225,633**
Patrice Lucas – Deputy Chief Executive Officer		
Compensation for the year (see Table 2 for details)	—	€471,716
Value of multi-year variable compensation paid during the financial year	—	—
Value of stock options granted during the financial year (see Table 4 for details)	—	—
Value of performance shares granted	—	—
Value of other long-term compensation plans	—	—
Total		**€471,716**
Patrice Lucas – Chief Executive Officer		
Compensation for the year (see Table 2 for details)	€1,628,455	€1,074,973
Value of multi-year variable compensation paid during the financial year	—	—
Value of stock options granted during the financial year (see Table 4 for details)	—	—
Value of performance shares granted (see Table 6 for details)	€830,688	€492,057
Value of other long-term compensation plans	—	—
Total	**€2,459,143**	**€1,567,030**

Table 2 (AMF nomenclature)

Summary of compensation paid to each executive officer				
	Financial year 2023		Financial year 2022	
(amounts paid in €)	Amounts allocated	Amounts paid	Amounts allocated	Amounts paid
Michel Giannuzzi – Chairman and Chief Executive Officer				
Fixed compensation	—	—	€399,194	€399,194
Annual variable compensation(1)	—	€493,723	€493,723	€1,358,597
Multi-year variable compensation	—	—	—	—
Exceptional bonus	—	—	—	—
Compensation for term of office as Director	—	—	—	—
Benefits in kind(2)	—	—	€1,509	€1,509
Total	**—**	**€493,723**	**€894,426**	**€1,759,300**
Michel Giannuzzi – Chairman of the Board				
Fixed compensation	€350,000	€350,000	€222,984	€222,984
Annual variable compensation	—	—	—	—
Multi-year variable compensation	—	—	—	—
Exceptional bonus	—	—	—	—
Compensation for term of office as Director	—	—	—	—
Benefits in kind(2)	€4,158	€4,158	€2,649	€2,649
Total	**€354,158**	**€354,158**	**€225,633**	**€225,633**
Patrice Lucas – Deputy Chief Executive Officer				
Fixed compensation	—	—	€209,677	€209,677
Annual variable compensation(1)	—	€259,328	€259,328	—
Multi-year variable compensation	—	—	—	—
Exceptional bonus	—	—	—	—
Compensation for term of office as Director	—	—	—	—
Benefits in kind(2)	—	—	€2,711	€2,711
Total	**—**	**€259,328**	**€471,716**	**€212,388**
Patrice Lucas – Chief Executive Officer				
Fixed compensation	€750,000	€750,000	€477,823	€477,823
Annual variable compensation(1)	€859,050	€590,972	€590,972	—
Multi-year variable compensation	—	—	—	—
Exceptional bonus	—	—	—	—
Compensation for term of office as Director	—	—	—	—
Benefits in kind(2)	€19,405	€19,405	€6,178	€6,178
Total	**€1,628,455**	**€1,360,377**	**€1,074,973**	**€484,001**

(1) Annual variable compensation is subject to performance conditions linked to the achievement of adjusted EBITDA and operational cash flow thresholds, as well as a safety objective (workplace accident rate) and a sustainable development target.

(2) Benefits in kind consist of a company car and the executive unemployment insurance scheme (GSC).

Table 11 (AMF nomenclature)

Executive officers	Employment contract		Supplementary pension plan		Indemnities or benefits due or likely to be due as a result of termination or change of duties(1)		Non-compete indemnity(1)	
	Yes	No	Yes	No	Yes	No	Yes	No
Michel Giannuzzi – term of office as Chairman and Chief Executive Officer until 11 May 2022								
		X		X	X		X	
Michel Giannuzzi – term of office as Chairman of the Board of Directors from 12 May 2022								
		X		X		X		X
Patrice Lucas – term of office as Deputy Chief Executive Officer from 1 February 2022 to 11 May 2022								
		X		X	X		X	
Patrice Lucas – term of office as Chief Executive Officer from 12 May 2022								
		X		X	X		X	

(1) The conditions for payment of the termination benefit of Patrice Lucas and the compensation due in relation to his non-compete undertaking are described in Section 3.3.1.3

Stock option grants

Table 4 (AMF nomenclature)

Options allocated during the financial year to each executive officer by the issuer and by any Group company						
Name of executive officer	Plan No. and date	Type of options (purchase or subscription)	Value of the options according to the method used for the consolidated financial statements	Number of options granted during the year	Exercise price	Exercise period
Michel Giannuzzi	N/A	N/A	N/A	N/A	N/A	N/A
Patrice Lucas	N/A	N/A	N/A	N/A	N/A	N/A

Table 5 (AMF nomenclature)

Stock options exercised during the year by each executive officer			
Name of executive officer	Plan No. and date	Number of options exercised during the year	Exercise price
Michel Giannuzzi	N/A	N/A	N/A
Patrice Lucas	N/A	N/A	N/A

Table 8 (AMF nomenclature)

Past stock option plans			
	Information about stock options		
Date of General Shareholders' Meeting	Plan No. 1	Plan No. 2	Plan No. 3
Date of Board meeting			
Total number of shares that may be subscribed or purchased, including the number that may be subscribed or purchased by:			
Starting date of exercise period			
Expiry date of exercise period		N/A	
Exercise price			
Exercise procedures (if the plan includes several tranches)			
Number of shares subscribed for (most recent date)			
Cumulative number of cancelled or forfeited options			
Options outstanding at year-end			

Table 9 (AMF nomenclature)

Stock options granted to the top ten employees who are not corporate officers and options exercised by them	Total number of options granted/ shares subscribed for or purchased	Weighted average price	Plan No. 1	Plan No. 2
Options granted during the year by the issuer and any companies included in the stock option plan to the ten employees of the issuer or of those companies who received the most options (aggregate)		N/A		
Options held in the issuer and in the above-mentioned companies that were exercised during the year by the ten employees of the issuer or of those companies who exercised the most options (aggregate)				

Performance share grants

Table 6 (AMF nomenclature)

Performance shares granted to each corporate officer						
Performance shares granted during the financial year to each corporate officer by the general shareholders' meeting of the issuer and of any Group company (list of names)	**Plan No. and date**	**Number of shares granted during the financial year**	**Value of the shares according to the method used for the consolidated financial statements**	**Vesting date**	**End of lock-up period**	**Performance conditions**
Michel Giannuzzi		N/A.				
Patrice Lucas	2022–2024 Plan of 16 February 2022	35,000	€492,057	01/03/2025	1 March 2025 with the obligation to hold 30% of vested shares over the term of office	Performance conditions described in Section 3.3.2.4(e) of the previous report
Patrice Lucas	2023-2025 Plan of 15 February 2023	38,000	€830,068	01/03/2026	1 March 2026 with the obligation to hold 30% of vested shares over the term of office	Performance conditions described in Section 3.3.2.2(e) of this report

Table 7 (AMF nomenclature)

Performance shares released from lock-up for each corporate officer	Plan No. and date	Number of shares released from lock-up during the year	Vesting conditions
Michel Giannuzzi	2021-2022 Plan	60,500 shares	Continued service + targets set out in the Plan achieved
Patrice Lucas		N/A	

Table 10 (AMF nomenclature)

History of performance share grants

Information on performance shares

Performance share plan	2021-2022 Plan	2021-2023 Plan
Date of the allocation decision	23 February 2021	23 February 2021
Total number of performance shares granted, of which the number granted to:	255,567 shares	207,783 shares
Michel Giannuzzi	60,500 shares	60,500 shares
Share vesting date	1 March 2023	1 March 2024
End of lock-up period	N/A(1)	N/A(1)
Number of shares vested as at 31 December 2023	60,500 shares	0
Cumulative number of cancelled or expired shares	0	0
Outstanding performance shares awarded at year-end (maximum number of shares)	255,567 shares as at 31 December 2022 for an initial attributed number of shares of 257,328 shares	207,783 shares as at 31 December 2023 for an initial attributed number of shares of 247,433 shares

Information on performance shares

Performance share plan	2022–2024 Plan	2023-2025 Plan
Date of the allocation decision	16 February 2022	15 February 2023
Total number of performance shares granted, of which the number granted to:	229,950 shares	277,200 shares
Patrice Lucas	35,000 shares	38,000 shares
Share vesting date	1 March 2025	1 March 2026
End of lock-up period	N/A(1)	N/A(1)
Number of shares vested as at 31 December 2023	0	0
Cumulative number of cancelled or expired shares	0	0
Outstanding performance shares awarded at year-end (maximum number of shares)	229,950 shares as at 31 December 2023 for an initial attributed number of shares of 273,050 shares(2)	277,200 shares as at 31 December 2023 for an initial attributed number of shares of 297,000 shares

(1) Subject to the obligation of the Chairman and of the Chief Executive Officer to retain 30% of the vested shares for a period expiring at the end of their term of office and the obligation of the members of the Group's Executive Committee to retain 20% of the vested shares for as long as they remain Members of the Executive Committee.

(2) For information, 273,050 shares were granted on two occasions: 252,150 shares on 16 February 2022 and 20,900 shares on 6 December 2022.

3.3.2.5. Directors

The table below shows the compensation for the term of office of Directors and other compensation received by the non-executive members of the Board of Directors for the financial years ended on 31 December 2022 and 2023:

Table 3 (AMF nomenclature)

Table of the compensation allocated for terms of office as Director and other compensation received by non-executive officers				
Non-executive officers	**Amounts allocated for financial year 2022**	**Amounts paid for financial year 2022**	**Amounts allocated for financial year 2023**	**Amounts paid for financial year 2023**
Bpifrance Investissement				
Compensation (fixed, variable)	0	0	0	0
Other compensation*	0	0	0	0
Brasil Warrant Administração de Bens e Empresas S.A.				
Compensation (fixed, variable)	0	0	0	0
Other compensation*	0	0	0	0
BW Gestão de Investimentos Ltda.				
Compensation (fixed, variable)	0	0	0	0
Other compensation*	€54,243	€54,243	€128,604[85]	€128,604[86]
Marie-José Donsion				
Compensation (fixed, variable)	€89,000	€89,000	€89,000	€89,000
Other compensation*	0	0	0	0
Virginie Hélias				
Compensation (fixed, variable)	€93,500	€93,500	€98,000	€98,000
Other compensation*	€1,933	€1,933	€6,771	€6,771
Dieter Müller Member until July 2023				
Compensation (fixed, variable)	0	0	0	0
Other compensation*[87]	0	0	0	0
Cécile Tandeau de Marsac				
Compensation (fixed, variable)	€93,500	€93,500	€84,500	€84,500
Other compensation*	0	0	0	0
Pierre Vareille				
Compensation (fixed, variable)	€112,250	€112,250	€92,000	€92,000
Other compensation*	€17,616	€17,616	€26,791	€26,791
Didier Debrosse Member from 11 May 2022				
Compensation (fixed, variable)	€58,333	€58,333	€92,000	€92,000
Other compensation*	0	0	0	0
Xavier Massol Member from 10 January 2022				
Compensation (fixed, variable)	0	0	0	0
Other compensation*[88]	0	0	0	0
Beatriz Peinado Vallejo Member from 11 May 2022				
Compensation (fixed, variable)	0	0	0	0
Other compensation*[89]	0	0	0	0
Oliver Späth Member from 6 December 2023				
Compensation (fixed, variable)	0	0	0	0
Other compensation*	0	0	0	0
TOTAL	**€520,375**	**€520,375**	**€617,666**	**€617,666**

* Including compensation by way of expense claims.

85 Including the expense claims of Brasil Warrant Administração de Bens e Empresas S.A., which are refunded to BW Gestão de Investimentos Ltda.
86 Including the expense claims of Brasil Warrant Administração de Bens e Empresas S.A., which are refunded to BW Gestão de Investimentos Ltda.
87 Excluding the fixed and variable compensation received by Dieter Müller in respect of his employment contract with the Group.
88 Excluding the fixed and variable compensation received by Xavier Massol in respect of his employment contract with the Group.
89 Excluding the fixed and variable compensation received by Beatriz Peinado Vallejo in respect of her employment contract with the Group.

3.3.3. Ratio of the executive officers' level of compensation to the average and median compensation of the Group's employees

For the calculation of the ratios presented below in accordance with Article L. 22-10-9 I 6 of the French Commercial Code, the Company referred to the AFEP-MEDEF Guidelines dated 28 January 2021.

In particular:

- the ratios below were calculated on the basis of the fixed and variable compensation paid during the financial years mentioned and performance shares allocated during the same periods and valued at their book value at the time of awarding and prorated on the financial year based on the plan duration. Performance share grants are subject to continued service conditions and performance conditions. The valuation at the time of granting does not necessarily reflect the value of the shares at the end of the vesting period, in particular if the performance conditions are not met. The compensation described below is taken into account including employer charges and contributions charged on this compensation;
- for employees, the compensation taken into account is full-time equivalent compensation;
- included in the calculation of the equity ratios are the Company, its direct French subsidiary Verallia Packaging, as well as its indirect French glass-making subsidiary Verallia France, covering 97% of the total payroll in France (the headcount as at 31 December 2023 for the above subsidiaries is provided in Section 2.6 of this Universal Registration Document);
- the consolidated adjusted EBITDA is a performance indicator used by the Group in analysing and valuing its operations and trends, measuring their performance, preparing earnings forecasts and making strategic decisions.

Annual evolution of executive officers' and employees' compensation in relation to the performance of the Company

	Financial year 2023	Financial year 2022	Financial year 2021	Financial year 2020	Financial year 2019
Consolidated adjusted EBITDA (in € thousands)	1,108,000	865,500	678,100	625,700	615,200
Cost of average compensation of employees on a full-time equivalent basis (in € thousands, including employer charges and contributions charged on this compensation)	94	84	80	82	78
Cost of median compensation of employees on a full-time equivalent basis (in € thousands, including employer charges and contributions charged on this compensation)	83	73	70	72	69

Comparison of executive officers' compensation with Group employees' compensation

	Financial year 2021	Financial year 2020	Financial year 2019
Cost of compensation of the Chairman and Chief Executive Officer (in € thousands, including employer charges and contributions charged on this compensation)	4,346	4,737	3,189
Average compensation cost ratio	54	58	41
Median compensation cost ratio	62	66	46

	Financial year 2023	Financial year 2022
Cost of compensation of the Chairman(1) (in € thousands, including employer charges and contributions charged on this compensation)	2,374	4,062
Average compensation cost ratio	25	48
Median compensation cost ratio	29	56

(1) Change of governance, in May 2022: with the following impact on remuneration costs in 2022 and 2023, concerning Michel Giannuzzi. During the 2022 financial year, he received fixed compensation corresponding to each of his successive mandates pro rata for each period, as indicated in the 2022 reference document. Included in this compensation is the 2021 bonus paid in 2022 as well as the annual charge for the 2022 financial year of Performance share plans. During the 2023 financial year, he received the fixed remuneration for the mandate of Chairman, as well as the 2022 bonus paid in 2023 for his previous mandate, in addition to the annual charge for the 2023 financial year of Performance share plans awarded under his previous mandate.

	Financial year 2023	Financial year 2022
Cost of compensation of the Chief Executive Officer[2] (in € thousands, including employer charges and contributions charged on this compensation)	2,591	1,224
Average compensation cost ratio	28	15
Median compensation cost ratio	31	17

(2) Change of governance, in May 2022: with the following impact on remuneration costs in 2022 and 2023, concerning Patrice Lucas.

During the 2022 financial year, he received fixed compensation corresponding to each of his successive mandates pro rata for each period, as indicated in the 2022 reference document. In addition, the annual charge for the 2022 financial year of the 2022-2024 Performance share plan, awarded in 2022.

During the 2023 financial year, he received the fixed remuneration for the CEO mandate and the 2022 bonus paid in 2023. In addition, there is the annual charge for the 2023 financial year relating to the 2022-2024 Performance share plan and the 2023-2025 Performance share plan.

Draft resolution prepared by the Board of Directors pursuant to Article L. 225-100 II. of the French Commercial Code for submission to the Combined General Meeting to be held on 26 April 2024.

FOURTEENTH RESOLUTION

(Approval of the information required in respect of Article L. 22-10-9 I. of the French Commercial Code relating to the compensation of corporate officers)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the information referred to in Article L. 22-10-9 I. of the French Commercial Code, as presented in the aforementioned report.

4

RISK FACTORS AND RISK MANAGEMENT

The Verallia Group drives its business in a constantly changing environment and is exposed to risks that could have a material adverse effect on the Group, its business, financial condition, results of operations or prospects, and which are important to bear in mind when making investment decisions.

The risks presented in Chapter 4 of this Universal Registration Document are not exhaustive, and other risks, unknown or for which the occurrence is not, as of the date of this Universal Registration Document, considered likely to have a material adverse effect on the Group, its business, financial condition, results of operations or outlook, may exist or could arise.

The main risks described in this chapter are those identified as part of the mapping of the Group's major risks, which assesses their criticality, i.e. their severity and probability of occurrence, after taking into account the risk prevention and management measures implemented by the Group.

In the table below, the abbreviation "CSR" highlights the risks that relate to corporate social responsibility.

Risk category	Description of the risk	Degree of criticality	
Risks related to the Group's external environment	Risks related to changes in demand for glass packaging, competition from producers of other types of packaging and the possible substitution of other materials for glass packaging	▲▲▲	High
	Risks related to energy shortages and costs	▲▲△	Medium
	Risks related to changes in the price and shortages of raw materials and cullet (CSR)	▲▲△	Medium
Operational risks	Risks related to IT systems (CSR)	▲▲▲	High
	Risks related to geopolitical aspects and Group's international activities	▲▲▲	High
	Risks related to the operation of industrial sites	▲▲△	Medium
	Risks related to the balance between supply and demand and adaptation of manufacturing facilities	▲▲△	Medium
	Risks related to the implementation of the Group's operational excellence programme	▲▲△	Medium
	Risks related to occupational health and safety (CSR)	▲▲△	Medium
	Risks related to relationships with certain strategic suppliers and subcontractors (CSR)	▲▲△	Medium
	Risks related to labour relations and human resources (CSR)	▲▲△	Medium
	Risks related to acquisitions and partnerships	▲▲△	Medium
	Risks related to defective products	▲△△	Low
Risks related to climate and environmental challenges	Risks related to environmental regulations (CSR)	▲▲▲	High
	Risks related to the energy transition (CO_2 reduction) (CSR)	▲▲▲	High
	Risks related to the physical impacts of climate change (CSR)	▲▲△	Medium
Financial risks	Risks related to exchange rates	▲▲△	Medium
	Risks related to substantial investments and their financing	▲▲△	Medium
	Risks related to the Group's borrowings and liquidity risk	▲△△	Low
Legal risks	Compliance risks (CSR)	▲▲△	Medium
	Risks related to taxation and customs barriers (CSR)	▲▲△	Medium
	Risks related to litigation and ongoing investigations, particularly in relation to occupational diseases (CSR)	▲▲△	Medium

The Group's strategic pillars

Strategic pillars			
Pursue disciplined growth	Increase operational excellence	Invest for a sustainable future	Anchor a strong and inclusive entrepreneurial culture

ESG pillars			
Enhance the circularity of glass packaging	Decarbonise our activities	Ensure a safe and inclusive work environment for all	Business ethics

4.1. Description of risk factors

4.1.1. Risks related to the Group's external environment

4.1.1.1. Risks related to changes in demand for glass packaging, competition from producers of other types of packaging and the possible substitution of other materials for glass packaging

DESCRIPTION OF THE RISK

The Group's business may be impacted by:

- changes in demand for glass packaging due to several factors including changes in consumption patterns, changes in laws relating to glass containers or the long-term decline in wine consumption in mature markets. Demand may also be impacted by the seasonal nature of some of the products marketed by the Group's customers (beers, rosé wines, spirits, etc.) and by economic conditions, particularly the price sensitivity of certain products consumed on a more occasional basis, such as spirits and champagne;
- strong competition in each of the Group's business segments and countries of operation, essentially due to a variety of manufacturers of other types of packaging (plastic packaging, aluminium, cardboard, etc.) and other forms of food packaging (draught beer, coffee capsules, individual dispensers, bulk, etc.). This, combined with competition from the Group's direct competitors (see Section 4.1.2.4 "Risks related to the balance between supply and demand and the adaptation of manufacturing facilities"), has in the past and could in the future cause excess capacity in certain countries, thereby lowering prices across the sector for varying lengths of time.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group has measures in place to manage these risks at operational level:

- a diversified customer portfolio (as of 31 December 2023, the Group's top 10 customers accounted for less than 18% of consolidated revenue and the biggest customer represented approximately 5% of consolidated revenue);
- diversification across a wide range of end markets, limiting dependence on any one country, segment of glass packaging market or customer;
- a product offering developed and tailored to the constraints of the Group's customers, evolving consumer preferences, and meeting high quality and safety standards;
- relatively flexible and adaptable manufacturing facilities, with a view to quickly allocating and adjusting production in line with changes in demand;
- definition and implementation of a Business Continuity Plan in all plants.

The Group systematically ensures that the products it develops are adapted to:

- the increasing complexity of production methods;
- changes in consumer preferences;
- changes in safety laws.

Furthermore, the Group is a member of the European Container Glass Federation (FEVE), the Glass Packaging Institute and the Friends of Glass community. It also participates actively in the Friends of Glass campaign "Look Beyond The Label" to promote the use of glass packaging, as well as FEVE's efforts to promote the collection of used glass (target collection rate of 90% in Europe by 2030).

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.1.2. Risks related to energy shortages and costs

DESCRIPTION OF THE RISK

The Group's manufacturing activities consume a considerable amount of thermal and electrical energy, which accounts for a significant portion of its operating expenses (approximately 27% of the cost of sales in 2023). Significant increases or changes in the price of energy resources may have a material adverse effect on the Group's business and its operational results. Energy shortages may also occur, negatively impacting the Group's business and objectives. The Group obtains its supplies of electrical energy from local providers in each country and does not always have an alternative supply solution. As such, it may be subject to interruptions of electricity supply or price increases. For its thermal energy supply, the Group buys fossil fuels on the international markets and is therefore exposed to fluctuations in the price of such materials.

Energy shortages and the use of alternative sources can make production more expensive, but also cause slowdowns or stoppages in activity.

Similarly, the Group may be exposed to the risk of changes in subsidies and other government measures related to the cost of energy introduced by authorities in certain countries (particularly Germany and Italy) (see Section 1.5.3.1.2 "Regulations for the glassmaking industry"). These subsidies could be called into question, in particular due to the application of European rules on state aid.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

Guaranteeing energy supplies to the Group's plants requires rigorous management of contracts and various actions aimed at:

- implementing a hedging strategy whose purpose is to minimise exposure to price fluctuations. The hedging strategy consists in hedging over three years 85% of estimated future consumption at the end of the year under consideration (so that consumption is fully-hedged for the following year, 50%-hedged for the year after that and 25%-hedged for the year after that). These parameters are then validated at Energy Committee meetings attended by the Chief Executive Officer, the Chief Financial Officer, the Operations Director and the Group Purchasing Director. The Group also has the option of purchasing on a forward basis to mitigate the effects of fluctuations in fuel prices;
- ensuring that most of the Group's plants can switch from gas to fuel oil in the event of a shortage minimizing the impact on the production continuity plan;
- introducing price revision clauses in the Group's multi-year sales contracts with its biggest customers, notably taking into account changes in energy costs and inflation;
- applying a dynamic commercial policy within the Group, with a view to negotiating selling price increases with customers (i.e. for contracts without price adjustment clauses, which represent most of the sales contracts entered into by the Group).

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.1.3. Risks related to changes in the price and shortages of raw materials and cullet

DESCRIPTION OF THE RISK

The Group's industrial activities partly depend on certain raw materials (glass sand, limestone, soda ash and cullet), which could be affected by price increases stemming among other factors from an imbalance between supply and demand.

The Group must therefore consider a number of risk factors:

- disruption of supply chains, with certain raw materials not available near production sites;
- packaging costs (wooden pallets, plastic film, etc.) and transport costs, which can account for a significant proportion of the final price;
- imbalance between supply and demand that can result in tight markets creating a difficulty in supplying a raw material or resulting in high demand for it;
- scarcity of certain components such as cullet, creating the need to increase the proportion of soda ash needed to produce glass, resulting in higher energy costs and consumption and a need to introduce offset measures to meet CO_2 reduction targets.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The risk of supply disruption is particularly high for the Group due to the technical nature of its products and requirements in terms of consistency of product performance. The Group has therefore taken steps to anticipate and prevent supply risk:

- close monitoring of the markets and negotiation with the Group's suppliers with the support of the Purchasing Department to adapt business continuity plans and secure price structures best suited to changes in raw material or energy costs in the short and medium term;
- pass-through of increases in raw material costs, directly or indirectly, to the Group's selling prices, thanks notably to the price revision clauses included in some of its multi-year contracts or through commercial negotiations with customers.

For cullet, the Group has developed a number of initiatives aimed at optimising its use by increasing the collection of household glass and improving the quality of cullet during its treatment. To that end, the Group has:

- signed joint venture contracts to secure the volume of cullet or increase its use in glass production;
- built cullet treatment units using new treatment solutions in order to be able to recycle more cullet in the Group's own furnaces;
- set a strategic target, included in the CO_2 emissions reduction plan, for the rate of use of external cullet developed at local and Group level and adopted in all entities;
- diversified external sources of treated cullet to mitigate price increases for the portion of cullet not covered by Verallia's facilities (owned directly or through partnerships).

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2. Operational risks

4.1.2.1. Risks related to IT systems

DESCRIPTION OF THE RISK

The Group relies on its information systems to run its business (especially to manage furnaces, monitor supplies, orders and product invoicing, communicate with customers, manage personnel and provide the necessary information to its various operational managers for decision-making). Accordingly, the Group faces the following main risks:

- risk of IT system failure. IT systems are ubiquitous in the Group's business, and the failure of one or more of them could cause a business interruption or slowdown;
- risk of cybercrime. Through contamination (viruses) or intrusion into computer systems, cybercrime can have serious consequences, including business interruption, data theft, disclosure of sensitive data, manipulation of the Group's operational or financial data, ransomware or data loss;
- risk of failure of an IT service provider. The Group outsources certain aspects of its information systems and certain activities in order to optimize the management of its resources and improve the efficiency and security of its IT infrastructure. Despite the care taken in the selection of these service providers, there is a risk that they may fail to fulfil their obligations.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group has implemented a comprehensive IT security policy that is reviewed annually, and which involves:

- implementing an IT security plan built on five pillars: i) constant updating of systems, workstations and servers, including security at industrial sites, strong authentication for remote access and privileged user accounts, and a backup plan; ii) securing access and application rights; iii) detection of anomalies for maximum responsiveness; iv) user awareness; and v) governance based on best practices;
- implementing action plans to strengthen the security of IT infrastructure and equipment;
- introducing a centralised monitoring system (Security Operation Center) allowing the detection and analysis of anomalies and rapid response;
- implementing annual awareness-raising actions for all employees regarding cyber risks, especially phishing and ransomware;
- performing attack simulations (redteam) to test Group entire strategy and processes (resilience, detection, reaction, compliance with basic procedures, awareness, etc.);
- taking out a cyber insurance policy;
- a disaster recovery plan based on a regularly tested backup, restoration and versioning policy for user (PC) and application (servers) data;
- in the interest of cybersecurity, and in line with specific GDPR rules, implementing a GDPR and Security questionnaire for the Group's private and sensitive data inventory undertaken in connection with each new project coordinated by the security team and the legal team.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2.2. Risks related to geopolitical aspects and the Group's international activities

DESCRIPTION OF THE RISK

The Group operates 34 industrial sites and is present in 15 countries. Its employees and activities may be directly or indirectly affected by periods of economic, political or financial instability in certain parts of the world (war, revolution, major social conflicts, devaluation, financial crisis, geopolitical tensions, hyperinflation in Argentina, difficulties in executing contracts, particularly in Russia or Ukraine, tensions in the Middle East and the Far East, etc.).

Geopolitical risks and tensions do not evolve in a linear way; rather, they are subject to antagonistic movements in line with diplomatic developments. The result is that mounting geopolitical tensions can further heighten economic risks and may fundamentally alter the longer-term global economic order by applying pressure, causing shifts in trade in energy and a reconfiguration of supply chains.

More specifically, the current geopolitical situation involving Russia and Ukraine could result in a slowdown of the economy, inflation, more stringent regulations and/or have other negative consequences in those countries, which could limit the Group's ability to continue or develop its activities, and/or expose it to constraints, additional costs or fines in the event of non-compliance with the regulations in force.

The recent Israeli-Palestinian conflict could give rise to fuel shortages or have a bearing on fuel prices.

Ultimately, a change in economic, political, social, health or regulatory conditions could expose the Group to risks to its business, assets, employees, financial position and reputation.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The geographical diversity of the Group's industrial sites is aimed at limiting the potential impact of a crisis on a local market. The Group has also established Group and Division Risk Committees with the aim of:

- regularly monitoring the effective implementation of the Group's key management procedures;
- obtaining quarterly letters of representation signed by the Division Directors;
- ensuring strict local monitoring of changes in the geopolitical and economic environment in the countries where the Group operates;
- implementing a compliance policy and mandatory in-house training in ethics and compliance in the countries where the Group operates;
- mandatory training to all populations concerned, particularly regarding embargoes rules and sanctions ;
- conducting systematic reviews of applicable sanctions with the help of external advisors and mass checks of all suppliers and customers;
- coordinating an insurance programme covering all of the subsidiaries' risks locally and through master policies at Group level covering the differences in conditions and limits compared with local policies;
- paying particular attention to Asian sourcing, which represented less than 1% of total purchases in 2023, mainly CapEx, with an emphasis on the development of local alternative solutions.

The Group nevertheless monitors geopolitical developments and the emergence of new division potentially exposed to risks, as its activities there could be impacted.

KEY TO PILLAR SYMBOLS

STRATEGIC	ESG
Pursue disciplined growth	Enhance the circularity of glass packaging
Increase operational excellence	Decarbonise our activities
Invest for a sustainable future	Ensure a safe and inclusive work environment for all
Anchor a strong and inclusive entrepreneurial culture	Business ethics

4.1.2.3. Risks related to the operation of industrial sites

DESCRIPTION OF THE RISK

The Group's industrial activity is based on the processing of molten materials using heavy machinery and equipment, which entails the risk of industrial accidents (including personal injury), but also potential nuisance for nearby communities and environmental hazards such as accidental releases of polluting or dangerous products.

Those risks may be aggravated for sites exposed to a heightened risk of natural disasters.

In addition, the Group's operations and results depend in particular on the optimisation of its manufacturing facilities in order to maximise production. The Group's manufacturing processes are characterised by high fixed manufacturing costs and continuous production requiring its furnaces to be kept at high temperatures 24 hours a day throughout the year.

Energy shortages or supply difficulties could lead to furnaces being put on standby, and as such to a temporary halt in production.

Water is required in the Group's production process, essentially to cool the machinery. A reduction in the availability of water or the introduction of major supply restrictions by local authorities might have a detrimental effect on the continuity of the production process, by slowing it or halting it altogether.

Similarly, the occurrence of accidents or interruptions in the manufacturing process could, more broadly, have a significant negative impact on the Group's business, earnings (maintenance of fixed costs, contractual penalties, reconstruction of furnaces, etc.), financial position or outlook and reputation.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group has implemented an active prevention/protection/anticipation approach built on various pillars:

- definition of an action plan discussed with an organisation specialising in industrial risk prevention engineering, which audits the Group's plants each year;
- implementation of business continuity plans at each of the Group's key sites to anticipate vulnerabilities and avoid prolonged interruptions to the supply of energy or materials needed to power machines and equipment, considering natural disaster and other major incident risks;
- permanent commitment to develop and operate the safest industrial processes, promoting a "zero accident" culture;
- mapping of water-stressed areas by the Group's plants and implementation of action plans to monitor and reduce water consumption.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2.4. Risks related to the balance between supply and demand and the adaptation of manufacturing facilities

DESCRIPTION OF THE RISK

The Group's business in its regional markets depends on the ratio of glass packaging production capacity to the volume of demand for such packaging. This ratio is a regionally relevant indicator for the Group. Transport costs for packaging, exacerbated when there is a lack of available transport, makes it difficult to transfer excess capacity between distant markets.

The Group must therefore consider a number of risk factors:

- an imbalance between supply and demand in a given market;
- a sudden drop in demand, resulting notably from unforeseeable events;
- an increase in demand that is lower than the Group's forecasts.

In addition, the characteristics of the Group's industrial organization (non-stop work in five shifts, time of around 18 to 24 months required to commission a new furnace) could restrict the possibilities of adapting supply to an increase in demand.

Similarly, a temporary inability to satisfy a sudden increase in demand for packaging could cause some of the Group's customers to turn to the Group's competing glass makers or to switch to other types of packaging.

Lastly, the Group may have to resize, upwards or downwards, its industrial facilities in certain divisions to adapt to these significant changes in supply or demand. Such fluctuations could lead the Group to shut down certain furnaces or plants, temporarily or permanently, which could entail significant costs.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

To ensure the smooth running of its activities, the Group conducts regular reviews, during the development phases of the Group's business plans and budget, of:

- the implementation of marketing and competition intelligence with continuous monitoring of changes in production capacities in the Group's direct and indirect markets;
- the development of an internal network (sales and management) heedful of demand trends and any event that could result in under or overcapacity in the Group's markets;
- the analysis of its production capacity (e.g. non-rebuild of a furnace, extension of the downtime following furnace repairs) and the implementation of action plan to improve flexibility (e.g. line switched to the production of jars rather than bottles).

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2.5. Risks related to the implementation of the Group's operational excellence programme

DESCRIPTION OF THE RISK

As part of its industrial strategy, the Group has been pursuing an operational excellence programme for several years, which it stepped up in 2018 with the rollout of the Verallia Industrial Management (VIM 2.0) initiative.

This initiative focuses on five areas, namely Safety, Quality, Customer Service, Team Management and Industrial Performance, including the reduction of manufacturing costs through the implementation of an industrial Performance Action Plan (PAP).

The Group intends to continue the rollout of this plan in support of its development strategy and the achievement of the medium-term objectives set out in Section 5.4 of this Universal Registration Document. The Group may not be able to implement this plan within the timeframe and in accordance with the terms initially planned or may not derive the benefits initially expected or maintain its competitive position.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

As part of the implementation of its operational excellence programme, the Group has:

- set up a robust management system, hinging in particular on dashboards and in-depth monthly reviews by division;
- strengthened change management at each plant and set up training for stakeholders, with strong support from the Group;
- arranged one session by Division per year to analyse production losses or inefficiencies with a view to identifying and selecting cost reduction projects for each plant. The objectives of the PAP have been integrated into the objectives of all plant managers and industry teams and determine a portion of their variable compensation;
- implemented indicators relating to the objectives of the excellence programme. These indicators are monitored and broadly integrated into the company's objectives and the variable compensation system for managers.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2.6. Risks related to occupational health and safety

DESCRIPTION OF THE RISK

Human resources are one of the Group's greatest business assets, and the men and women who work for the Group are key. Their health and safety is a fundamental and permanent objective.

The Group is exposed to a risk of accidents involving its employees or subcontractors at their workplace (particularly industrial sites, in view of the Group's glass business, which involves working in high-temperature environments) or during commutes.

Although the Group makes significant efforts both to ensure compliance with regulations, which are subject to regular changes and tightening of constraints, and the adequacy of employee training, qualifications and reliability, it cannot guarantee the absence of possible shortcomings in these areas.

The occurrence of one of these risks could therefore:

- result in substantial fines, claims against the Group and the employing company, and the loss of accreditation or qualifications;
- severely harm the physical integrity or psychological safety of employees, thereby having an impact on the Group's reputation.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group has implemented various measures to limit the impact and occurrence of risks related to the health and safety of individuals, including:

- a permanent commitment to develop and operate safe industrial processes, promote a "zero accident" culture and protect the health and safety of its employees, notably including workstation ergonomics, the reduction of potential exposure to dust, legionella, noise and heat, and the management of chemical risks, which are reviewed periodically;
- regular checks (in the form of plant audits) organised by the Operations Department to ensure that Health and Safety standards are compliant, and that they are reviewed and reinforced as often as necessary;
- training of subcontractors in specific risks and in Verallia's tools, especially during furnace rebuilds;
- the implementation of safety indicators that are subject to continuous monitoring and which are largely integrated into the company's objectives and the variable compensation system for managers;
- the periodic organisation of safety days with all employees to ensure constant awareness of this risk.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2.7. Risks related to relationships with certain strategic suppliers and subcontractors

DESCRIPTION OF THE RISK

As part of its industrial activity, the Group uses many suppliers of raw materials and components. The Group's top 10 suppliers accounted for approximately 28% of its supplies in the year ended 31 December 2023. For certain very specific supplies of raw materials (soda ash, sand), investments (glass-making equipment, refractory bricks, etc.), or even banking services, the Group relies on a limited number of suppliers that represent strategic counterparties for the Group and its business.

The failure of significant or exclusive suppliers or, more broadly, any disruption in the supply of key resources (raw materials or water, as mentioned in Section 4.1.1.2), could affect the Group's production capacity or result in additional costs.

The Group may also, for certain services and products provided to its customers, such as logistics or storage services, call on subcontractors acting in the Group's name and on its behalf.

The Group's subcontractors may be small companies that may derive an important portion of their revenue from the Group. Under local laws governing the termination of contracts by a party in a situation of economic dependence, the Group may be exposed to difficulties arising from the termination of the subcontracting contract and be required to pay compensation to the failing subcontractor.

Lastly, although many measures are taken to this effect, the Group cannot guarantee that its suppliers and subcontractors comply with local labour laws or environmental and ethical standards during their activities, which could affect the Group's reputation and results.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

he Group has taken various measures to limit the impact and nce of risks related to suppliers and subcontractors, including:

- the search for several suppliers where possible, and their geographical diversification;
- the selection of suppliers offering the most innovative products, combined with the entry into multi-year contracts with key sector players, where this is appropriate;
- a highly collaborative approach aimed at sharing volume forecasts with critical suppliers and thereby anticipating supply issues;
- particular attention when it comes to Asian sourcing, which represented less than 1% of purchases in 2023, mainly CapEx, with an emphasis on developing local alternative solutions;
- a steadfast desire to secure raw materials supplies, evidenced in the Group's joint-venture strategy, in cullet for example;
- particular attention when it comes to supplier and subcontractor compliance with applicable labour law, social protection law, and social and environmental standards (mandatory signing of a Group Supplier Charter);
- the implementation of procedures for identifying cases of single-source suppliers and/or economic dependence, together with the preparation of appropriate action plans, managed by division and at central level;
- the implementation of a specific ESG (Environment, Social, Governance) policy effective in most of the Group's countries of operation (see Section 2.6.1).
- the pooling of supplier creation at entity level and the streamlining of the global supplier base managed by the Group so as to strengthen supplier monitoring and control.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2.8. Risks related to labour relations and human resources

DESCRIPTION OF THE RISK

Harmonious social dialogue is a critical marker of the performance of an industrial group. Our employees and the unions (who represent them) are key stakeholders for the Group and its management.

In view of the company's activities and developments, the Group cannot rule out labour disputes such as strikes, industrial action or other social unrest, which could disrupt its business and have a material adverse effect on its image, business and operational results.

Similarly, the Group could be publicly attacked in the press and held responsible for any problem, whether internal (i.e. related to compliance with labour law, or managerial, financial, environmental or legal matters) or external (cyberattack). As a result, the Group could incur direct or indirect costs to address reputational damage.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group seeks to develop labour relations built on transparency and trust. Its policy aims to keep employee representatives regularly informed of the strategy of the Group's entities and to contribute to the constant improvement of working conditions for all employees. To that end, the following measures are in place:

- the negotiation and signing of annual agreements in the countries where the Group operates aimed at providing for and supporting wage increases for employees. Such agreements sometimes cover several years (as is the case in Spain, where the wage agreement covers the period from 2022 to 2024);
- the coordination of a European Works Council that met three times in 2023 (one plenary meeting and two meetings of the select committee) and whose members have received training to allow them to carry out their duties;
- the implementation of innovative social dialogue practices that include company employees in a pre-negotiation process – as was the case in France with the preparations that were made to sign an agreement on the forward-looking management of skills;
- the implementation of awareness-raising programmes on well-being at work, diversity and inclusion. These programmes are developed in the Group's various divisions;
- the completion of an employee engagement survey every two years and the resulting action plans to work on areas for improvement.

In addition, sensitive issues and crisis management are managed internally by the Group's HR Department. Press relations are governed by a communication charter.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2.9. Risks related to acquisitions and partnerships

DESCRIPTION OF THE RISK

The Group may consider value-creating acquisitions to generate additional revenue growth.

However, the estimated profits from future or completed acquisitions may not materialise within the time or to the extent expected as a result of the various difficulties outlined below.

The integration of newly acquired companies could result in substantial costs, as well as delays or other financial difficulties (such as the emergence of liabilities greater than those assessed during the due diligence phase of the acquisition process) or operational difficulties (such as the inaccuracy of the assumptions made in the business plan of the acquired companies, particularly with regard to synergies and performance). Moreover, acquisitions in a new country and/or in a country that is not the Group's home country could involve increased risks.

In addition, in the course of its business, the Group has entered into and may enter into a number of strategic partnerships or joint ventures with local companies. As part of the corresponding partnership (joint venture) agreements, the Group may be required, for the purpose of making certain decisions, to seek the agreement of its partners, whose interests may not be aligned with its own or which may disagree with the terms of the partnership.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group's governance structure for its M&A projects features an organised process for prospective acquisitions and partnerships overseen by a Strategic Committee, to which the main contributors are the M&A, Finance and Legal teams. The process is based on:

- the definition of a strict acquisition and partnership policy covering both strategic relevance and valuation;
- the completion of thorough legal and financial due diligence on targets with the support of internal and/or external specialists;
- in the event of integration, the implementation of a specific ad hoc governance to protect the Group's interests and ensure the adoption of the Group's key procedures by the newly integrated entity;
- the coordination of the new entities' integration, overseen by the relevant Group departments;
- the integration of joint-ventures into the Group Audit Plan with the performance of audits that are specifically tailored to this type of entity.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.2.10. Risks related to defective products

DESCRIPTION OF THE RISK

The products manufactured by the Verallia Group are of mineral origin and could potentially fail to comply with manufacturing standards (accidental or intentional contamination of raw materials, failure of production equipment or human error).

In the event of products not meeting its standards, the Group may be forced to suspend its production and incur substantial costs to:

- undertake the necessary corrective actions;
- carry out recall campaigns; and
- compensate customers and/or those in the distribution chain and/or end consumers for the damage suffered.

Even in the absence of negligence, this risk may expose the Verallia Group to litigation with its stakeholders and to reputational risk.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group has implemented an internal product stewardship policy built on various protocols:

- compliance of all our plants with strict food safety regulations (Regulation (EC) No 178/2002 of the European Parliament and of the Council of 28 January 2002) through ISO 22000, FSSC 22000 or BRC certification covering these requirements;
- implementation of continuous improvement approaches in terms of quality control and manufacturing process control;
- implementation of a policy for the elimination of products that are deemed non-compliant from the production chain, using automated testing equipment to monitor the quality of packaging throughout the production process at each of its production sites;
- implementation of traceability procedures allowing packaging to be tracked from the receipt of raw materials through to processing, production and shipping.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.3. Risks related to climate and environmental challenges

4.1.3.1. Risks related to environmental regulations

DESCRIPTION OF THE RISK

The Group is required to comply with numerous laws and regulations, which differ depending on the country of operation. In particular, the sector is subject to strict international, national and local regulations and to rapid and constant technical and societal developments, notably in relation to:

- pollution prevention;
- the management of key resources (water use restriction ordinances for example);
- the treatment of all kinds of industrial waste (especially gases and effluents);
- the monitoring of industrial sites and their operating conditions, their possible decontamination (particularly of soil);
- the treatment of packaging waste and noise pollution from production;
- the storage, handling, transport and treatment of hazardous waste, dust and fumes; and
- more generally, public health and food safety (see Chapter 1 "Legislative and regulatory environment").

The high expectations of its stakeholders have led the Group to make a firm commitment to preserving the environment. These specific features are reflected in risks of:

- non-compliance or inability to comply with soil decontamination regulations, exposing it to potential environmental liabilities;
- non-compliance or inability to comply with accepted standards for heavy metals in the manufacture of bottles, which may limit the Group's ability to produce packaging or require it to make significant investments in order to comply with these standards;
- non-compliance or inability to control customers' final exports, on the use of packaging for products sold in certain US states, in violation of local regulations, exposing it to financial penalties;
- non-compliance with or failure to implement the EU Industrial Emissions Directive 2010/75/EU ("IED Directive") on soil and groundwater assessment at some of its sites, which may reveal previously unknown contamination.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group takes constant actions to prevent and limit such risks, notably through the following measures:

- significant and recurring investments in the renovation of the Group's industrial equipment (e.g. furnaces, adiabatic cooling tower), the compliance and safety of production equipment and facilities, and productivity improvements;
- ISO 14001 and ISO 45001 certification for all Group glass production sites and ISO 22000 certification or equivalent for 34 glass production sites as of 31 December 2023 (see Section 1.5.1 of this Universal Registration Document), thereby ensuring that a system exists for managing the impacts on the Group's business;
- implementation of purchase or sale contracts with protective clauses;
- purchasing of insurance covering environmental pollution risk;
- ISO 50001 certification for energy management systems at glass plants in France and Italy in 2022;
- the green taxonomy is monitored, with the support of external consultants, and communicated and overseen by the FEVE.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

DESCRIPTION OF THE RISK	RISK MANAGEMENT
Glass production is not yet included in the priority sectors of the green taxonomy. As such, the Group has not identified any eligible revenue for the 2023 financial year. The proper functioning of the Group's activities depends accordingly on compliance with these legal and regulatory constraints. Failure by the Group to comply with applicable regulations in the future could trigger the withdrawal of operating licenses, cause its liability to be incurred or subject it to fines. Similarly, investments may also be required to limit the environmental impact, and failure to make such investments may expose the Group to civil or criminal penalties.	

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.3.2. Risks related to the energy transition (CO_2 emissions reduction)

DESCRIPTION OF THE RISK

The Group's glass business has a high carbon footprint insofar as calcium carbonate and sodium carbonate, the main materials used in glass manufacture, release CO_2 when they are melted, and glass melting accounts for approximately 75% of the energy consumed at industrial sites, which is provided chiefly by the combustion of fossil fuels (mainly gas at this time). Therefore, climate risk (emissions and greenhouse gases) is closely related to access to energy sources and raw materials, and the Group must therefore consider a number of risk factors relating to the inability to:

- increase the share of decarbonised raw materials;
- increase cullet consumption;
- optimise the energy consumption in the Group industrial facilities;
- reduce Scope 1 and 2 emissions from our various sites.

In addition, certain environmental regulations aimed at reducing carbon dioxide emissions and introducing carbon dioxide emission allowances have been and will continue to be adopted (see Section 1.5.3 "Regulatory environment").

As part of phase IV (2021–2030), the Group believes that, despite its efforts to reduce its CO_2 emissions, it will be obliged to continue its policy of purchasing allowances, for significant amounts, which could increase its operating and financial costs.

In line with the CSR strategy, the Group has strengthened its commitment by issuing two Sustainability Linked Bonds indexed on the achievement of the following two objectives: the reduction of CO_2 emissions (Scopes 1 and 2) to 2,625 kt per year by 2025, and the achievement of an external cullet usage rate of 59% by 2025. These ambitious and binding objectives are fully in line with the Group's strategy to reduce CO_2 emissions (Scopes 1 and 2) by 2030 and to increase external cullet use.

Failure to meet these criteria could result in an increase on the coupon on these bonds.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

"Re-imagine glass for a sustainable future", the Group's purpose, is informed in large part by environment and climate risk. The Group has therefore set itself the goal of being the sector leader, with very ambitious CO_2 emission reduction targets validated by the SBTi and aligned with the aim of limiting global warming to 1.5°C.

These targets have become a major strategic focus for Verallia, reflected in a number of aims:

- the target of reducing CO_2 emissions (Scopes 1 and 2) by 46% in absolute terms, with 2019 as the baseline, by 2030 (see Chapter 2 of the Non-Financial Information Statement). The Group aims to keep Scope 3 emissions below 40% of its total CO_2 emissions (Scopes 1 and 2);
- the strategic nature of CO_2 emissions reductions for the Company reflected in projects covering the three major components of CO_2 emissions generation at Verallia, namely raw material emissions through specific projects on cullet consumption, energy consumption in our plants and the supply of low-carbon or renewable energy. Scope 1 and Scope 2 emissions are monitored on a monthly basis at plant level, and reviewed by a Group CO_2 Committee; .
- the implementation of projects to improve the energy efficiency of industrial sites and reduce their carbon dioxide emissions in order to adapt the Group's industrial facilities to current regulations limiting CO_2 emissions and any tightening of such regulations in the future.

For example, an initiative based on circular economy principles has been implemented to recover waste energy by extracting heat from furnaces to heat buildings (at the Wirges and Neuburg sites in Germany).

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

DESCRIPTION OF THE RISK	RISK MANAGEMENT
The Group has also indexed the term loan and revolving credit facilities (RCF) provided for in the April 2023 credit agreement to the achievement of ESG targets, namely the reduction of CO_2 emissions (Scopes 1 and 2) to 2,625 kt per year by 2025. Failure to satisfy this specific criterion or the other ESG criteria would result in an increase in the interest rates payable on the term loan and revolving credit facilities (RCF). In addition, the Group's image could be tarnished among: • its customers, who are facing similar pressure to reduce their CO_2 emissions, and for whom CO_2 intensity is a major selection factor in purchasing decisions; • its investors, for whom CO_2 emissions reduction has become a major driver of investment decisions; • its employees.	In addition, as part of its energy and climate management strategy, the Group is working on breakthrough technology projects and is investing heavily in the modernisation of its furnaces, with: • plans for an electric furnace in Cognac (France) in 2024; • a hybrid furnace project, the first in Zaragoza (Spain) in 2024 and in Saint-Romain-Le-Puy (France) in 2025; • the introduction of on-site production of Syngas (synthesis gas), earmarked for Cognac (France) in 2024; • the construction of new installations that are more energy efficient, helping to lower greenhouse gas emissions. Lastly, a hedging policy is in place for Verallia's CO_2 quotas purchases (within the limits of the visibility offered by the allowance mechanism).

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.3.3. Risks related to the physical impacts of climate change

DESCRIPTION OF THE RISK

As a global industrial player, the Group has significant interactions with the natural environment. As such, the Group is naturally exposed to climate risks at its various sites, particularly in Argentina, Chile, Germany and Italy, located in seismic or flood-prone areas.

Given the impact of climate change, it is possible that the frequency of certain extreme events will be greater (e.g. storms, earthquakes, floods) or that local weather conditions will be more durably impacted (higher temperatures, more frequent droughts, reduction in local water resources, etc.). The Group's activities could well be disrupted by such weather events, which could have an effect on its activities (destruction of sites or interruption of production), earnings (increase in insurance premiums or costs related to repairs, etc.), financial position or outlook.

In particular, when it comes to production and supply for customers in Argentina, and in Chile, given that the Group has only a single production site there, it would be difficult to fall back on alternative solutions using another Group production site.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

To date, the Group has seen few occurrences of extreme events impacting its activities. Nevertheless, the Group has implemented:

- a worldwide property and casualty insurance programme with renowned, financially-sound insurance companies, covering the major risks to which the Group's industrial facilities might be exposed, and in particular damage and business interruption caused by natural disasters;
- a climate scenario analysis for all Group sites, together with actions;
- a risk mitigation and business continuity plan for each site.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.4. Financial risks

4.1.4.1. Risks related to exchange rates

DESCRIPTION OF THE RISK

The Group is present in 15 countries and may therefore be subject to operating currency risk. The preparation of the Group's financial statements (denominated in euros) requires the conversion of assets, liabilities, income and expenses into euros at the applicable exchange rates.

Beyond this foreign exchange risk, the Group's results are not significantly affected by changes in exchange rates, as most of the Group's costs and revenues are denominated in the same currency as a general rule. This is due to the regional or local nature of the Group's markets.

However, some subsidiaries that export products in the currency of the importing country may be exposed to exchange rate fluctuations.

Similarly, some subsidiaries are financed by the Group in their functional currency or in the Group's currency, which may give rise to a financial currency risk. This exposure is also hedged in keeping with the Group's policy on the management of currency risk. The Group's main currency of exposure to exchange rate risk is the Brazilian real, for which the sensitivity on shareholders' equity is described in note 20.2.2 "Exchange rate risk" in the Group's consolidated financial statements.

In the normal course of business, the Group may also be exposed to foreign exchange risk on certain financial liabilities denominated in a currency other than the functional currency of certain subsidiaries.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group has implemented a currency hedging policy to reduce its exposure to adverse currency fluctuations. It is based on:

- regular monitoring and assessment by the Group of exchange rate trends;
- invoicing by operating subsidiaries in their functional currency wherever possible;
- locating the Group's production sites close to its customers where this is possible;
- purchasing of derivative currency hedging instruments by the subsidiaries exposed to foreign exchange risk.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.4.2. Risks related to substantial investments and their financing

DESCRIPTION OF THE RISK

In order to maintain the operational excellence of its industrial facilities, the Group makes significant recurring investments, which have represented more than €200 million per year in recent years, including expenses related to the construction of new equipment and the reconstruction and maintenance of its existing facilities.

The Group may be unable to finance such expenditure if it does not generate enough cash from operations or if its available credit facilities are insufficient. The Group's ability to generate cash flows depends in particular on demand for its products, the cost of energy and raw materials, and its success in reducing costs (PAP).

Were the Group unable to meet its investment needs for any reason, it might not be in a position to maintain and develop its production capacity, which might have an adverse effect on its business, earnings, financial position, non-financial position (CO_2 emissions) and outlook.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group pursues a disciplined investment policy and therefore seeks to:

- ensure strict and continuous monitoring of its results (including profitability, cash and cost saving plan) to ensure sufficient cash generation to cover day-to-day operations (Investment Committee);
- implement funding lines in order to pursue its industrial policy, including through investments related to the implementation of the CO_2 emissions reduction plan.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.4.3. Risks related to the Group's borrowings and liquidity risk

DESCRIPTION OF THE RISK

Financial indebtedness could affect the Group's business by limiting its flexibility to adapt to changes in the industry, increasing its vulnerability to business downturns or economic conditions, or limiting its ability to make investments or pursue external growth.

The Group's debt is sensitive both to interest rates and to market liquidity, i.e. the cost of funding and the availability of funding. In the event of adverse economic conditions or industrial and commercial activity, the Group's ability to comply with the covenants contained in its various financing documents and meet its obligations may be affected. Furthermore, under the terms of the credit agreement entered in April 2023, the Group would be required to show a certain financial ratio were the long-term credit ratings assigned to Verallia by S&P and Moody's to fall below BBB- and Baa3, respectively (see Note 17.6 "Covenants" to the Group's consolidated financial statements).

A breach by the Group of its commitments or these covenants could constitute an event of default under the Group's various financing documents. In the event of a default that is neither remedied nor waived, the relevant creditors may terminate their commitment and/or require all outstanding amounts to become immediately due and payable. This could activate cross-default clauses on other Group contracts. Such events could have a material adverse effect on the Group, and even lead to its bankruptcy or liquidation.

The Group is also exposed to the risk of interest rate fluctuations insofar as a portion of its debt bears interest at a variable rate equal to EURIBOR plus a margin. In addition to potential fluctuations in EURIBOR, the margins applicable under the Senior Credit Agreement may increase (or decrease) depending on the level of the Group's pro forma consolidated total net debt-to-EBITDA ratio. (see Section 5.2.8 "Material Contracts" and Note 20.2.1 "Interest rate risk" to the Group's consolidated financial statements).

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group's overall exposure to liquidity risk and interest rate risk is managed by the Treasury and Financing Department. The Group's policy aims to:

- calibrate financing requirements based on short-, medium- and long-term cash flow projections for all Group companies (monthly three-month forecasts, monthly annual budget, three-year strategic plan);
- ensure the sustainability of its financing and, in line with this objective, diversify sources and stagger maturities while optimising financial costs (see Note 17.2 to the Group's consolidated financial statements);
- implement, in accordance with the guidelines set by the Company's Board of Directors, a policy aimed at securing the financial cost of the Group's overall medium-term debt against the risk of interest rate fluctuations.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

DESCRIPTION OF THE RISK	RISK MANAGEMENT
In addition, the Group has issued two sustainability-linked bonds, for which there may also be a risk that it will be unable to honor the commitment made under the sustainability-linked framework. An event or failure of that nature could damage the Group's reputation with bond investors, and the missed targets would increase the coupon by 12.5 and 10 basis points, respectively, but would not constitute an early redemption case in respect of the bonds. The credit agreement entered in April 2023 contains undertakings given by the Group based on ESG criteria. Any failure to honor these undertakings could increase the interest rates on the term loan facility and the RCF by a maximum of 5 basis points, but would not constitute an early repayment case under the credit agreement.	

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.5. Legal risks

4.1.5.1. Compliance risks

DESCRIPTION OF THE RISK

The Group operates in several countries where the risk of corruption may be perceived as significant (Brazil, Argentina, Chile, Russia and Ukraine). In addition, due to its market and geographical scope, the Group is also exposed to risks related to the violation of competition law requirements and risks related to the non-compliant processing of personal data.

Unethical practices or practices that do not comply with applicable laws and regulations on the part of its representatives or employees could expose the Group to criminal and civil penalties and may damage its image.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

To meet its ethical and legal obligations, the Group has implemented a compliance programme comprising:

- the introduction of a Code of Ethics, an anti-corruption and influence peddling policy, an antitrust policy, an agents and intermediaries policy, a gifts and invitation policy and rules within non-profit organisations;
- the implementation of a compliance training programme;
- an anonymous whistleblowing system available to employees and third parties;
- one compliance officer per legal entity;
- the integration of compliance risks in internal audit controls and work programmes, with the implementation specific audits to cover such risks;
- the assessment of specific Group partners (such as customers, suppliers and agents) according to the internal criticality assessment carried out in accordance with the Group's established methodology;
- country-specific updates regarding legislation on personal data processing, IT analysis, identification of relevant data controllers and training on personal data processing.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.5.2. Risks related to taxation and customs barriers

DESCRIPTION OF THE RISK

Due to its international operations, the Group is subject to complex and varied tax regulations, notably as regards transfer pricing, which may be interpreted in different ways.

The multiplication, complexity and instability of tax regulations and their interpretation, particularly in a context of international tax competition and the overhaul of international tax rules under the impetus of the OECD, the European Union and national governments, are all risk factors for the Group.

Failure by the Group to comply with applicable regulations could result in financial and/or criminal penalties, or even temporary or permanent closure of the relevant sites.

In addition, in view of the Group's activities, a growing proportion of its customers, particularly wine and spirits producers in France, Italy and Spain, have export activities that could be impacted by the increase in customs barriers and other trade restrictions applicable by certain countries, which could lead to a reduction in their orders placed with the Group. A broadening of the tax base to include exports of still wines, including in bulk, as well as wine-based spirits, could have an impact on the Group's business, which remains limited to date, considering internal estimates.

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

The Group has implemented:

- a transfer pricing policy adapted to the various transactions carried out by its companies;
- tax monitoring by staying abreast of legislative and regulatory developments and by participating in specialised conferences.

Furthermore, the Group takes steps to ensure it does not have any subsidiaries in countries on the European Union's "list of non-cooperative jurisdictions for tax purposes". With regard to regulations on customs barriers, the Group ensures that:

- the diversification of its geographical locations reduces its exposure to increases in customs barriers, which can favour countries not affected and partially offset the negative impact on others;
- it regularly monitors the evolution of the negotiations on these issues, in particular with Russia, the United States and the post-Brexit United Kingdom, and prepares appropriate action plans.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.1.5.3. Risks related to litigation and ongoing investigations, particularly in relation to occupational diseases

DESCRIPTION OF THE RISK

The activities of the Group's companies may give rise to legal proceedings in criminal, tax, labour and environmental matters, as well as arbitration proceedings in civil liability, competition law and intellectual property matters. The Group may also be exposed to administrative proceedings.

More specifically, the Group is exposed to claims in respect of occupational diseases, especially due to the Group's glass business.

As such, the Group may be exposed, particularly in France, to:

- legal proceedings for recognition of the occupational nature of asbestos-related illnesses;
- claims for "anxiety-related damages" suffered because of alleged exposure to harmful or toxic substances likely to engender a high risk of developing a serious pathology.

Other related legal claims may also be brought by employees or former employees of the Group. Such claims are mainly within the field of occupational health (noise, exposure to dangerous products, smoke inhalation, etc.).

RISK MANAGEMENT

MAIN RISK MANAGEMENT SYSTEMS

To comply with current regulations, the Group:

- has an asbestos removal plan for its facilities in each country, which continues to be rolled out. The target of removing all asbestos has been achieved in some countries, as was the case in both Germany and Italy in 2022;
- has implemented a Group Health and Safety policy aimed at improving working conditions.

KEY TO PILLAR SYMBOLS

STRATEGIC
- Pursue disciplined growth
- Increase operational excellence
- Invest for a sustainable future
- Anchor a strong and inclusive entrepreneurial culture

ESG
- Enhance the circularity of glass packaging
- Decarbonise our activities
- Ensure a safe and inclusive work environment for all
- Business ethics

4.2. Risk management and internal control system

4.2.1. Risk management policy

4.2.1.1. Objectives, organisation, mechanisms

Objectives

Risk management is closely monitored by the Group's management, with the support of internal control and internal audit teams:

- risk management consists of identifying, assessing and prioritising risks in order to ensure that the Group's risk management strategy is the most appropriate. Risk management also allows to mitigate significant residual risks and to define and monitor the action plans put in place;
- the main objective of internal control is to enable the Group to achieve its objectives by defining and implementing appropriate controls to identify risks related to the Group's activities;
- internal audit ensures the effectiveness of internal control systems and provides recommendations for improvement where appropriate.

Organisational framework

Organisation in place in 2023:

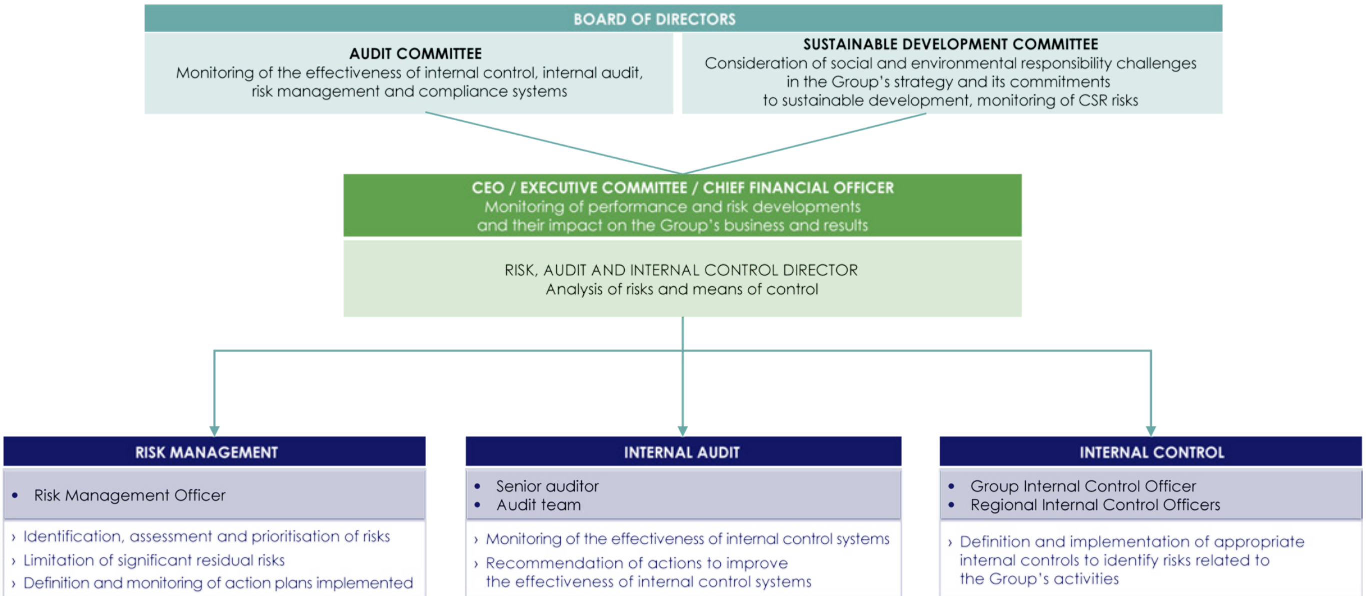
At Group level

- The identification and treatment of the Group's major risks are monitored by a dedicated team that reports directly to the Finance Department, under the supervision of the Group Risk Committee. Such an organizational structure enables the Group to identify and prevent the risks it may face. The Risk Department, which is part of the Audit and Internal Control Department, regularly reports to the Audit Committee.
- The Risk, Audit and Internal Control Department, which reports hierarchically to the Chief Financial Officer and functionally to the Group's Chairman and Chief Executive Officer, is responsible for defining an audit program that monitors and takes into account the mapping of major risks. The Risk, Audit and Internal Control Department regularly reports to the Audit Committee. It plays a central role in establishing an internal control reference framework at Group and subsidiary level, defining the appropriate controls to be put in place to address the risks identified and coordinating the subsidiaries' internal control systems.

At legal entity level

- Risk management and internal control are the responsibility of the operational departments of each of the Group's entities, under the functional control of the Group's Risk, Audit and Internal Control Department. Within each of these entities, the person responsible for risk management (generally the Chief Financial Officer, or a person under his or her hierarchical or functional responsibility) is in charge of verifying the proper application of prevention procedures and has the possibility of implementing new procedures.

Organisation of major risks, audit and internal control



Governance

The Audit Committee monitors risks and, in conjunction with the Sustainable Development Committee, also monitors non-financial risks. In addition, since January 2019, a Group Major Risks and Compliance Committee has been meeting in order to monitor the action plans for internal control, risk management, compliance and audit. Risk committees also meet regularly at division level.

Audit Committee

- **Attendees:** the members of the Audit Committee, the Group Chief Executive Officer, the Chief Financial Officer, the Major Risks, Internal Audit and Internal Control Director, the General Counsel and CSR Director, in the presence of the Statutory Auditors
- 5 meetings per year (*1 or 2 of which on major risks, internal control and compliance*)

Group Risk and Compliance Committee

- **Attendees:** the Group Chief Executive Officer, the Chief Financial Officer, the General Counsel and CSR Director, the Human Resources Director, the Operations Director, the Major Risks, Audit and Internal Control Director and the Compliance Director
- 3 meetings per year *(2 of which with each Division Risk Committee)*

Division Risk Committee

- **Attendees:** General Manager, Legal Director, Human Resources Director, Financial Director, Internal Control Officer by division
- Regular meetings

Risk management and internal control system

The Group's overall risk management and internal control system is applied at various levels (sites, functional departments, subsidiaries, divisions) and is based on several elements, including:

- management of industrial and cyber risks;
- management of other operational risks;
- mapping of the Group's major risks;
- mapping of the Group's corruption risks;
- monitoring of the Group's internal control system. Internal control also runs an annual self-assessment campaign of its internal control systems carried out by all the Group's operating entities and monitors the related action plans;
- compliance monitoring system;
- internal audit, which, as an independent assurance role, evaluates the effectiveness and functioning of the main processes of the audited companies, in coordination with other risk management systems, and reports to the Group Risk Committee and the Audit Committee.

The Statutory Auditors review the internal control system and procedures and carry out an annual assessment of the internal control system. They participate in all Audit Committees.

With regard to internal control and risk management, at the date of this Universal Registration Document, the Group follows the main recommendations proposed by the AMF's reference framework and application guides and the recommendations of the working group's report on the Audit Committee, published in July 2010.

Audit plan, mission, and follow-up

The purpose of internal audit is to provide objective assurance and propose improvements regarding the internal control system, processes, and governance.

The internal audit missions are scheduled according to an audit plan based on major and operational risks and are then approved by the Audit Committee.

The audit plan includes:

- full audits of the Group's operational entities, based on the annual self-assessment questionnaire on internal control and specific risks related to the Group's entities;
- cross-functional audits on a specific topic related to the Group's internal control system, which may be carried out on one or more of the Group's entities or the Group as a whole, depending on specific needs;
- follow-up audits of action plans on site or remotely when necessary; and
- anti-corruption audits.

The final report, including action plans, is validated by the Internal Audit Director and sent to the Chief Executive Officer and the Chief Financial Officers of the Group and the audited entity.
The action plan is shared with Group Internal Control and progress made in the implementation of the action plans is regularly monitored, in particular at the Group Risk and Compliance Committee meetings. To adapt to the particular context of the conflict opposing Russia and Ukraine, an agile remote auditing system can be put in place, where necessary, with the support of local providers as required.

Procedures for the preparation and processing of accounting and financial information

Internal control relating to the disclosure of accounting and financial information is based on the organisation of the Finance Department, on all its procedures and on financial controls (budgetary process, monthly accounting, management reporting and forecasting, financial and operational performance review, etc.).

Under the authority of the Chief Financial Officer, the teams in charge are responsible for:

- preparing the Group's consolidated financial statements and the parent company financial statements;
- preparing the budget and monitoring its execution through monthly management and performance reports;
- implementing the Group's accounting and management principles, procedures and guidelines, and updating them when standards change.

In addition, the Internal Control unit assists the various Group entities in implementing the Group's financial processes.

Internal Audit is responsible for implementing the internal financial and accounting control system and takes part in second-level controls on key controls.

4.2.1.2. Risk management

Risk management refers to the measures implemented by the Group to identify, analyse and control the risks to which it is exposed. The risk management system is regularly monitored by the management of the Group's operating entities. The Division Chief Executive Officers and Verallia functional managers report major risks to the Group Risk Committee and other operational risks to the Risk, Audit and Internal Control Department during the audit preparation phase.

As part of its major risk management procedure, the Group maps its major risks, which are described in Section 4.1 above. The process of drawing up and reviewing the mapping of major risks, which was introduced in 2016 and reviewed in 2018, 2020, 2021 and 2023 (every 18 months), makes it possible to identify the major risks to which the Group is exposed and to assess, for each of them, their potential impact, taking into account their criticality, i.e. their severity and probability of occurrence, the action plan put in place by the Group's entities or departments, and the persons responsible for monitoring and the associated controls.

In accordance with the procedure and depending on the actual progress of each action plan, year-end adjustments are made on a case-by-case basis to the assessment of major risks.

In 2016, a specific corruption risk map was produced, the first major step in the rollout of a comprehensive anti-corruption programme meeting the requirements of French law (No. 2016-1691) of 9 December 2016 on transparency, anti-corruption and economic modernisation. The Group conducted a periodic assessment of its corruption risks in light of its existing policies and controls and on the basis of an internal questionnaire sent to subsidiaries in 2017.

In 2018, the Group completed a formal mapping of its corruption risks based on the questionnaire created with the help of an external service provider. The questionnaire was sent out to subsidiaries again in 2019.

In 2023, Verallia called on the services of another specialised firm to help it update its corruption risk map (last updated in 2021). This involved methodological enhancements (streamlining the corruption risk and scenario reference framework, updating the anti-corruption questionnaire in 2022, completed by all subsidiaries, arranging workshops with division/Group key functions, producing consolidated maps at division level - in addition to entity and Group level - and defining corrective action and improvement plans by entity). No new risks were identified, but this led to clearer classification and more refined granularity.

The follow-up of action plan status at entity/division/Group level is effective; a progress report was made to the Risk and Compliance Committee of November meeting and regular reviews will be carried out until the action plans have been completed.

4.2.2. Information system

The Group's information systems come under the responsibility of the Information Systems Department and are organised by department (infrastructure, applications, cybersecurity and development). They are overseen by the Group Information Systems Director, who works with a local counterpart.

The infrastructure, messaging system, networks and systems and data hosting are essentially kept on the cloud using solutions provided by leading cloud service providers. They are managed by external service providers who are leaders in their industry. The service level commitments are managed by an internal team of tech and outsourced services experts, with the exception of certain areas relating to industrial management, which require less substantial local infrastructure that is managed in-house by the Group or by its subsidiaries. The infrastructure is managed at the central level by the Group Infrastructure Director, who works with a local counterpart.

The Group has also established a comprehensive security policy covering its information systems, taking notably into account the lessons learned from the NotPetya cyberattack (see Section 4.1.2.1 "Risks related to IT systems"). Among other things, this policy includes the establishment of an information systems security policy (also covering industrial IT), rules applicable at Group level and the implementation of high-performance security software and applications. The Group performs regular security audits on its information systems. This policy is reviewed annually to take into account the evolution of threats and the results of the various audits. The policy and its application are managed by the Group CISO at central level, who works with a local counterpart.

The Group's information systems include a large number of software programs and applications, most of them based on major solutions available on the market, such as the SAP software package, and used in particular to manage the supply chain, produce consolidated financial data, manage accounts receivable, reporting, procurement and employee payroll. The applications are managed by the Group Applications Manager at central level, who has a correspondent at local level.

4.2.3. Insurance policies

The Group's insurance policy is coordinated by the Group's Legal Department, with the support of the operational departments.

In coordination with the Industrial Department, each Group company provides the Legal Department with the information required to identify and qualify risks that are insured or insurable and implements the useful means to ensure business continuity in the event of a disaster. On this basis, the Legal Department, with the assistance of brokers, negotiates annually with the major insurance carriers to set up the most appropriate coverage for these risks.

The Group's main policies, underwritten by internationally renowned insurance companies, include civil liability insurance and property damage and subsequent business interruption insurance. Some entities have taken out their insurance policies directly in their local market and also benefit from the coverage of the master policies put in place for the Group.

The implementation of insurance policies is assessed on the basis of the level of coverage necessary to deal with the reasonably estimated occurrence of liability, damage or other risks. This coverage is based on the evaluations made by the insurers and the conclusions of the annual audits carried out by the engineering departments of the Group's property and casualty insurance provider. The underwriting criteria take into account the supply of the insurance market, which excludes certain risks, or imposes specific limits, for example, in the event of natural events such as floods, storms, earthquakes and tsunamis. These events could have a significant uninsured financial impact, both for the cost of reconstruction and for lost production, in the case of extreme scenarios.

Due to tougher market conditions and higher deductibles on its property and casualty programme, the Group has opted to transfer the risk on its property and casualty programme to the insurance market through a captive reinsurance company domiciled in Luxembourg.

VERALLIA UK, acquired at the end of 2022, is gradually being integrated into the Group programme; some insurance policies have been taken out for a two-year period (long-term agreement), while others require a more in-depth review so that VERALLIA UK can be integrated under optimal conditions.

The joint subsidiaries in which the Group is a minority shareholder and non-controlling interests are outside the scope of the above programmes. Insurance policies are taken out separately.

5

ANALYSIS OF FINANCIAL POSITION

Readers are invited to read the following information on the Group's results in conjunction with the Group's consolidated financial statements for the financial year ended 31 December 2023, as contained in Section 6.1 of this Universal Registration Document.

The Group's consolidated financial statements for the financial year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The Statutory Auditors' audit report on the Group's consolidated financial statements for the financial year ended 31 December 2022 is contained in Section 6.2 of this Universal Registration Document.

5.1. Highlights of the 2023 financial year

The Group is the third largest producer globally and the leading European producer[90] of glass packaging for beverages and food products. In terms of volumes sold, it is the second largest producer in Latin America[91]. The Group offers innovative, customised and environmentally friendly solutions to more than 10,000[92] customers worldwide.

The Group uses the following segmentation for reporting purposes based on geographical area, depending on the location of the assets:

- Southern and Western Europe, comprising production plants located in France, Italy, Spain and Portugal. Southern and Western Europe accounted for 65% of consolidated revenue and 65% of the Group's adjusted EBITDA for the year ended 31 December 2023. The Group's operations in Southern and Western Europe are mainly oriented towards bottles for still and sparkling wines, packaging for spirits, and jars for food;
- Northern and Eastern Europe, comprising production plants located in Germany, the UK, Russia, Ukraine and Poland. Northern and Eastern Europe accounted for 25% of consolidated revenue and 22% of the Group's adjusted EBITDA for the year ended 31 December 2023. The Group's operations in Northern and Eastern Europe are mainly oriented towards bottles for beer, particularly in Germany, containers for spirits, and jars and bottles for the food market;
- Latin America, comprising production plants located in Brazil, Argentina and Chile. Latin America accounted for 10% of consolidated revenue and 13% of the Group's adjusted EBITDA for the year ended 31 December 2023. The Group's operations in Latin America are mainly oriented towards bottles for still wines, as well as bottles for beer in Brazil.

Capacity increases

As announced previously and following the lighting of the second furnace at the Jacutinga site in Brazil, Verallia is continuing the construction of two new furnaces in Italy (Pescia) and Brazil (Campo Bom). These two furnaces should be operational in the second half of 2024. The Group is preparing to start up these furnaces before the end of the year but could delay their start date if the demand situation during the year makes this necessary.

Verallia is also pursuing pre-engineering studies on the Montblanc site (Spain), initially scheduled for 2025, and will begin investing in its construction as soon as demand recovers sufficiently.

Acquisition of five new cullet treatment centres from the Santaolalla group

In Spain and Portugal, Verallia has finalised the acquisition of three companies from the Santaolalla Group: Ecosan Ambiental, Ecolabora and Vidrologic. In doing so, it has taken over five new cullet processing plants, both for industrial flat glass and hollow glass.

The main objective of this investment is to continue Verallia's strategy of maximising cullet use in our production process and to progress towards our CO_2 reduction target to achieve the first major milestone of a 46% reduction in emissions by 2030 compared to 2019. Each 10-point increase in the cullet rate used by Verallia's furnaces reduces CO_2 emissions by around 5%.

These five new cullet treatment centres join Verallia's four existing plants in the Iberian Peninsula, two of which - Calcin Ibérico and Revimon in a joint venture with TMA Recicla - have started up recently

[90] On the basis of the revenue earned in 2022 by market players in Europe (as defined by these players), as extracted from publicly available information (annual reports and press releases in particular) and on the basis of Company estimates
[91] Based on volumes sold in 2022 in Argentina, Brazil and Chile.
[92] Customers who placed at least one order during the 2021–2023 period.

Verallia is revolutionizing the timeless Bordelaise bottle by introducing one of the most disruptive bottles in the market: the bordelaise air 300G

As the leading European and the third-largest global producer of glass packaging for beverages and food products, Verallia has designed one of the lightest Bordelaise bottles ever while still preserving the iconic aesthetic contours that have defined the classic Bordelaise bottle for generations. This innovation represents a significant design revolution, positioning Verallia at the forefront of innovative and sustainable breakthroughs.

With a remarkable weight of just 300 grams, this ground-breaking innovation reflects Verallia's commitment to its purpose of "Reimagining glass for a sustainable future." This has been achieved without compromising the aesthetics, a hallmark of the Bordelaise Air 300G.

The continuous reduction in bottle weight is a significant strategic challenge for winemakers as they strive to meet their CO_2 emission reduction commitments.

For the French market, this innovation will be launched with a white and green screw neck The Bordelaise Air 300G was exhibited at the SITEVI trade fair in Montpellier at the end of November 2023.

Share buyback

As part of its capital allocation strategy and following the finalisation of the acquisition of Allied Glass, Verallia launched in December 2022 a share buyback program and entrusted an investment services provider with a share buyback mandate for a maximum amount of €50 million, over a period running from 7 December 2022 to November 2023. This programme was completed in November 2023 and involved as planned a total amount of €50 million, of which €42 million with respect to 2023.

2023 dividend

During their meeting on 14 February 2024, the Verallia Board of Directors decided to propose the payment of a dividend of €2.15 per share in cash for the 2023 financial year. This amount will be subject to approval of the Annual General Shareholders' meeting which will take place on 26 April 2024.

Verallia obtains Investment Grade credit ratings from Moody's and Standard & Poor's

In April 2023, rating agency Moody's upgraded the Group's long-term credit rating to Baa3 with a stable outlook.

In May 2023, rating agency Standard and Poor's upgraded the Group's long-term credit rating to BBB- with a positive outlook.

The issue ratings on each of the two €500 million sustainability-linked bonds issued in May 2021 and November 2021 were also upgraded from BB+ to BBB-.

Verallia is now rated as Investment Grade by both agencies.

Refinancing of the Group's syndicated credit facility

In April 2023, Verallia arranged a €1.1 billion syndicated facility in the form of:

- a €550 million term loan and
- a €550 million revolving credit facility (RCF) which remained undrawn at 31 December 2023,

in order to refinance in advance its €1 billion syndicated facility which was signed in 2019 and scheduled to mature in 2024.

The new term loan has a four-year maturity with a one-year extension option, while the new RCF has a five-year maturity with two one-year extension options.

The terms and conditions applied to these new credit facilities are linked to CSR indicators (See section 17.2.2).

5.2. Analysis of the Group's results

5.2.1. Analysis of results for the years ended 31 December 2023

The table below presents the Group's consolidated income statement (in € millions) for each of the years ended 31 December 2023 and 2022.

CONSOLIDATED INCOME STATEMENT *(in € million)*	Year ended 31 December 2023	Year ended 31 December 2022
Revenue	**3,903.8**	**3,351.5**
Cost of sales	(2,853.5)	(2,527.1)
Selling, general and administrative expenses	(212.4)	(194.4)
Acquisition-related items	(71.3)	(65.6)
Other operating income and expenses	(5.2)	(6.1)
Operating profit	**761.3**	**558.3**
Financial income	**(119.0)**	**(80.7)**
Profit before tax	**642.4**	**477.6**
Income tax	(167.4)	(122.1)
Share of net profit (loss) of associates	0.3	0.2
Net profit	**475.3**	**355.6**

Despite weaker market conditions in 2023, the Group continued to generate profitable growth by delivering a remarkable performance including:

- An increase of +16.5% in revenue to €3,903,8 million (+21.4% at constant scope and exchange rates[93]) compared with 2022;
- Net income[94] of €475,3 million compared with €355,6 million in 2022 (+33.7% vs. 2022) and earnings per share of €4.02;
- Drop in net debt ratio to 1.2x adjusted 2023 EBITDA compared with 1.6x at 31 December 2022.

5.2.1.1. Revenue

The Group's consolidated revenue showed a strong rise of 16.5% compared with the previous year, from €3,351.5 million for the year ended 31 December 2022 to €3,903.8 million for the year ended 31 December 2023.

The foreign exchange impact was negative at -11% in 2023 (-€369 million). This was mainly due to the Argentinian peso's depreciation of almost 80% in 2023, including a devaluation of more than 50% in a single day in December. In the fourth quarter, the impact of exchange rates was negative at -€189 million.

At constant scope and exchange rates, revenue increased by +21.4% (and by +14.3% excluding Argentina). In the fourth quarter, revenue was stable (-0,6% vs Q4 2022), with strong organic growth of +18.1% completely cancelled out by the exchange-rate impact (Argentinian peso). Demand has fallen significantly in Europe since summer 2023 because of both a decline in end demand and large-scale inventory clearance across the whole downstream value chain.

[93] Revenue growth at constant exchange rates and scope excluding Argentina was +14.3% in 2023 compared with 2022
[94] Net income for 2023 includes an amortisation expense for customer relationships recognised upon the acquisition of Saint-Gobain's packaging business in 2015, of €45 million and €0.38 per share (net of taxes). If this expense had not been taken into account, net income would be €520 million and €4.40 per share. This expense was €44 million and €0.38 per share in 2022.

In end markets, beer was the segment most affected by weakening demand in 2023, with the effect felt from the first half of the year. Volumes in the still wines segment also declined and activity in spirits, still solid in the first half of the year, deteriorated in the second half after several half-year periods of vigorous growth. In contrast, sales of food jars and bottles for non-alcoholic beverages and sparkling wines were more resilient, with Champagne and Prosecco volumes holding up well.

The increase in average selling prices compared with 2022 drove top-line growth, but with a waning effect over the course of the year that reflected both a gradually rising comparison base (due to a series of price hikes in 2022) and a contained but steady drop in selling prices in 2023 in Europe. The pricing policy and mix in Latin America remained dynamic throughout the year, especially in Argentina where local inflation remained particularly high. Lastly, the product mix was positive throughout the year thanks to the contribution from Italy.

For more information on the breakdown of revenue by end markets, see Section 1.1. Glass packaging market.

By region, revenue for 2023 can be broken down as follows:

(in € million)	Year ended 31 December 2023	Change 2023 - 2022 In € million	In %	Year ended 31 December 2022
Southern and Western Europe	2,527.2	290.8	13.0 %	2,236.4
Northern and Eastern Europe	979.8	284.5	40.9 %	695.3
Latin America	396.8	(23.0)	(5.5)%	419.8
Consolidated revenue	**3,903.8**	**552.3**	**16.5 %**	**3,351.5**

Southern and Western Europe

Southern and Western Europe saw revenue grow by +13.0% on a reported basis and by +14.2% at constant exchange rates and scope. Volumes fell sharply in the full year despite more resilient activity in Iberia and Italy. Volumes of beer and, to a lesser extent, still wines recorded the steepest falls but activity in the spirits segment was also affected by declining Cognac volumes in the second half of the year, which the more resilient sparkling wines segment failed to offset.

Northern and Eastern Europe

In Northern and Eastern Europe, revenue grew by +40.9% on a reported basis and by +18.0% at constant scope and exchange rates. The region benefited from a very positive scope effect (+29.2%) thanks to the full-year consolidation of Allied Glass, which was acquired in November 2022 and renamed Verallia UK on 1 January 2023. Foreign-exchange fluctuations had a negative impact of -6.3%, mainly due to the devaluation of the Russian rouble over the period. Sales volumes fell sharply, mainly because of declining beer and still wine volumes in Germany, which contrasted with resilient volumes of food jars and a solid performance in sparkling wines (Sekt). Activity was stronger in Russia and Ukraine, where the swift restart of the second furnace at the Zorya site fuelled a marked recovery in activity. As the situation in the country remains uncertain, Verallia's priority is to keep its teams safe and serve its local customers.

Latin America

Latin America, revenue edged down by -5.5% on a reported basis, in contrast with strong organic growth of +65.8%. However, these figures were deeply impacted by activity in Argentina which experienced vigorous organic growth, driven by repeated price increases in a context of high inflation, but a steeply negative exchange-rate effect, linked to the unprecedented devaluation of the peso which lost almost 80% of its value against the euro in 2023. Excluding Argentina, Latin America recorded organic growth of +5.6% as higher Brazilian volumes, following the opening in December 2022 of the second furnace at the Jacutinga site, was partially offset by weaker activity in Chile, where the start of the year was challenging. Construction of the second furnace at the Campo Bom plant in southern Brazil is also progressing on schedule for a start-up in the second half of 2024.

5.2.1.2. Sales costs

The cost of sales increased by +€326,4 million (+12.9%), from €2,527.1 million for the year ended 31 December 2022 to €2,853.5 million for the year ended 31 December 2023.

The change in the cost of sales was mainly due to the sharp increase in the cost of energy and raw materials, as well as packaging and transport.

As a percentage of revenue, the cost of sales contracted by 250 basis points during the year ended 31 December 2023, from 75.6% for the year ended 31 December 2022 to 73.1% for the year ended 31 December 2023. The Group managed to contain the increase in the cost of sales largely thanks to its policy of hedging energy purchases to limit its exposure to energy price fluctuations and to the measures implemented under its industrial performance improvement plan (Performance Action Plan (PAP)) as part of the Verallia Industrial Management (VIM) 2.0 initiative.

Verallia generated a positive inflation spread[95] at the Group level thanks to price rises and a strong product mix effect and despite the very sharp rise in energy, raw materials, packaging and transport costs in all regions.

5.2.1.3. Selling, general and administrative expenses

Selling, general and administrative expenses increased by +€18 million (+9.3%), from €194.4 million for the year ended 31 December 2022 to €212.4 million for the year ended 31 December 2023.

Selling, general and administrative expenses include all expenses relating to general management, marketing, finance and accounting, computing, legal, human resources, technical, and research and development activities.

The increase in selling, general and administrative expenses during the year ended 31 December 2023 was partly due to the transmission of inflation to salaries.

5.2.1.4. Other operating income and expenses

Other operating income and expenses decreased by -0.9 million (-14.8%) from a net expense of €6.1 million for the year ending 31 December 2022 to a net expense of €5.2 million for the year ending 31 December 2023.

5.2.1.5. Operating profit

Operating profit increased by +€203 million (+36.4%), from €558.3 million for the year ended 31 December 2022 to €761.3 million for the year ended 31 December 2023.

5.2.1.6. Financial income and expenses

(in € million)	Year ended 31 December	
	2023	**2022**
Interest expense excluding lease liabilities	(71.7)	(34.9)
Interest expense related to lease liabilities	(2.4)	(1.4)
Amortization of debt issuance costs, and other*	(14.3)	(17.1)
Financial income from cash and cash equivalents and other	28.7	20.3
Cost of net debt	**(59.7)**	**(33.1)**
Refinancing costs	(2.2)	—
Foreign exchange gains and losses	(15.3)	(12.8)
Net interest expense related to pension plans and other benefits	(3.0)	(1.3)
Profit (loss) on net monetary position in Argentina (IAS 29)	(38.8)	(33.5)
Financial income	**(119.0)**	**(80.7)**

(*) Other: mainly corresponding to the amortization of funding costs and debt issuance premiums, as well as factoring fees and other bank charges.

[95] The spread corresponds to the difference between (i) the increase in selling prices and the mix applied by the Group after passing any increase in production costs onto these selling prices and (ii) the increase in production costs. The spread is positive when the increase in selling prices applied by the Group is greater than the increase in its production costs. The increase in production costs is recorded by the Group at constant production volumes, before production gap and taking into consideration the impact of the Performance Action Plan (PAP).

Financial income/loss fell further from -€80.7 million for the year ended 31 December 2022 to -€119.0 million for the year ended 31 December 2023, corresponding to a €38.3 million increase (+47%) in financial expense.

This decrease in net financial income is mainly due to: (i) the increase in financial expense mainly linked to the rise in benchmark rates relating to factoring and commercial paper programmes and the non-fixed part of the long-term loan (€197.1 million), and (ii) the effects of hyperinflation in Argentina (-€5.2 million). This change was partly offset by the increase in financial investment income (+8.3 million).

5.2.1.7. Net income

Net income grew from €355.6 million (i.e. 10.6% of revenue) for the year ended 31 December 2022 to €475.3 million (i.e. 12.2% of revenue) for the year ended 31 December 2023. This increase mainly stems from the improvement in adjusted EBITDA, which more than offsets the increase in financial costs and income tax.

Income tax rose to €167.4 million for the year ended 31 December 2023 from €122.1 million for the year ended 31 December 2022, an increase of €45.2 million mainly reflecting the improvement in results and the taxable base.

Net profit for 2023 included, as it does every year, an amortisation expense for customer relationships, recognised upon the acquisition of Saint-Gobain's packaging business in 2015 and scheduled to end in 2027, of €45 million or €0.38 per share (net of taxes). If this expense had not been taken into account, net profit would have been €520 million or €4.40 per share. This expense was €44 million or €0.38 per share in 2022.

5.2.2. Key performance indicators

The Group uses revenue (see Section 5.2.1.1 for an analysis of the change in revenue for the years ended 31 December 2023 and 2022), adjusted EBITDA, operating cash flow, cash conversion, free cash flow and capital expenditure (see Section 5.3 "Capital expenditure" of this Universal Registration Document) as key performance indicators. These performance indicators are monitored by the Group regularly to analyse and assess its operations and their momentum, measure their performance, prepare earnings forecasts and take strategic decisions.

Adjusted EBITDA, operating cash flow, cash conversion and free cash flow are alternative performance measures according to AMF position No. 2015-12.

The latter are not standardised accounting measures meeting a single definition generally accepted by IFRS. They should not be considered as substitutes for operating profit, net profit or cash flows from operating activities, which are measures defined by IFRS, or a measure of liquidity.

Other issuers may calculate adjusted EBITDA, operating cash flow, cash conversion and free cash flow differently from the definitions used by the Group.

Reconciliation of operating profit to adjusted EBITDA, operating cash flow and free cash flow

(in € million)	Year ended 31 December 2023	Year ended 31 December 2022	Change
Operating profit	**761.3**	**558.3**	**203.0**
Depreciation, amortisation and impairment(1)	326.7	295.9	30.8
Restructuring costs	3.4	(0.8)	4.2
IAS 29, Hyperinflation (Argentina)	5.8	4.3	1.5
Management share ownership plan and associated costs(2)	6.2	6.2	0.0
Acquisition fees and additional price	0.7	5.1	(4.4)
Other	3.9	(3.5)	7.4
Adjusted EBITDA	**1,108.0**	**865.5**	**242.5**
Adjusted EBITDA margin	**28.4 %**	**25.8 %**	**2.6 %**
Capex(3)	(418.0)	(367.0)	(51.0)
Cash flow	**689.9**	**498.5**	**191.4**
Change in operating working capital(4)	(108.3)	39.4	(147.7)
Operating cash flow	**581.7**	**537.9**	**43.8**
Other operating impact (5)	(10.9)	(14.6)	3.7
Interest paid & other financial costs	(74.0)	(53.6)	(20.4)
Cash Tax	(131.4)	(105.9)	(25.5)
Free Cash Flow	**365.3**	**363.8**	**1.5**
Cash conversion	**62.3 %**	**57.6 %**	**468 Pb**

(1) Includes amortisation of intangible assets and depreciation of property, plant and equipment (Note 5.2 to the Group's consolidated financial statements), the amortisation of intangible assets acquired through business combinations (Note 6.1 to the Group's consolidated financial statements) and impairment of property, plant and equipment (Note 6.2 to the Group's consolidated financial statements).

(2) Corresponds to share-based compensation plans and associated costs (Note 4.2 to the Group's consolidated financial statements).

(3) Excluding rights of use under IFRS 16.

(4) Taking into account only the impact of cash flows (note 14 to the Group's consolidated financial statements).

(5) Other operating impacts consist mainly of the cash effect of IFRS 16 restatements and the impact of the change in provisions for liabilities and charges (particularly with respect to provisions for CO_2).

5.2.2.1. Adjusted EBITDA

Adjusted EBITDA is calculated based on operating profit adjusted for depreciation, amortisation and impairment, restructuring costs, acquisition and M&A costs, hyperinflationary effects, management share ownership plan costs, disposal-related effects and subsidiary contingencies, site closure expenses, and other items.

Adjusted EBITDA increased by +28.0% in 2023 (and by +32.5% at constant scope and exchange rates) to €1,108 million. The unfavourable exchange-rate effect of -€89 million in 2023 was mainly attributable to the very steep depreciation of the Argentinian peso, while the positive scope was mainly linked to the consolidation over 12 months of Allied Glass acquired in November 2022.

In 2023, Verallia generated a largely positive inflation spread[96] at the Group level and in all divisions, as the cumulative effect of price rises in 2022 and early 2023, together with a positive mix effect, more than offset another sharp rise in production costs. However, this effect gradually waned over the course of the year.

Sharply lower cash production costs (PAP) once again contributed significantly to the improvement in adjusted EBITDA, by €53 million or 2.1% of cash production costs, beating the Group's 2% target.

This pushed the adjusted EBITDA margin up to 28.4% in 2023 from 25.8% in 2022.

[96] The spread corresponds to the difference between (i) the increase in selling prices and the mix applied by the Group after passing any increase in production costs onto these selling prices and (ii) the increase in production costs. The spread is positive when the increase in selling prices applied by the Group is greater than the increase in its production costs. The increase in production costs is recorded by the Group at constant production volumes, before production gap and taking into consideration the impact of the Performance Action Plan (PAP).

In summary, the change in adjusted EBITDA consists of:

(in € million)	
2022 adjusted EBITDA	**865.5**
Activity contribution	*(155.1)*
Spread Price-Mix/ Costs	*392.8*
Net productivity	*52.5*
Exchange rate	*(89.3)*
Other	*41.6*
2023 adjusted EBITDA	**1,108.0**

By region, adjusted EBITDA for 2023 breaks down as follows:

Breakdown of adjusted EBITDA by region

(in € million)	Year ended 31 December 2023	Change 2023 – 2022 In € million	In %/bp	Year ended 31 December 2022
Southern and Western Europe				
Adjusted EBITDA	*725.2*	*170.7*	*30.8 %*	*554.5*
Adjusted EBITDA margin	*28.7 %*	*-*	*390 Pb*	*24.8 %*
Northern and Eastern Europe				
Adjusted EBITDA	*244.2*	*97.7*	*66.7 %*	*146.5*
Adjusted EBITDA margin	*24.9 %*	*-*	*386 Pb*	*21.1 %*
Latin America				
Adjusted EBITDA	*138.5*	*(26.1)*	*(15.9)%*	*164.6*
Adjusted EBITDA margin	*34.9 %*	*-*	*-430 Pb*	*39.2 %*
Consolidated adjusted EBITDA	**1,108.0**	**242.5**	**28.0 %**	**865.5**
Consolidated adjusted EBITDA margin	**28.4 %**	**-**	**255 Pb**	**25.8 %**

Southern and Western Europe

Southern and Western Europe reported adjusted EBITDA of €725.2 million (vs. €554.5 million in 2022) and a margin of 28.7% compared with 24.8% a year earlier. The positive inflation spread[97], especially in the first half of the year, fuelled the increase in EBITDA despite the sharp rise in costs; the positive impact of the PAP and the favourable mix (Italy) also contributed.

Northern and Eastern Europe

In Northern and Eastern Europe, adjusted EBITDA totalled €244.2 million (versus €146.5 million in 2022), raising its margin to 24.9% compared with 21.1% a year earlier. Growth in adjusted EBITDA was primarily organic (+€60 million), driven by a positive inflation spread and the positive impact of the PAP. The full-year consolidation of Allied Glass also contributed to this increase, whereas the exchange-rate effect was negative (-€11 million) due to the rouble's devaluation. The rapid restart of the second furnace at our Zorya site, made possible by the dedication and professionalism of our local teams, drove a sharp increase in EBITDA in Ukraine.

Latin America

In Latin America, adjusted EBITDA came to €138.5 million (vs. €164.6 million in 2022), attaining a margin of 34.9% compared with 39.2%. This decrease was entirely due to the devaluation of the Argentinian peso, which generated a strongly negative translation effect on local earnings into euros. Excluding Argentina, adjusted EBITDA improved, as strong activity in Brazil, the positive inflation spread and the effect of the PAP more than offset the drop in volumes in Chile, which was particularly strong at the start of the year.

[97] The spread corresponds to the difference between (i) the increase in selling prices and the mix applied by the Group after passing any increase in production costs onto these selling prices and (ii) the increase in production costs. The spread is positive when the increase in selling prices applied by the Group is greater than the increase in its production costs. The increase in production costs is recorded by the Group at constant production volumes, before production gap and taking into consideration the impact of the Performance Action Plan (PAP).

5.2.2.2. Cash conversion, operating cash-flow and free cash-flow

The key performance indicators used by the Group to analyse its cash flow are cash conversion, operating cash flow and free cash flow.

Operating cash flow

Operating cash flow represents cash flow plus the change in operating working capital.

Cash flow corresponds to operating profit adjusted for depreciation, amortization and impairment, restructuring costs, acquisition and M&A costs, hyperinflationary effects, the costs of management share ownership plans, subsidiary disposal-related effects and contingencies, plant closure costs and other items, i.e. adjusted EBITDA, less capex.

Operating cash flow rose to €581.7 million compared with €537.9 million in 2022, thanks to strong growth in adjusted EBITDA and despite higher outflows for capital expenditure and higher working capital requirements due largely to the Group's build-up of inventories in the first half of the year.

Free cash flow

Since 2021, the Group has presented free cash flow. This indicator provides a more comprehensive view of its cash position. Free cash flow corresponds to operating cash flow adjusted for other operating impacts, interest paid and other financing costs, as well as taxes paid. Free cash flow at 31 December 2023 amounted to €365.3 million, in line with an already very strong performance in 2022 (€363.8 million).

Cash conversion

Cash conversion is defined as the ratio between cash flow and adjusted EBITDA.

Cash flow corresponds to operating profit adjusted for depreciation, amortisation and impairment, restructuring costs, acquisition and M&A costs, hyperinflationary effects, management share ownership plan costs, disposal-related effects and subsidiary contingencies, site closure expenses, and other items, i.e. adjusted EBITDA less Capex.

5.2.3. Changes in and cost of financial debt

The following table shows the distribution of the Group's debt at the dates indicated:

(in € million)	31 December 2023	31 December 2022	Interest rates
Sustainability-Linked Bond November 2021	494.6	493.7	1.875 %
Sustainability-Linked Bond May 2021	503.2	502.7	1.625 %
Term Loan B	550.2	500.6	EURIBOR* +1.25%
Lease / Finance lease liabilities (1)	61.5	53.5	-
Other borrowings	36.1	51.5	-
Total long-term debt	**1,645.6**	**1,602.0**	-
Negotiable commercial paper (NEU CP)	158.2	150.3	-
Other borrowings (2)	35.0	8.9	-
Total short-term debt	**193.2**	**159.1**	-
Financial derivatives	**0.3**	**(24.5)**	-
Gross debt (3)	**1,839.1**	**1,736.6**	-
Cash and cash equivalents	**474.6**	**330.8**	-
Net debt	**1,364.5**	**1,405.9**	-

*Euribor with a floor rate of 0%

(1) Figure taking into account the impact of IFRS 16 applied by the Group as of 1 January 2019.

(2) Including factoring liabilities, which correspond to assignment of receivables with recourse (see Note 14.4 "Factoring" and Note 17.2 "Change in gross debt" to the Group's consolidated financial statements for the year ended 31 December 2023).

(3) As at 31 December 2023, the Group's total gross financial debt[98] amounted to €1,839.1 million (compared with €1,736.6 million at 31 December 2022) (see Note 17.2 "Changes in gross financial debt" to the Group's consolidated financial statements for the year ended 31 December 2023).

At 31 December 2023, net financial debt amounted to €1,364.5 million (€1,405.9 million as at 31 December 2022) at a cost of €59.7 million (versus €33.1 million as at 31 December 2022) (see Note 7 "Financial result" to the Group's consolidated financial statements for the year ended 31 December 2023).

The Group's net financial debt/adjusted EBITDA ratio stood at 1.2x as at 31 December 2023, compared with 1.6x as at 31 December 2022.

On 31 December 2023, the Group's variable-rate financial debt portfolio after taking into account the derivative instruments totalled €197.1 million (€142.4 million as at 31 December 2022), meaning 11% of its gross financial debt (8% for 2022).

The Group estimates that, for the year 2024, its financing needs will mainly include its current operating needs, investment expenses, tax payments, interest payments and, subject to its approval by the General Meeting of the Company's shareholders, the payment of a dividend. On the basis of updated cash projections, the Group believes it will be able to meet its liquidity needs during the 12 months following the date of this Universal Registration Document.

5.2.4. Fluctuations in exchange rates

The Group combines a global presence with local industrial facilities (the "Glo-Cal" model). Its customers, situated near the Group's local production plants, export products all over the world, packaged in the bottles and jars manufactured by the Group. Consequently, its results are affected by fluctuations in exchange rates. For more information on the impact of exchange-rate fluctuations, see Section 4.1.4.1 on risk factors, together with Note 2.4 to the Group's consolidated financial statements for hyper-inflation in Argentina.

[98] Corresponds to the "Financial liabilities and non-current financial derivatives" and "Financial liabilities and current derivatives" line items in the Group's consolidated balance sheet.

5.2.5. Group consolidated cash flows for the years ended 31 December 2023 and 31 December 2022

The table below sets out the Group's cash flow for the periods ended 31 December 2023 and 31 December 2022:

(in € million)	Year ended 31 December 2023	Year ended 31 December 2022	Change
Net cash flow from operating activities	857.9	699.2	158.7
Net cash flow from (used in) investing activities	(459.6)	(540.0)	80.4
Net cash flow from (used in) financing activities	(202.0)	(316.1)	114.1
Increase (decrease) in cash and cash equivalents	**196.3**	**(156.9)**	**353.2**
Impact of changes in foreign exchange rates on cash and cash equivalents	(52.6)	(6.9)	(45.7)
Cash and cash equivalents at beginning of the period	**330.8**	**494.6**	**(163.8)**
Closing cash and cash equivalents	**474.6**	**330.8**	**143.8**

On 31 December 2023, the Group's cash and cash equivalents amounted to €474.6 million vs. €330.8 million on 31 December 2022.

5.2.5.1. Financing of working capital requirements

Net working capital primarily correspond to the value of inventories plus trade receivables and other operating receivables minus debts to suppliers and other operating liabilities (see Note 14 to the Group's consolidated financial statements for the year ended 31 December 2023).

The net working capital amounted to -€329.4 million during the year ended 31 December 2023 and -€36.6 million during the year ended 31 December 2022.

The change in the net working capital thus amounted to -€293.7 million during the year ended 31 December 2023, compared with -€73.4 million during the year ended 31 December 2022.

The value of inventories increased during 2023 to €711.5 million as at 31 December 2023, compared with €536.8 million as at 31 December 2022, reflecting a rise in inventories compared with the previous year, combined with a sharper increase in valuations linked to inflation. See Note 14.1 to the Group's consolidated financial statements.

Trade receivables and other current assets decreased in 2023 to €260 million as at 31 December 2023, compared with €642.7 million as at 31 December 2022. This decline was mainly attributable to the change in derivative assets (see Note 14.2 to the Group's consolidated financial statements).
Trade payables and other debts increased during the year ended 31 December 2023 to €1,094.8 million as at 31 December 2023 compared with €1,021 million as at 31 December 2022. See Note 14.3 to the Group's consolidated financial statements.

5.2.5.2. Net cash flow from operating activities

The following table sets out the net cash flow from the Group's operating activities for the periods ended 31 December 2023 and 31 December 2022:

(in € million)	Year ended 31 December 2023	Year ended 31 December 2022	Change
Net profit	**475.3**	**355.6**	**119.7**
Share of net profit of associates, net of dividends received	(0.3)	(0.2)	(0.1)
Depreciation, amortisation and impairment of assets	326.7	295.9	30.8
Gains and losses on disposals of assets	(3.1)	(1.3)	(1.8)
Interest expense on financial liabilities	53.2	29.4	23.8
Unrealised foreign exchange gains and losses	12.9	10.8	2.1
Gain/loss on net monetary position (IAS 29, Hyperinflation)	24.5	18.4	6.1
Unrealised gains and losses on changes in the fair value of derivatives	22.2	2.1	20.1
Change in inventories	(191.8)	(92.8)	(99.0)
Change in trade receivables, trade payables and other receivables and payables	92.7	50.9	41.8
Current tax expense	176.8	135.5	41.3
Taxes paid	(131.4)	(105.9)	(25.5)
Changes in deferred taxes and provisions	0.2	0.8	(0.6)
Net cash flow from operating activities	**857.9**	**699.2**	**158.7**

The Group's net cash flow from operating activities totalled €857.9 million for the year ended 31 December 2023 and €699.2 million for the year ended 31 December 2022.

The increase in net cash flows from the Group's business of +€158.7 million between the two periods is primarily a result of the increase in net income (see Section 5.2.1.7 "Net income" of this Universal Registration Document) and the improvement in working capital requirements.

5.2.5.3. Net cash flow from (used in) investing activities

The following table sets out the net cash flow attributed to the Group's investment activities for the years ended 31 December 2023 and 31 December 2022:

(in € million)	Year ended 31 December 2023	Year ended 31 December 2022	Change
Acquisition of property, plant and equipment and intangible assets	(418.0)	(367.0)	(51.0)
Increase (decrease) in debt on fixed assets	(1.5)	75.2	(76.7)
Acquisitions of subsidiaries, net of cash acquired	(35.5)	(247.9)	212.4
Deferred payment related to acquisition of subsidiary	(2.9)	(0.4)	(2.5)
Capital expenditure	**(457.9)**	**(540.1)**	**82.2**
Disposals of property, plant and equipment and intangible assets	5.1	4.5	0.6
Disposals	**5.1**	**4.5**	**0.6**
Increase in loans, deposits and short-term borrowings	(10.9)	(12.3)	1.4
Reduction in loans, deposits and short-term borrowings	4.1	7.9	(3.8)
Changes in loans and deposits	**(6.8)**	**(4.4)**	**(2.4)**
Net cash flow used in investing activities	**(459.6)**	**(540.0)**	**80.4**

Net cash flows used in the Group's investing activities totalled -€459.6 million for the year ended 31 December 2023 and -€540 million for the year ended 31 December 2022. These flows correspond mainly to acquisitions of property, plant and equipment and intangible assets (or capital expenditure (Capex) (see Section 5.3 "Capital expenditure" of this Universal Registration Document)).

Net cash flow attributed to the Group's investing activities varied by € +80.4 million between the two periods, mainly due to the acquisition of Allied Glass in November 2022.

5.2.5.4. Net cash flow from (used in) financing activities

The following table sets out the net cash flow attributed to the Group's financing activities for the years ended 31 December 2023 and 31 December 2022:

(in € million)	Year ended 31 December 2023	Year ended 31 December 2022	Change
Capital increase (decrease)	18.6	13.0	5.6
Dividends paid	(163.8)	(122.7)	(41.1)
(Increase) decrease in treasury stock	(41.7)	(8.4)	(33.3)
Transactions with shareholders	**(186.9)**	**(118.1)**	**(68.8)**
Dividends paid to non-controlling interests by consolidated companies	(3.1)	(2.7)	(0.4)
Transactions with non-controlling interests	**(3.1)**	**(2.7)**	**(0.4)**
Increase (decrease) in bank overdrafts and other short-term borrowings	34.5	(1.7)	36.2
Increase in long-term debt	569.7	6.8	562.9
Decrease in long-term debt	(565.0)	(172.3)	(392.7)
Financial interest paid	(51.2)	(28.1)	(23.1)
Change in gross debt	**(12.0)**	**(195.3)**	**183.3**
Net cash flow from financing activities	**(202.0)**	**(316.1)**	**114.1**

The Group's net cash flow used in financing activities amounted to -€202.0 million for the year ended 31 December 2023 compared to -€316.1 million for the year ended 31 December 2022.

The main cash flows for the year ended 31 December 2023 concerned:

- transactions with shareholders amounting to- €186.9 million, which include the capital increase (+€18.6 million), dividends paid (-€163.8 million) and the share buy-back of treasury shares (-€41.7 million).
- the change in gross debt, amounting to -€12.0 million, includes (i) the €34.5 million increase in short-term debt, (ii) the issuance of a €550 million term loan to refinance in advance the €500 million syndicated credit facility signed in 2019 net of lease debt repayments, and (iii) interest paid (-€51.2 million) (see Note 17 "Borrowings and financial liabilities" to the Group's consolidated financial statements as at 31 December 2023).

5.2.6. Date of the most recent financial information

31 December 2023.

5.2.7. Significant change in the financial position

As at the date of this Universal Registration Document, there are no significant changes in the financial position.

5.2.8. Material contracts

Material contracts other than those entered into in the ordinary course of business are :

5.2.8.1. Senior facilities agreement

Prior to its IPO, the Group entered, on 17 July 2019, into a new Senior Facilities Agreement called "Senior Term and Revolving Facilities Agreement" with an international banking syndicate, for a period of five years from the date of the drawing of the Term Loan A, which took place on 7 October 2019. The Senior Facilities Agreement is governed by French law and provides two lines of credit for a total principal amount of €2.0 billion, broken down as follows:

- a term loan (Term Loan A) for the initial principal amount of €1,500.0 million, with a maturity of five years from 7 October 2019, repayable in full at maturity. As at 31 December 2022, the outstanding amount of the Term Loan A totalled €500.0 million after two early repayments in May and November 2021, each for €500.0 million;
- a revolving credit facility (which can be used up to a maximum principal amount of €50.0 million as a swingline loan (a very short-term line)) for a maximum principal amount of €500.0 million with a maturity of five years from 7 October 2019.

The term loan and the revolving credit facility were refinanced in April 2023 by a new syndicated loan – see 5.2.8.2.

5.2.8.2. Syndicated facility agreement

In April 2023, Verallia arranged a €1.1 billion syndicated loan in the form of:

- a €550 million term loan, and
- a €550 million revolving credit facility (RCF), undrawn at 31 December 2023,

to refinance in advance its €1 billion syndicated loan facility which was signed in 2019 and was scheduled to mature in 2024.

As at 31 December 2023, Verallia SA therefore had a €550 million term loan and a €550 million revolving credit facility (RCF) which remained undrawn.

The new term loan has a four-year maturity with a one-year extension option, while the new RCF has a five-year maturity with a two-year extension option.

The applicable margin on the term loan was initially set at Euribor + 150 basis points with an upward or downward adjustment (margin ratchet) mechanism. The term loan is currently indexed to the 3M Euribor rate.

The terms and conditions applied to these facilities are linked to CSR indicators. These indicators can impact the margins applied upwards or downwards (± 1.⅔ bp per indicator) and are linked to the following three objectives: a reduction in the Group's scope 1 & 2 CO_2 emissions, optimisation of water consumption in its plants, and the promotion of diversity and inclusion.

5.2.8.3. Sustainability-Linked bonds

On 14 May and 10 November 2021, the Company issued two Sustainability-Linked bonds in line with the Sustainability-Linked Bond Principles of the International Capital Markets Association:

- a Sustainability-Linked bond with a principal amount of €500.0 million, maturing in 7 years and bearing interest at a fixed rate of 1.625% per annum. Standard & Poor's assigned a BB+ rating to this bond issue[99]; and
- a Sustainability-Linked bond with a principal amount of €500.0 million, maturing in 10 years and bearing interest at a fixed rate of 1.875% per annum. Standard & Poor's assigned a BB+ rating to this bond issue[100].

In May 2023, rating agency Standard and Poor's upgraded the Group's long-term credit rating to BBB- with a positive outlook. The issue ratings on each of the two €500 million sustainability-linked bonds issued in May 2021 and November 2021 were also upgraded from BB+ to BBB-.

[99] Prospectus approved by the French Financial Markets Authority on May 11, 2021 under visa 21-150.
[100] Prospectus approved by the French Financial Markets Authority on November 8, 2021 under visa 21-477.

The coupons of the two Sustainability-Linked bonds may be revised upwards starting from the first interest period after 31 December 2025 until the maturity of the bonds, depending on the achievement of two sustainability performance targets, namely:

- reducing Verallia's annual CO_2 emissions (Scopes 1 and 2) to 2,625kt CO_2 for the year 2025 (15% reduction compared to CO_2 emissions in 2019); and
- an increase in the percentage of external cullet[101] used in its production operations to 59% by 2025 (implying a 10-point increase from 2019).

Failure to meet either of these targets may, if applicable, raise the coupon by 12.5 basis points for the first issue in May 2021 and by 10 basis points for the second issue in November 2021.

5.2.8.4. Negotiable European Commercial Paper (NEU CP) programme

The Group has a Negotiable European Commercial Paper (NEU CP) short-term financing programme for an amount of €500 million since 28 September 2023. Previously, the nominal amount of the programme was €400 million since 2019.
See Note 17.2 to the Group's consolidated financial statements for details and the end-of-period amounts.

5.2.8.5. Factoring program

The pan-European factoring program initially concluded with Eurofactor (September 2015) for a maximum amount of €400.0 million has been refinanced during 2022 for an amount bringing the ceiling to €500.0 million with CALF (Crédit Agricole Leasing and Factoring). This program is effective as of December 1, 2022 for a period of 3 years. Based on the Group's ESG framework, this financing includes environmental criteria. See Note 14.4 to the Group's consolidated financial statements for more information.

[101] Recycled glass.

5.3. Capital expenditure

5.3.1. The Group's main capital expenditure

The Group's total capital expenditure amounted to €418 million (i.e. 10.7% of total revenue) for the year ended 31 December 2023, compared with €367 million for the year ended 31 December 2022.

This capital expenditure comprised recurring capital expenditure and strategic capital expenditure as indicated in the table below:

(in € million)	Year ended 31 December 2023	Year ended 31 December 2022
Recurring investments	234.4	269.6
As % of revenue	6.0 %	8.0 %
Strategic investments	183.6	97.4
Total investments	**418.0**	**367.0**
As % of revenue	**10.7 %**	**10.9 %**

The Group exercises its activities in a highly capital-intensive industry that requires constant investments to maintain and/or increase production capacity, modernise the Group's assets and technology, and comply with regulations. To this end, the Group implements a disciplined Capex policy primarily aimed at guaranteeing that its furnaces are operational and as efficient as possible (especially in terms of energy consumption) and at ensuring that the scaling of its production facilities is permanently adjusted to changes in supply and demand and available capacity on the market.

Recurring Capex[102] primarily concerns the renovation of furnaces and maintenance operations. Although the Group's research and development efforts have allowed it to increase the lifespan of its furnaces to up to 10 to 12 years or even 14 years in some cases, its furnaces still need to be rebuilt periodically, as the refractory bricks with which they are built wear away on contact with molten glass and energy consumption increases as furnaces become worn down. Strategic Capex corresponds to acquisitions of strategic assets that significantly enhance the Group's capacity or its scope (for example, the acquisition of plants or similar facilities, greenfield or brownfield investments), including the building of additional new furnaces. Since 2021, it has also included Capex related to the implementation of the CO_2 emissions reduction plan (See Section "Research and development").

In 2023, the capital expenditure recorded amounted to €418 million (i.e. 10.7% of total revenue), compared with €367 million in 2022. This capital expenditure comprised €234.4 million of recurring capital expenditure (vs. €269.6 million in 2022) and €183.6 million of strategic capital expenditure (vs. €97.4 million in 2022) mainly related to the construction of new furnaces at Jacutinga in Brazil and Pescia in Italy and the electric furnace at Cognac in France, as well as investments associated with reductions in CO_2 emissions.

[102] Recurring investments represent acquisitions of property, plant and equipment and intangible assets necessary to maintain the value of an asset and/or adapt to market demands and to environmental, health and safety requirements. They mainly include furnace renovation and maintenance of IS machines.

5.3.2. Main capital expenditure in progress or planned for the future

The Group intends to pursue a disciplined Capex strategy, with recurring Capex totalling around 10% of the Group's consolidated revenue (excluding capitalisation of the right of use related to application of IFRS 16 "Leases").

In addition, Verallia will continue to implement its ESG roadmap, particularly through Capex related to the implementation of the CO_2 emission reduction plan, with a view to achieving its target of a 46% reduction in Scope 1 and 2 emissions by 2030 in absolute terms (base year 2019) and keeping its Scope 3 emissions below 40% of total emissions by 2030. The above-mentioned investments also include the commissioning of two new furnaces (Campo Bom in Brazil and Pescia in Italy). The startup of these two furnaces is scheduled early in the second half of 2024 for Campo Bom and in the second quarter of 2025 for Pescia. The Group will continue to monitor demand trends in order to confirm these startup dates.

Regarding planned capacity additions scheduled in Spain in 2025 (Montblanc) and again in Italy in 2026, the Group has decided to postpone their commissioning beyond 2026. Pre-engineering studies are in progress and the Group will begin investing in its construction as soon as demand has sufficiently recovered.

5.4. Outlook

5.4.1. Trend information

The Group's outlook presented below, which is taken from the Group's overall strategy, is not intended as forecasts or as estimates of the Group's results.

The Group makes no undertaking and gives no guarantee as to the achievement of the perspectives contained in this section.

The Group's medium-term financial objectives for 2022-2024 are set out in the table below:

	2022-2023-2024	Assumptions
Organic revenue growth[1]	+4-6% CAGR	• Half from volumes and half from price/mix • Moderate raw material and energy cost inflation after 2022
Adjusted EBITDA margin	28%-30% in 2024	• Positive price/cost inflation spread • Net PAP > 2% of cash production costs (i.e. > €35 million per annum)
Cumulative free cash-flow[2]	Some €900 million over 3 years	• Recurring and strategic Capex at around 10% of sales • Including CO_2 related investments and 3 new furnaces by 2024
Earnings per share (excluding PPA)[3]	Approximately €3 in 2024	• Average cost of financing (before tax) at approximately 2% • Effective tax rate: approximately 27%
Shareholder return policy	Dividend per share growth > 10% per annum + accretive share buybacks	• Net income growth > 10% per year • Investment grade trajectory (net debt leverage < 2x)

(1) At constant FX and scope.
(2) Cash flow from operations - Other operating impact - Financial interest paid and other financing costs - Cash Tax.
(3) Earnings excl. amortisation expense for customer relations recognized upon the acquisition of Saint-Gobain's packaging business, of ca €0.38 / share (net of taxes).

In addition to its financial objectives, Verallia continues to implement its ESG roadmap and confirms its ambitious environmental objectives announced on 7 October 2021, as outlined below:

- 46% reduction in Scope 1 and 2 emissions by 2030 in absolute terms (base year 2019);
- Scope 3 emissions maintained below 40% of total emissions in 2030;
- Net Zero in 2050 for Scope 1 and 2 emissions.

5.4.2. Forecasts

The forecasts for the year ended 31 December 2023 presented below are based on data, assumptions and estimates that the Group considers reasonable at the date of this Universal Registration Document. These data and assumptions are subject to change or to be modified as a result of uncertainties due to the economic, financial, accounting, competitive, regulatory and tax environments, among others, or as a result of other factors of which the Group is unaware of at the date of this Universal Registration Document. In addition, the materialisation of certain risks described in Chapter 4 "Risk Factors" of this Universal Registration Document could have an impact on the Group's operations, financial position, results or outlook, and thus jeopardize its forecasts. Furthermore, achieving these forecasts presupposes the success of the Group's strategy. Therefore, the Group makes no undertaking and gives no guarantee as to the achievement of the forecasts contained in this section.

The forecasts presented below and their underlying assumptions were prepared in accordance with the provisions of delegated Regulation (EU) No. 2019/980 and ESMA recommendations on forecasts.

5.4.2.1. Assumptions

The Group has prepared its forecasts for the year ending 31 December 2024 in accordance with the accounting methods applied in the Group's consolidated financial statements for the year ended 31 December 2023.

These forecasts are primarily based on the following assumptions for the year ending 31 December 2024:

- Internal assumptions:
  - the continued implementation of the Group's strategy, as described in Chapter 1 of this Registration Document, and in particular the continued deployment of the Group's operational excellence programme and the Performance Action Plan (PAP), including cost reduction;
  - the continued implementation of the Group's dynamic pricing policy with the possibility of passing on to its customers the increase in its production costs and the continuation of its policy of hedging the risks linked to the evolution of raw material and energy costs.
- Macro-economic and market assumptions:
  - the absence of any significant change in the regulatory and fiscal environment existing at the date of this universal registration document;
  - the absence of a deterioration in the economic context, particularly a recession in Europe and Latin America;
  - the satisfactory integration of Allied Glass; and
  - the absence of a severe deterioration in the Russo-Ukrainian conflict.

5.4.2.2. Outlook for the financial year ending on 31 December 2023

After 2023 saw a sharp weakening in demand in Europe under the combined effect of a drop in end consumption and destocking downstream of the value chain, we foresee a gradual recovery in activity over the course of 2024.

In this context and in spite of limited visibility, Verallia has set itself a target to generate adjusted EBITDA of around €1 billion in 2024, with such EBITDA down year-on-year in the first half (high 2023 comparison base) but up year-on-year in the second half (rebound in volumes).

This objective will be achieved thanks to the expected growth in activity combined with another annual reduction in cash production costs (PAP) of 2%.

Verallia is also set to continue its developments in the areas of new eco-designed products, cullet processing and decarbonation, which lie at the heart of its CSR roadmap.

5.5. Dividends

For the year ended 31 December 2022, the Company's General Meeting of Shareholders held on 25 April 2023 approved the payment a dividend of €1.40 per share.

During its meeting on 14 February 2024, the Board of Directors of Verallia decided to propose the payment of a dividend of €2.15 per share in cash for the 2023 financial year. This amount will be subject to approval of the Annual General Meeting of Shareholders which will take place on 26 April 2024.

The Group's dividend policy aims to increase the dividend per share by a minimum of 10% per annum over the period 2022 - 2024, subject to approval by the Company's General Meeting of Shareholders.

5.6. Regulated agreements and commitments, and transactions with related parties

5.6.1. Related-party transactions and related-party agreements

5.6.1.1. Agreements and commitments authorised and entered into during the past financial year

No agreements and commitments within the meaning of articles L. 225-38 and following of the French Commercial Code were signed during the year ended 31 December 2023.

5.6.1.2 Agreements and commitments approved in previous years, the performance of which continued during the past financial year

As part of its efforts to stagger the average maturity of the Group's financial debt, to continue to diversify the Group's sources of financing and to seek competitive financing costs, on 16 December 2021 the Company signed an agreement for an instalment loan for a total principal amount of €30 million with Bpifrance (an affiliate of Bpifrance Participations, a shareholder of the Company, and of Bpifrance Investissement, a member of the Company's Board of Directors). This loan, fully drawn down as at 31 December 2021, bears interest at a fixed rate of 0.40% per annum and has a maturity of three years. The purpose of the loan is to finance and/or refinance the working capital requirements and/or capital expenditure of the Company and its subsidiaries within the meaning of Article L. 233-3 of the French Commercial Code. The repayment of amounts due under the loan was subject to a joint and several guarantee by Verallia Packaging, a wholly-owned subsidiary of the Company, which was released following the refinancing of the syndicated credit agreement signed on 17 July 2019 by the syndicated credit agreement signed on 17 April 2023 by Verallia. A partial reimbursement amounting to €10.0 million was made in 2023. As at 31 December 2023, the amount outstanding totalled €12,5 million.
The conclusion of this related-party agreement was authorised by the Board of Directors at its meeting of 6 December 2021 and will be subject to ratification by the Company's General Meeting of Shareholders to be held on 11 May 2022.

5.6.2. Main related-party transactions

The Group's related parties include the Company's shareholders, its non-consolidated subsidiaries, associates (equity-accounted companies), and entities over which the Group's various managers exercise at least significant influence.

Figures specifying the relationships with these related parties are provided in Note 22 to the consolidated financial statements for the year ended 31 December 2023 presented in Section 6.1 of this Universal Registration Document.

An agreement entered into with related parties and/or the performance of which continued during the past financial year. It concerns an agreement signed in 2021 between Verallia Packaging, a subsidiary of the Company, and Bpifrance, an affiliate of Bpifrance Participations, a shareholder of the Company, and Bpifrance Investissement, a member of the Company's Board of Directors, for a total amount of €100,000, aimed at providing Bpifrance with financial and logistical support in the context of Bpifrance's organisation of the "BIG Tour", which will take place from 16 July 2021 to 20 August 2021, and the "Bpifrance Inno-Generation" event on 7 October 2021. The contract was renewed for €200,000; and covers the "Big Tour" from 5 March 2022 to 26 November 2022 and the "Big Inno" held on 6 October 2022.

This partnership was terminated in 2023.

5.6.3. Statutory Auditors' special report on related-party agreements

General Shareholders' Meeting for the approval of the financial statements for the year ended 31 December 2023

This is a free translation into English of the statutory auditors' special report on related party agreements of the Company issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Verallia SA, we hereby report to you on related party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of article R.225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the General Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE GENERAL SHAREHOLDERS' MEETING

We were not informed of any agreements authorised and entered into during the year to be submitted for the approval of the General Shareholders' Meeting pursuant to the provisions of article L.225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE GENERAL SHAREHOLDER'S MEETING

Agreements approved in previous years that were implemented during the year

In accordance with article R.225-30 of the French Commercial Code, we were informed of the following agreements, approved by the General Shareholders' Meeting in previous years, which were implemented during the year.

Instalment loan agreement entered into with Bpifrance

In its efforts to extend its average debt maturity profile, continue diversifying its sources of funding and obtain competitive financing costs, on 16 December 2021, the Company entered into an instalment loan agreement for a total principal amount of €30 million with Bpifrance (an affiliate of Bpifrance Participations, a shareholder of the Company, and Bpifrance Investissement, a member of the Company's Board of Directors).

The loan was fully drawn at 31 December 2021; it bears interest at an annual fixed rate of 0.40% and has a maturity of three years. Its purpose is to finance and/or refinance the working capital requirement and/or investment expenditure of the Company and its subsidiaries within the meaning of article L.233-3 of the French Commercial Code.

Verallia Packaging, a wholly owned subsidiary of the Company, stood as joint and several guarantor for the repayment of the amounts due under this loan, and was released following the refinancing of the syndicated loan signed on 17 July 2019 by the syndicated loan agreement signed on 17 April 2023 by Verallia. A partial repayment totalling €10 million was made in 2023. The amount outstanding at 31 December 2023 was €12.5 million.

This related party agreement was authorised by the Board of Directors at its meeting on 6 December 2021 and approved by the Company's General Shareholders' Meeting of 11 May 2022.

Neuilly-sur-Seine and Paris, 14 February 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	BM&A
Nicolas Brunetaud	Eric Seyvos

6

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

In accordance with Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, the following are included by way of reference in this Universal Registration Document:

- the financial statements for the year ended 31 December 2022 and corresponding Statutory Auditors' report provided in Chapter 6 of the Company's Universal Registration Document filed with the French Autorité des marchés financiers on 29 March 2023 under number D. 23-0176
- the financial statements for the year ended 31 December 2021 and corresponding Statutory Auditors' report provided in Chapter 6 of the Company's Universal Registration Document filed with the French Autorité des marchés financiers on 29 March 2022 under number D. 22-0188

6.1. The Group's consolidated financial statements

Statement of consolidated financial position

(in € million)	Notes	Year ended 31 December 2023	2022
ASSETS			
Goodwill	9	687.8	664.0
Other intangible assets	10	416.2	482.4
Property, plant and equipment	11	1,795.6	1,609.0
Investments in associates	3.3	6.7	5.9
Deferred tax	8.2	33.6	27.5
Other non-current assets	13	57.8	186.3
Non-current assets		**2,997.7**	**2,975.1**
Short-term portion of non-current assets		1.4	1.3
Inventories	14.1	711.5	536.8
Trade receivables	14.2	144.3	250.4
Current tax receivables	14	15.1	5.4
Other current assets	14.2	115.7	392.3
Cash and cash equivalents	15	474.6	330.8
Current assets		**1,462.6**	**1,517.0**
Total Assets		**4,460.3**	**4,492.1**
EQUITY & LIABILITIES			
Share capital	16.1	413.3	413.3
Consolidated reserves		494.6	590.1
Equity attributable to shareholders		**907.9**	**1,003.4**
Non controlling interests		50.6	64.0
Equity		**958.5**	**1,067.4**
Non-current financial liabilities and derivatives	17	1,610.5	1,562.2
Provisions for pensions and other employee benefits	19	88.9	87.4
Deferred tax	8.2	141.9	276.2
Provisions and other non-current financial liabilities	18	45.5	23.2
Non-current liabilities		**1,886.8**	**1,949.0**
Current financial liabilities and derivatives	17	249.2	200.9
Current portion of provisions and other non-current financial liabilities	18	49.8	54.3
Trade payables	14.3	627.1	740.6
Current tax liabilities	14	66.3	44.3
Other current liabilities	14.3	622.6	435.6
Current liabilities		**1,615.0**	**1,475.7**
Total Equity and Liabilities		**4,460.3**	**4,492.1**

*In accordance with IFRS 3, the balance sheet published at 31 December 2022 was restated for adjustments to the assets acquired and liabilities assumed from the Allied Group, purchased in 2022, that were made during the purchase price allocation period.

These adjustments are presented in Note **1.2.1** "Highlights" and in the reconciliation table that comes after the Group's summary financial statements.

Consolidated statement of income

(in € million)	Note	Year ended 31 December 2023	2022
Revenue	5.1	**3,903.8**	**3,351.5**
Cost of sales	5.2	(2,853.5)	(2,527.1)
Selling, general and administrative expenses	5.2	(212.4)	(194.4)
Acquisition-related items	6.1	(71.3)	(65.6)
Other operating income and expenses	6.2	(5.2)	(6.1)
Operating profit		**761.3**	**558.3**
Net financial income (expense)	7	**(119.0)**	**(80.7)**
Profit (loss) before tax		**642.4**	**477.6**
Income tax	8.1	(167.4)	(122.1)
Share of net profit (loss) of associates	3.3	0.3	0.2
Net profit (loss) for the year		**475.3**	**355.6**
Attributable to shareholders of the Company		***470.0***	***342.0***
Attributable to non-controlling interests		***5.3***	***13.6***
Basic earnings per share (in €)	16.4	**4.02**	**2.92**
Diluted earnings per share (in €)	16.4	**4.01**	**2.92**

Consolidated statement of comprehensive income

(in € million)	Note	Year ended 31 December 2023	2022
Net profit (loss) for the year		**475.3**	**355.6**
Items that may be reclassified to profit or loss			
Translation differences		(106.9)	(7.0)
Changes in fair value of cash flow hedges		(470.0)	(17.0)
Deferred tax on items that may subsequently be reclassified to profit or loss	8.2	127.3	6.5
Total		**(449.6)**	**(17.5)**
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit liability (asset)	19.1	(5.9)	25.9
Deferred tax on items that will not be reclassified to profit or loss	8.2	1.6	(7.3)
Total		**(4.3)**	**18.6**
Other comprehensive income (loss)		**(453.9)**	**1.1**
Total comprehensive income (loss) for the year		**21.4**	**356.7**
Attributable to shareholders of the Company		*52.8*	*354.9*
Attributable to non-controlling interests		*(31.4)*	*1.8*

Consolidated statement of cash flows

(in € million)	Note	Year ended 31 December 2023	2022
Net profit (loss) for the year		**475.3**	**355.6**
Share of net profit (loss) of associates, net of dividends received	3.3	(0.3)	(0.2)
Depreciation, amortisation and impairment of assets		326.7	295.9
Gains and losses on disposals of assets	6.2	(3.1)	(1.3)
Interest expense on financial liabilities	17.7	53.2	29.4
Unrealised gains and losses on changes		12.9	10.8
Gain/loss on net monetary position (IAS 29, Hyperinflation)		24.5	18.4
Unrealised gains and losses on changes in the fair value of derivatives		22.2	2.1
Change in inventories	14	(191.8)	(92.8)
Change in trade receivables, trade payables and other receivables and payables	14	92.7	50.9
Current tax expense	14 & 8.1	176.8	135.5
Taxes paid	14	(131.4)	(105.9)
Changes in deferred taxes and provisions		0.2	0.8
Net cash flows from operating activities		**857.9**	**699.2**
Acquisition of property, plant and equipment and intangible assets	10 & 11	(418.0)	(367.0)
Increase (decrease) in debt on fixed assets	14	(1.5)	75.2
Acquisitions of subsidiaries, takeovers, net of cash acquired		(35.5)	(247.9)
Deferred payment related to the acquisition of a subsidiary		(2.9)	(0.4)
Capital expenditures		**(457.9)**	**(540.1)**
Disposals of property, plant and equipment, intangible assets included related costs		5.1	4.5
Disposals		**5.1**	**4.5**
Increase in loans, deposits and short-term borrowings		(10.9)	(12.3)
Reduction in loans, deposits and short-term borrowings		4.1	7.9
Changes in loans and deposits	13	**(6.8)**	**(4.4)**
Net cash flows from (used in) investing activities		**(459.6)**	**(540.0)**
Capital increase (reduction)	16	18.6	13.0
Dividends paid		(163.8)	(122.7)
(Increase) decrease in treasury stock		(41.7)	(8.4)
Transactions with shareholders of the parent company		**(186.9)**	**(118.1)**
Dividends paid to non-controlling interests by consolidated companies		(3.1)	(2.7)
Transactions with non-controlling interests		**(3.1)**	**(2.7)**
Increase (reduction) in bank overdrafts and other short-term borrowings	17	34.5	(1.7)
Increase in long-term debt	17	569.7	6.8
Reduction in long-term debt	17	(565.0)	(172.3)
Financial interest paid	17	(51.2)	(28.1)
Change in gross debt		**(12.0)**	**(195.3)**
Net cash flows from (used in) financing activities		**(202.0)**	**(316.1)**
Increase (reduction) in cash and cash equivalents		**196.3**	**(156.9)**
Impact of changes in foreign exchange rates on cash and cash equivalents		(52.6)	(6.9)
Opening cash and cash equivalents		**330.8**	**494.6**
Closing cash and cash equivalents		**474.6**	**330.8**

Consolidated statement of change in equity

(in € million)	Note	Number of shares	Share capital	Share premium	Treasury shares	Translation reserve	Hedging reserve	Other reserves and retained earnings	Equity attributable to shareholders	Non-controlling interests	Total equity
As of 31 December 2021		**122,289,183**	**413.3**	**138.5**	**(165.1)**	**(145.5)**	**336.7**	**168.5**	**746.4**	**53.3**	**799.7**
Other comprehensive income						4.7	(16.9)	25.1	12.9	(11.8)	**1.1**
Net profit (loss) for the year								342.0	342.0	13.6	**355.6**
Total comprehensive income for the year						**4.7**	**(16.9)**	**367.1**	**354.9**	**1.8**	**356.7**
Capital increase for the Group Savings Plan _ Verallia SA	16.1	611,445	2.1	10.9					13.0		**13.0**
Distribution of Dividends (per share : 1.05 euro)	16.1	—	—	—				(122.7)	(122.7)	(1.5)	**(124.2)**
Purchase of shares					(8.4)			—	(8.4)	—	**(8.4)**
Cancellation of Treasury shares		(611,445)	(2.1)	(15.5)	17.6						
Sales of treasury shares					4.1			(4.1)	—	—	**—**
Share-based compensation								5.7	5.7	—	**5.7**
IAS 29 Hyperinflation							—	27.6	27.6	18.5	**46.1**
Change in non-controlling interests						—	2.5	(15.8)	(13.3)	(8.1)	**(21.4)**
Other			—	—	—	—	—	0.1	0.1	—	**0.1**
As of 31 December 2022		**122,289,183**	**413.3**	**133.9**	**(151.8)**	**(140.8)**	**322.3**	**426.4**	**1,003.4**	**64.0**	**1,067.4**
Other comprehensive income						(70.2)	(469.9)	122.9	(417.2)	(36.7)	**(453.9)**
Net profit (loss) for the year								470.0	470.0	5.3	**475.3**
Total comprehensive income for the year						**(70.2)**	**(469.9)**	**592.9**	**52.8**	**(31.4)**	**21.4**
Capital increase for the Group Savings Plan _ Verallia SA	16.1	611,445	2.1	16.5					18.6		**18.6**
Distribution of Dividends (per share : 1.40 euro)								(163.8)	(163.8)	(3.1)	**(166.9)**
Purchase of shares					(41.7)				(41.7)		**(41.7)**
Cancellation of Treasury shares	16.2	(611,445)	(2.1)	(17.7)	19.8						
Sales of treasury shares					7.2			(7.2)			
Share-based compensation								8.2	8.2	—	**8.2**
IAS 29 Hyperinflation								30.9	30.9	20.6	**51.5**
Change in non-controlling interests							—	—	—	—	**—**
Other								(0.5)	(0.5)	0.5	**—**
As of 31 December 2023		**122,289,183**	**413.3**	**132.7**	**(166.5)**	**(211.0)**	**(147.6)**	**886.9**	**907.9**	**50.6**	**958.5**

RECONCILIATION OF THE BALANCE SHEET PUBLISHED AT 31 DECEMBER 2022 WITH THE BALANCE SHEET AT 31 DECEMBER 2022 PRESENTED FOR COMPARISON PURPOSES IN THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

In accordance with the provisions set out in IFRS 3, the Group has 12 months in which to identify and measure the assets acquired and liabilities assumed.

The acquisition of Allied Glass was finalised a few days prior to the closing date of 31 December 2022, so final purchase price allocation was still pending.

In 2023, the Group retrospectively adjusted the provisional impacts recognised at the transaction date (cf. Note **1.2**).

Consequently, the condensed consolidated statement of financial position at 31 December 2022 presented in these financial statements has been restated as follows:

(in € million)	31 December 2022	Adjustments	31 December 2022 adjusted
ASSETS			
Goodwill	783.9	(120.0)	664.0
Other intangible assets	313.1	169.3	482.4
Property, plant and equipment	1,609.0		1,609.0
Investments in associates	5.9		5.9
Deferred tax	27.5		27.5
Other non-current assets	186.3		186.3
Non-current assets	**2,925.7**	**49.3**	**2,975.1**
Short-term portion of non -current assets	1.3		1.3
Inventories	536.8		536.8
Trase receivables	250.4		250.4
Current tax receivables	5.4		5.4
Other current assets	392.8		392.3
Cash and cash equivalents	330.8		330.8
Current assets	**1,517.0**		**1,517.0**
Total Actifs	**4,442.7**	**49.3**	**4,492.1**
EQUITY & LIABILITIES			
Share capital	413.3		413.3
Consolidated reserves	590.1		590.1
Equity attributable to shareholders	**1,003.4**		**1,003.4**
Non controlling interests	64.0		64.0
Equity	**1,067.4**		**1,067.4**
Non-current financial liabilities and derivatives	1,562.2		1,562.2
Provisions for pensions and other employee benefits	87.4		87.4
Deferred tax	226.0	50.2	276.2
Provisions and other non-current financial liabilities	23.2		23.2
Non-current liabilities	**1,898.8**	**50.2**	**1,949.0**
Current financial liabilities and derivatives	200.9		200.9
Current financial portions of provisions and other non-current financial liabilities	54.3		54.3
Trade payables	740.6		740.6
Current tax liabilities	44.3		44.3
Other current liabilities	436.4	(0.9)	435.6
Current liabilities	**1,476.5**	**(0.9)**	**1,475.7**
Total Equity and Liabilities	**4,442.7**	**49.3**	**4,492.1**

Contents

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Information on the Group

1.1 Incorporation and creation

1.1.1 Company name

At 31 December 2023, the Company's name is "Verallia" and has been since 20 June 2019.

1.1.2 Place of registration and registration number

The Company is registered in the Nanterre Trade and Companies Register under number 812 163 913.

LEI: 5299007YZU978DE0ZY32

1.1.3 Date of incorporation and term of the Company

The Company is incorporated for a period of 99 years starting from its registration on 23 June 2015, unless it is dissolved early or extended on the joint decision of its shareholders in accordance with the law and articles of association.

The financial year begins on 1 January and ends on 31 December of each year.

1.1.4 Registered office, legal form and governing laws

The Company's registered office is located at 31 Place des Corolles, Tour Carpe Diem, Esplanade Nord, 92400 Courbevoie, France.

At 31 December 2023, the Company is a société anonyme (limited company) governed by French law.

1.2 Operations

With industrial operations in 12 countries, Verallia is the world's third-largest producer of glass packaging for beverages and food products.

The Group produced more than 16 billion glass bottles and jars in 2023.

At 31 December 2023, its main subsidiaries are located in the following countries: France, Italy, Germany, the United Kingdom, Spain, Portugal, Argentina and Brazil. Verallia employs approximately 11,000 employees worldwide and operates 34 factories.

1.1.2 Highlights

Acquisition of five new cullet treatment centres from the Santaolalla group

On 2 November 2023, the Group finalised the acquisition of all the shares in three Santaololla Group companies (Ecosan Ambiental, Ecolabora and Vidrologic) in Spain and Portugal, including five new cullet processing plants, for €33.1 million; this transaction forms part of its commitment to sustainable development and particularly to reducing its CO2 emissions.

The acquisition of these entities was financed from Verallia's available cash.

The difference between the consideration paid and the carrying amount of the assets acquired and liabilities assumed has been recognised in full as goodwill in the provisional amount of €18.6 million.

Verallia obtains Investment Grade credit ratings from Moody's and Standard & Poor's

In April 2023, rating agency Moody's upgraded the Group's long-term credit rating to Baa3 with a stable outlook.

In May 2023, rating agency Standard and Poor's upgraded the Group's long-term credit rating to BBB- with a positive outlook.

The issue ratings on each of the two €500 million sustainability-linked bonds issued in May 2021 and November 2021 were also upgraded from BB+ to BBB-.

Verallia is now rated as Investment Grade by both agencies.

Refinancing of the Group's syndicated credit facility

In April 2023, Verallia arranged a €1.1 billion syndicated facility in the form of:

- a €550 million term loan and
- a €550 million revolving credit facility (RCF) which remained undrawn at 31 December 2023,

in order to refinance in advance its €1 billion syndicated facility which was signed in 2019 and scheduled to mature in 2024.

The new term loan has a four-year maturity with a one-year extension option, while the new RCF has a five-year maturity with two one-year extension options.

The terms and conditions applied to these new credit facilities are linked to CSR indicators (Note **17.2.2**).

2023 employee shareholding offer

On 22 June 2023, Verallia issued 611,445 new ordinary shares, corresponding to 0.5% of its share capital and voting rights, as part of a capital increase reserved for employees based on a standard formula with a discount and including a matching contribution. The IFRS 2 expense measuring the benefits offered to employees was measured by reference to the share's fair value on the last day of subscription. At 31 December 2023, it amounted to €3.0 million.

In order to offset the dilutive impact of this transaction, Verallia simultaneously carried out a capital reduction by cancelling 611,445 treasury shares acquired under the share buyback programme.

Follow-up to the acquisition of Allied Glass

On 8 November 2022, the Verallia Group acquired all the shares held by Tonic Topco in Allied Glass for £206 million, equivalent to €235.5 million.

At 31 December 2022, the difference between the total consideration paid and the carrying amount of the assets acquired and liabilities assumed, except for inventories measured at their fair value, was recognised as goodwill in the provisional amount of €250.7 million, as allowed under IFRS 3 "Business Combinations".

During the course of 2023 and within 12 months of the acquisition date, the Group completed the process of identifying and measuring the identifiable assets acquired and liabilities assumed.

Changes to the values assigned initially were recognised retrospectively at the acquisition date with a corresponding impact on the amount of goodwill, primarily concerning:

- the valuation of customer relationships in an amount of €171.3 million (£149.8 million);
- the €(42.8) million deferred tax liability for customer relationships (£(37.4) million);
- adjustments to the liabilities acquired, of which an €8.0 million increase in deferred tax liabilities.

Consequently, the consolidated statement of financial position at 31 December 2022 was restated (see the reconciliation of the balance sheet published at 31 December 2022 with the balance sheet at 31 December 2022 presented for comparison purposes in the consolidated financial statements at 31 December 2023).

Total Allied Glass net assets acquired after incorporating adjustments at the acquisition date

(In € million)	Assets acquired and liabilities assumed before adjustments	Adjustments	Assets acquired and liabilities assumed after adjustments
ASSETS ACQUIRED			
Intangible assets	—	171.3	171.3
Property, plant and equipment	94.4		94.4
Non-current assets	**94.4**	**171.3**	**265.7**
Inventories	42.6		42.6
Trade receivables	31.7		31.7
Current tax receivables	1.9		1.9
Other current assets	5.5		5.5
Cash and cash equivalents	11.1		11.1
Current assets	**92.8**		**92.8**
Total identifiable assets acquired	**187.3**	**171.3**	**358.6**
LIABILITIES ASSUMED			
Non-current financial liabilities and derivatives	106.4		106.4
Deferred tax	9.3	50.8	60.1
Non-current liabilities	**115.7**	**50.8**	**166.5**
Current financial liabilities and derivatives	38.2		38.2
Trade payables	25.6		25.6
Other current liabilities	22.9	(0.9)	22.0
Current liabilities	**86.8**	**(0.9)**	**85.9**
Total liabilities assumed	**202.5**	**49.9**	**252.4**
Total net assets acquired	**(15.2)**	**121.4**	**106.2**
Acquisition price	235.5		235.5
Total net assets acquired	(15.2)	121.4	106.2
Goodwill	**250.7**	**(121.4)**	**129.3**

The amount of goodwill was adjusted accordingly and amounted to €129.3 million at 8 November 2022 (€130.1 million at 31 December 2023 based on exchange rates prevailing on the closing date).

At 31 December 2023, the impact of this acquisition on revenue and operating profit (loss) amounted to €215.2 million and €36.6 million, respectively.

Note 2 – Basis of preparation of the consolidated financial statements

2.1 Declaration of compliance and applicable framework

The Verallia Group's consolidated financial statements for the period ended 31 December 2023 were prepared in accordance with international accounting standards (IFRS) as published by the IASB (International Accounting Standards Board) and adopted in the European Union in compliance with European Regulation n°1606/2002 of 19 July 2002. They were approved by the Board of Directors on 14 February 2024.

International accounting standards include IFRS (International Financial Reporting Standards), IAS (International Accounting Standards) and their interpretations. This reporting framework can be found on the European Commission's website[103].

The consolidated financial statements are presented in millions of euros, with amounts rounded up or down to the nearest million. So rounding differences may appear between different financial statements. In addition, adjustments may have been made in the notes to the financial statements in respect of prior periods in order to conform to the presentation of the current year with no impact on the financial statements.

[103] https://ec.europa.eu/info/index_en

The terms "Verallia", "the Group" or "the Verallia group" refer to the Verallia SA company together with its consolidated subsidiaries.

The accounting principles applied are identical to those applied to the consolidated financial statements at 31 December 2022 except for the following standards, amendments and interpretations applied starting from 1 January 2023:

Amendments to IAS 1 - Disclosure of Material Accounting Policy Information	1 January 2023
Amendments to IAS 8 - Definition of Accounting Estimates (distinction between changes in accounting policies vs changes in accounting estimates)	1 January 2023
Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules	1 January 2023

The amendments to IAS 1 and IAS 8 had no material impact on the Group's financial statements.

The amendment to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction had no impact on the Group's financial statements to the extent that the Group did not apply the initial recognition exemption for deferred taxes which is allowed when a temporary difference arises from the initial recognition (other than for business combinations) of an asset or liability that affects neither accounting profit nor taxable profit at the transaction date.

The amount of deferred taxes is now recognised for the taxable temporary difference (deferred tax liabilities) and for the deductible temporary difference (deferred tax assets).

The Pillar Two Directive was transposed into French law after being passed under the 2024 Finance Law. The Group falls within the scope of application of the Pillar Two rules on account of the revenues it generates. These new measures are being monitored closely at Group level.

Based on the information available to date, the Group does not expect them to have a material impact.

In addition, the Group applied the mandatory temporary exception introduced by these amendments to IAS 12 - International Tax Reform - Pillar Two Model Rules to its consolidated financial statements at 31 December 2023, an exception that consists in not accounting for deferred taxes related to income tax arising from the Pillar Two rules.

The Group did not apply the following new standards, amendments and interpretations, which were not yet effective:

Amendments to IAS 1– Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IAS 1 – Non-Current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21 – Lack of Exchangeability	1 January 2025

2.2 Estimates and judgements

In preparing consolidated financial statements, Management relies on estimates and assumptions that may affect the amounts of assets, liabilities, income and expenses, as well as the information presented in the notes. These estimates and assumptions are reviewed on a regular basis to ensure that they are reasonable in light of the Group's history, economic conditions and the information available to the Group.

The Group has factored climate risks and fulfilment of its CSR commitments into its year-end assumptions and incorporated their potential impact into its financial statements. The risks factored in are described in Notes 11, 12, 14.4, 17.2.1, 18.1.2, 18.1.4, 19.3.1 and 23.1 to the financial statements.

Actual results may differ from the estimates used. Major sources of estimation uncertainty may result in significant adjustments made to the amounts of assets and liabilities in the subsequent year. Besides making use of estimates, the Group's Management must exercise judgement in selecting and/or applying the most appropriate accounting treatment for certain transactions and activities and in defining the terms of its application.

The main estimates and judgements made by Management in preparing these consolidated financial statements are as follows:

Management's main judgements and estimates	**Note**
Assessment of the recoverable value of goodwill and fixed assets	9 & 12
Measurement of provisions and other financial liabilities	18.1
Measurement of defined benefit obligations and plan assets	19.1

2.3 Valuation principles

The consolidated financial statements were prepared on a historical cost basis with the exception of:

- certain financial assets and liabilities measured using the fair value model (Note **21**);
- defined benefit plan assets (Note **19.1**).

ACCOUNTING PRINCIPLES

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The methods used to measure the fair value of financial and non-financial assets and liabilities as defined above are classified according to the following three fair value levels:

- **Level 1**: fair value measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2**: fair value measured using inputs other than quoted prices in active markets that are observable either directly (price) or indirectly (price-derived data).
- **Level 3**: fair value inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.4 Transactions in foreign currencies

ACCOUNTING PRINCIPLES

Translation of the financial statements of foreign companies

The Group's presentation currency is the euro, which is also the functional currency of the Group's parent company. Each Group entity determines its own functional currency, and all its financial transactions are then measured in that currency.

The financial statements of subsidiaries that have a functional currency other than the presentation currency are translated using the closing rate method:

- assets and liabilities, including goodwill and fair value adjustments in the context of acquisition accounting, are translated into euros at the closing rate, i.e. the daily rate on the closing date;
- statement of income and cash flow items are translated into euros at the average rate for the period, unless significant differences are recognised.

The resulting foreign currency translation differences are recognised in other comprehensive income, with a corresponding entry in the translation reserve in shareholders' equity. When a foreign entity is sold, the cumulative amount of foreign currency translation differences in equity relating to that entity is reclassified to profit or loss.

Recognition of foreign currency transactions

Transactions denominated in foreign currency are converted into euros at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate, and the resulting translation differences are recognised in the statement of income in financial income or expense. Non-monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate applicable on the day of the transaction.

Differences arising from the translation of borrowings, loans or advances that are substantially part of the net investment in a foreign entity are recognised in other comprehensive income, with a corresponding entry in the translation reserve in equity, and reclassified to profit or loss on disposal of the net investment.

Hyperinflation in Argentina

In 2018, Argentina was considered a "hyperinflationary" economy within the meaning of IFRS, rendering IAS 29 "Financial reporting in hyperinflationary economies" applicable.

Accordingly, the Group has applied IAS 29 since 1 January 2018. Adoption of IAS 29 requires the restatement of the non-monetary assets and liabilities, equity and statement of income of the Group's Argentine subsidiary in order to reflect the change in the purchasing power of its functional currency. The gain or loss on the net monetary position is included in financial income or expense. Moreover, the financial information for the Group's Argentine subsidiary is translated into euros by applying the exchange rate prevailing on the closing date of the relevant period.

On 20 March 2020, the IASB Interpretations Committee published its position with respect to accumulated translation differences in a hyperinflationary economy. The Group therefore transferred the translation differences accumulated on its Argentine subsidiary at 1 January 2018 to the translation reserve.

The rates selected for the main currencies were as follows:

	2023		2022	
	Closing rate	**Average rate**	**Closing rate**	**Average rate**
Brazilian real (EUR/BRL)	5.38	5.40	5.65	5.44
Argentine peso (EUR/ARS)*	895.12	317.87	189.21	136.66
Pound Sterling (EUR/GBP)	0.87	0.87	0.88	0.85
Russian rouble (EUR/RUB)	98.26	92.12	77.96	72.15
Ukrainian hryvnia (EUR/UAH)	42.21	39.55	38.95	33.96

*In accordance with IAS 29, all financial information is translated at the closing rate for subsidiaries located in a country considered to be "hyperinflationary" (applicable to Argentina since 2018).

Note 3 – Consolidation method and scope of consolidation

ACCOUNTING PRINCIPLES

Basis of consolidation

The consolidated financial statements include the assets and liabilities, income and cash flows of the Company and its subsidiaries. All balances and reciprocal transactions between companies controlled by the Group are eliminated.

Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed or entitled to variable returns because of its relationship with the entity and has the ability to affect those returns because of the power it holds over it. The interests acquired in these entities are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases to be exercised. See Note **3.3** for more information on associates.

3.1 Changes in the scope of consolidation

ACCOUNTING PRINCIPLES

Business combinations

Business combinations are accounted for in accordance with IFRS 3 "Business combinations" using the acquisition method.

Goodwill corresponds to:

- the fair value of the consideration transferred; plus
- the amount recognised for any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of any pre-existing equity interest in the acquired company; less
- the net recognised amount (generally at fair value) of the identifiable assets acquired and liabilities assumed.

When the difference is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration for the acquisition is measured at fair value, which is the sum of the fair values, at the acquisition date, of the assets transferred, the liabilities incurred or assumed, and the equity securities issued in exchange for the acquisition of control of the acquired company. When the consideration transferred by the Company in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at fair value. Subsequent changes in the fair value of the contingent consideration corresponding to debt instruments are recognised in profit or loss.

Acquisition-related costs are recorded as expenses when incurred and recognised in "Items related to acquisitions" in the consolidated statement of income.

At the acquisition date, the Group recognises identifiable assets acquired and liabilities assumed (identifiable net assets) in the subsidiary, based on their fair value at that date (with some exceptions). The assets and liabilities recognised may be adjusted for a maximum of 12 months from the acquisition date, based on new information gathered on the facts and circumstances existing at the acquisition date.

For business combinations resulting in less than a 100% interest, the non-controlling interest in the acquired company (i.e. any interest that gives its holders the right to a share of the net assets of the acquired company), as at the acquisition date, is measured:

- either at fair value, so that a portion of the goodwill recognised at the time of the combination is allocated to the non-controlling interest (the "full goodwill" method);
- or based on the share of the identifiable net assets of the acquired company, so that only goodwill attributable to the Group is recognised (the "partial goodwill" method).

The method applied is selected depending on factors specific to each transaction.

Changes in equity interests (%) in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a gain or loss of control are accounted for as equity transactions – in other words, as transactions with shareholders acting in that capacity. The difference between the fair value of any consideration paid and the carrying amount of the share of the subsidiary's net assets acquired or disposed of is recorded in equity.

Commitments to purchase non-controlling interests

Commitments to purchase non-controlling interests result in the recognition in the financial statements of a liability in "Provisions and other non-current financial liabilities", which is the present value of the estimated exercise price of the put option on non-controlling interests, with a corresponding reduction in non-controlling interests and equity attributable to owners of the parent company for the balance, if any. Any subsequent change in the fair value of the liability is recognised through an adjustment to equity.

Assets and liabilities held for sale and discontinued operations

When the Group expects to recover the value of an asset or group of assets through its sale rather than its use, the asset in question is presented separately on the "Assets held for sale" line in the statement of financial position, in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations". Liabilities related to such assets, if any, are also presented on a separate line of the statement of financial position ("Liabilities related to assets held for sale").

Assets classified as such are measured at the lesser of the carrying amount or the fair value, less the cost of selling them. Assets classified as assets held for sale cease to be depreciated from the date they qualify for classification as assets held for sale.

A discontinued operation is either a component of the Group from which it has separated or an activity that is classified as held for sale and:

- which represents a separate major line of business or geographical area of operations; and
- is part of a single, coordinated plan to dispose of a separate line of business or geographical area of operations; or
- is an activity acquired exclusively for resale.

When an activity is classified as a discontinued operation, the income statement and the cash flows statement are restated as if the activity had met the criteria for an activity that was discontinued from the start of the comparative period.

In these financial statements, no non-current assets meet the criteria for classification as assets held for sale and no operations were sold during the year.

ESTIMATES AND ASSUMPTIONS MADE BY MANAGEMENT

To determine the fair value of assets and liabilities at the acquisition date, the Group makes estimates using several methods with the help of independent valuation experts. These estimates are based on a number of assumptions and assessments.

The significant assumptions used to determine the fair value of assets acquired and liabilities assumed include the following valuation methods: the cost approach, the revenue approach and the market approach. These methods are based on cash flow projections and related discount rates, sector indices, market prices for replacement cost and comparable market transactions.

3.1.1 Changes in 2023

There were no noteworthy changes to the scope of consolidation other than the acquisition of companies from the Santaolalla Group described in Note **1.2.1** "Highlights".

3.1.2 Changes in 2022

There were no significant changes to the scope of consolidation other than the buyout of Verallia Deutschland's minority shareholders by Verallia Packaging and the acquisition of Allied Glass described in Note **1.2.1** "Highlights".

3.2 List of the main consolidated companies

		% interest as of 31 December		% control as of 31 December		
Entity	**Country**	**2023**	**2022**	**2023**	**2022**	**Consolidation method**
Verallia SA	France	100.00 %	100.00 %	100.00 %	100.00 %	Parent company
Verallia Deutschland	Germany	100.00 %	100.00 %	100.00 %	100.00 %	Full consolidation
Rayen-Cura	Argentina	59.96 %	59.96 %	60.00 %	60.00 %	Full consolidation
Verallia Brasil	Brazil	99.99 %	100.00 %	100.00 %	100.00 %	Full consolidation
Verallia Chile	Chile	99.99 %	100.00 %	100.00 %	100.00 %	Full consolidation
Verallia Spain	Spain	99.94 %	99.94 %	99.94 %	99.94 %	Full consolidation
Société Charentaise de Décor	France	100.00 %	100.00 %	100.00 %	100.00 %	Full consolidation
Verallia France	France	100.00 %	100.00 %	100.00 %	100.00 %	Full consolidation
Verallia Packaging	France	100.00 %	100.00 %	100.00 %	100.00 %	Full consolidation
Verallia Italia	Italy	99.99 %	100.00 %	99.99 %	100.00 %	Full consolidation
Verallia Polska	Poland	100.00 %	100.00 %	100.00 %	100.00 %	Full consolidation
Verallia Portugal	Portugal	99.94 %	99.94 %	100.00 %	100.00 %	Full consolidation
Kavminsteklo Zao	Russia	99.15 %	99.15 %	99.15 %	99.15 %	Full consolidation
Zao Kamyshinsky Steklotarny ZA	Russia	96.46 %	96.46 %	96.46 %	96.46 %	Full consolidation
Verallia UK *	United Kingdom	100.00 %	100.00 %	100.00 %	100.00 %	Full consolidation
Verallia Ukraine	Ukraine	100.00 %	100.00 %	100.00 %	100.00 %	Full consolidation

*Allied Glass Container has been renamed Verallia UK since January 2023

3.3 Investments in equity-accounted companies

ACCOUNTING PRINCIPLES

Associates

Associates are companies over which the Group exercises significant influence, i.e. the power to participate in financial and operating policy decisions, but without exercising control or joint control over such policies. They are recognised in the consolidated financial statements using the equity method.

Equity method

Under the equity method, an investment in an associate must initially be recognised at the acquisition cost and then adjusted based on the Group's share of the profit or loss and, where applicable, its share of the associate's other items of comprehensive income as well as dividends. Goodwill is included in the carrying amount of the investment. Any losses or reversals of the value of investments and any gains or losses on the sale of investments in companies accounted for under the equity method are presented under "Share of net income of associates" in the statement of income.

Gains from transactions with equity-accounted entities are eliminated via a corresponding entry of equity-accounted securities in proportion to the Group's interest in the Company. Losses are eliminated in the same way as gains, but only insofar as they are not indicative of impairment.

The Group holds several interests in associates, none of which is of a significant size individually:

		Main % interest as of 31 December		
Entity	**Country**	**2023**	**2022**	**Consolidation method**
Vetreco SRL	Italy	40.0 %	40.0 %	Equity method
Cogeneradores Vidrieros	Spain	41.0 %	25.8 %	Equity method
Verre Recycling	Germany	40.0 %	40.0 %	Equity method

Changes in investments in associates break down as follows:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Opening		
Gross amount	5.9	5.1
Impairment	—	—
Investments in associates – Net amount	**5.9**	**5.1**
Changes during the year		
Translation differences	—	—
Transfers, share issues and other movements	0.5	0.6
Dividend paid	—	—
Share of profit (loss) of associates	0.3	0.2
Total changes	**0.8**	**0.8**
Closing		
Gross amount	6.7	5.9
Impairment	—	—
Investments in associates – Net amount	**6.7**	**5.9**

The table below presents the main financial information concerning investments in associates (presented at 100%):

	Year ended 31 December	
(in € million)	**2023**	**2022**
Equity	16.3	13.3
Total assets	58.6	61.5
Total revenue	103.8	96.0
Net profit (loss) for the year	**0.2**	**(1.0)**

Note 4 – Segment information

ACCOUNTING PRINCIPLES

Definition of operating segments

In accordance with IFRS 8 "Operating segments", segment reporting must reflect the operating segments for which results are regularly reviewed by the chief operating decision-maker (CODM) in order to make decisions about resources to be allocated to the segments and to assess their performance.

4.1 Basis for segmentation

In accordance with the provisions of IFRS 8 "Operating segments", the Group has identified the following 3 operating segments corresponding to the geographical areas in which the assets are located:

- **Southern and Western Europe**, comprising production plants located in France, Italy, Spain and Portugal. Verallia's operations in this region consist of bottles of still and semi-sparkling wines and spirits containers, market segments characterised by export-driven growth;
- **Northern and Eastern Europe**, comprising sites located in Germany, the United Kingdom, Russia, Poland and Ukraine. The Group's operations in Northern and Eastern Europe consist of bottles for beer, particularly in Germany, and jars and bottles for food, mostly for local markets and for the premium spirits market;
- **Latin America**, comprising sites located in Brazil, Argentina and Chile. The Group's activities in Latin America are focused mainly on bottles for still wines, a market segment dominated by exports, as well as beer bottles, particularly in Brazil.

The above operating segments correspond to the reporting segments in the absence of consolidation by the Group.

This sector breakdown reflects the Group's management organisation set up at the time of the initial public offering in 2019 and its internal reporting system as submitted to the Board of Directors, which is Verallia's chief operating decision-maker (CODM). The management organisation and internal reporting system remain unchanged following the takeover of Allied Glass. This reporting method makes it possible to assess the performance of the operating segments, based on adjusted EBITDA, and to decide on the allocation of resources, particularly investments.

4.2 Key performance indicators

The Group uses the following aggregates to assess the performance of the operating segments presented:

- revenue, corresponding to the revenue presented in the consolidated financial statements;
- capital expenditure, corresponding to the Group's acquisitions of property, plant and equipment and intangible assets excluding rights of use under IFRS 16;
- adjusted EBITDA, an indicator for monitoring the underlying performance of businesses adjusted for certain non-recurring expenses and/or income liable to distort the Company's performance.

Adjusted EBITDA is calculated on the basis of operating profit adjusted for depreciation, amortisation and impairment, restructuring costs, acquisition and M&A costs, hyperinflationary effects, management share ownership plans, subsidiary disposal-related effects and contingencies, plant closure costs and other items.

As it is an aggregate not directly presented in the consolidated statement of income, a reconciliation with the consolidated financial statements prepared under IFRS is presented in accordance with the provisions of IFRS 8:

(in € million)	Notes	Year ended 31 December 2023	2022
Net profit (loss) for the year		**475.3**	**355.6**
Net financial income		119.0	80.7
Income tax		167.4	122.1
Share of net result of associates		(0.3)	(0.2)
Operating profit		**761.3**	**558.3**
Depreciation, amortisation and impairment	A	326.7	295.9
Restructuring costs		3.4	(0.8)
IAS 29, Hyperinflation (Argentina)		5.8	4.3
Management share ownership plan and associated costs	B	6.2	6.2
Acquisition fees and additional price		0.7	5.1
Other		3.9	(3.5)
Adjusted EBITDA		**1,108.0**	**865.5**

A. Includes depreciation and amortisation of intangible assets and property, plant and equipment, and amortisation of intangible assets acquired through business combinations.

B. Corresponds to share-based compensation plans and associated costs.

Note that the Group does not monitor any segment liability indicator as financial debt is managed centrally and not at the level of the three reporting segments.

4.3 Segment information

(in € million)	Notes	Year ended 31 December 2023 Northern and Eastern Europe	Southern and Western Europe	Latin America	Eliminations	Group total
Revenue from activities with external customers	5.1	979.8	2,527.2	396.8	—	3,903.8
Inter-segment revenue		5.6	23.7	2.9	(32.2)	—
Total segment revenue		**985.3**	**2,550.9**	**399.7**	**(32.2)**	**3,903.8**
Adjusted EBITDA	**4.2**	**244.2**	**725.2**	**138.5**	**—**	**1,108.0**
Capital expenditure*		**95.2**	**226.0**	**96.9**	**—**	**418.0**

*Excluding rights of use under IFRS 16

(in € million)	Notes	Year ended 31 December 2022 Northern and Eastern Europe	Southern and Western Europe	Latin America	Eliminations	Group total
Revenue from activities with external customers	5.1	695.3	2,236.4	419.8	—	3,351.5
Inter-segment revenue		12.1	8.8	—	(20.9)	—
Total segment revenue		**707.4**	**2,245.2**	**419.8**	**(20.9)**	**3,351.5**
Adjusted EBITDA	**4.2**	**146.5**	**554.5**	**164.6**	**—**	**865.5**
Capital expenditure*		**73.3**	**209.6**	**84.1**	**—**	**367.0**

*Excluding rights of use under IFRS 16

4.4 Breakdown of revenue by "end market"

In accordance with IFRS 8.32, the Group presents below a breakdown of revenue according to the use expected to be made of its glass packaging (notion of "end market" as defined internally):

	Year ended 31 December	
(in € million)	2023	2022
Still wines	1,180.6	1,149.4
Sparkling wines	474.6	392.1
Spirits	617.8	413.0
Beers	455.4	415.4
Food	646.6	531.5
Soft drinks	433.7	358.9
Others	95.1	91.2
Revenue	**3,903.8**	**3,351.5**

4.5 Entity-level information

In accordance with IFRS 8.33, revenue generated in France and internationally is presented in Note **5.1**.

In addition, the geographical breakdown of non-current assets (other than goodwill, customer relationships and fair value adjustments to property, plant and equipment, financial instruments, deferred tax assets and post-employment benefit assets) is presented below.

	Year ended 31 December	
(in € million)	2023	2022
France	338.6	313.8
Italy	419.9	375.4
Spain	238.5	222.9
Germany	221.2	205.3
Brazil	249.6	163.0
Other countries	326.3	326.8
Total	**1,794.1**	**1,607.2**

The Group does not monitor customer relationships by country, so they were excluded from the analysis of non-current assets by country.

4.6 Information about the main customers

None of the Group's customers individually accounted for more than 10% of revenue in 2023 or 2022.

Note 5 – Operating income and expenses

5.1 Revenue

ACCOUNTING PRINCIPLES

Verallia's operations mainly concern the manufacture of glass packaging for beverages and food products (bottles and jars).

In accordance with commercial practices and norms in the Group's markets, commercial agreements with customers generally do not involve a commitment in respect of purchase volumes or significant penalties in the event of cancellation. In addition, no significant initial lump sum payments are made. Thus, each order combined with a possible framework agreement represents a contract within the meaning of IFRS 15. Contracts generally run for less than one year so, under the terms of IFRS 15, the order book is not presented. The costs of obtaining contracts are not material.

Each agreement contains a performance obligation corresponding to the delivery of bottles and jars. The revenue generated from the sale of bottles and jars is recognised when the control of the asset is transferred to the customer, i.e. when the product is shipped or delivered, according to Incoterms rules.

In its operations, the Group does not resort to any intermediaries when selling goods to its customers other than transport services. As a result, agent/principal analysis is not relevant.

Revenue is the amount receivable for goods provided in the normal course of business, excluding amounts collected on behalf of third parties, such as sales taxes, goods and services taxes, and value added taxes.

Moulds are recognised as property, plant and equipment insofar as their purchase does not constitute a separate performance obligation (no transfer of control to customers).

Contracts have no funding component since the time between revenue recognition and payment is generally short. As a result, the Group does not adjust the transaction price based on the time value of money. Moreover, contract assets and liabilities are not material.

Revenue by country of origin

	Year ended 31 December	
(in € million)	2023	2022
France	947.1	873.7
Italy	874.8	714.8
Spain	581.3	507.8
Germany	586.8	497.0
Brazil	236.2	203.1
Other countries	677.6	555.1
Total revenue	**3,903.8**	**3,351.5**

The country of origin is the location of the entity invoicing the sales.

5.2. Expenses by function and by nature

ACCOUNTING PRINCIPLES

Cost of sales

Cost of sales includes all costs directly or indirectly related to the products sold. The main components are the cost of raw materials, energy, wages and transport, and the depreciation of production equipment.

Selling, general and administrative expenses

Selling, general and administrative expenses include all expenses relating to general management, marketing, finance and accounting, computing, legal, human resources, technical, and research and development activities.

The breakdown of cost of sales and selling, general and administrative expenses by type of expense is as follows:

(in € million)	Notes	Year ended 31 December 2023	2022
Raw materials, energy, transport and other production costs		(2,162.3)	(1,920.0)
Personnel expenses*	A	(650.1)	(567.4)
Depreciation and amortisation*	B	(253.5)	(234.1)
Total cost of sales and selling, general and administrative expenses		**(3,065.9)**	**(2,721.5)**

A. Personnel expenses include:

- €2.0 million in 2023 and €2.9 million in 2022 in respect of costs relating to post-employment benefits (Notes **19.1** and **19.2**);
- €6.2 million in 2023 in respect of costs relating to share-based compensation plans, as in 2022 (Note **19.3**).

B. Includes amortisation and depreciation of intangible assets, property, plant and equipment and right-of-use fixed assets (Notes **10** and **11**), with the exception of customer relationships which are recognised in "Acquisition-related items".

* Includes research and development expenses, net of research tax credits obtained, of €2.2 million in 2023 and €6.1 million in 2022. The change relative to 2022 was the result of higher research tax credits obtained in 2023 (€5.6 million).

Note 6 - Other operating income and expenses

6.1 Acquisition-related items

ACCOUNTING PRINCIPLES

Acquisition-related items mainly cover the impact of the adjustments recognised in connection with the purchase price allocation (amortisation of assets exclusively recognised through business combinations, such as customer relationships), as well as acquisition costs including miscellaneous fees and due diligence costs in connection with actual or prospective acquisitions. These items are presented separately from "selling, general and administrative expenses" on account of their materiality.

(in € million)	Notes	Year ended 31 December 2023	2022
Acquisition and M&A costs		(0.7)	(5.1)
Amortisation of intangible assets acquired through business combinations	A	(70.6)	(60.5)
Acquisition-related items		**(71.3)**	**(65.6)**

A. Represents the amortisation over a 12-year useful life of the Verallia Group's customer relationships recognised in 2015 (gross value of €740 million) and the amortisation over a 17-year useful life of the customer relationships of the Allied Group acquired in 2022 due to the premium nature of its products (gross value of €169.3 million, see Note **10**).

6.2 Other operating income and expenses

ACCOUNTING PRINCIPLES

Other operating income and expenses reflect significant events occurring during the period that may distort the reading of the Company's performance. They mainly include gains and losses on disposals, impairment losses, significant litigation outside the normal course of business, restructuring costs incurred upon the disposal or closure of operations, and costs in relation to downsizing measures.

Other operating income and expenses break down as follows:

(in € million)	Notes	Year ended 31 December 2023	2022
Gains on disposals of assets	A	12.2	4.4
Reversals of asset impairment		1.3	—
Other income		**13.5**	**4.4**
Restructuring costs	B	(3.4)	0.8
Losses on disposals of assets and scrapped assets	C	(9.0)	(3.1)
Impairment of assets		(3.8)	(1.4)
Others	D	(2.5)	(6.8)
Other expenses		**(18.7)**	**(10.4)**
Other income and expenses – net		**(5.2)**	**(6.0)**

A. In 2023, this amount corresponds to insurance compensation received for damages incurred in Argentina and the United Kingdom.

B. As in 2023, the amount corresponds mainly to the re-estimation of the transformation plan carried out in France, including the costs related to the shutdown of a furnace and redundancy support measures.

C. The impact in 2023 mostly concerned scrapped assets in the United Kingdom following fire damages covered by insurance.

D. In 2023, this item mainly included provisions for environmental risks .

Note 7 – Financial income and expenses

ACCOUNTING PRINCIPLES

Financial income and expenses mainly include interest expense on borrowings, accretion of financial assets and provisions, financial expense related to pension plans and other post-employment benefits, factoring fees, bank charges, changes in the fair value of derivative instruments not designated as hedging instruments, and unrealised and realised foreign exchange gains and losses. They also include interest expense on lease liabilities .

Financial income mainly comprises income from cash and cash equivalents.

(in € million)	Notes	Year ended 31 December 2023	2022
Interest expense excluding lease liabilities	A	(71.7)	(34.9)
Interest expense related to lease liabilities	17.5	(2.4)	(1.4)
Amortisation of debt issuance costs, and other *		(14.3)	(17.1)
Financial income from cash and cash equivalents and other	B	28.7	20.3
Cost of net debt		**(59.7)**	**(33.1)**
Refinancing costs	C	(2.2)	—
Foreign exchange gains and losses	D	(15.3)	(12.8)
Net interest expense related to pension plans and other benefits	19.1	(3.0)	(1.3)
Profit (loss) on net monetary position in Argentina (IAS 29)	2.4	(38.8)	(33.5)
Net financial income (expense)		**(119.0)**	**(80.7)**

* Other: mainly corresponding to the amortisation of funding costs and debt issuance premiums, as well as factoring fees and other bank charges.

A. Corresponds primarily to interest expense on borrowings (described in Note **17**).

B. Corresponds in 2023 to financial investment income, primarily in Argentina and at Verallia Packaging, and in 2022 to financial investment income, primarily in Argentina.

C. Corresponds mainly in 2023 to the accelerated amortisation of issuance costs still to be amortised on Term Loan A and on the Revolving Credit Facility arranged in 2019 and refinanced in April 2023.

D. Corresponds mainly in 2023 and 2022 to foreign exchange impacts and to the effects of variations in foreign exchange derivatives.

Note 8 – Income tax

ACCOUNTING PRINCIPLES

Income tax expense represents the sum of current tax and deferred tax.

Tax expense is calculated based on the tax laws in force or substantively in force as of the closing date in the countries where the Company and its subsidiaries operate.

The amount of current tax payable (or recoverable) is determined based on the best estimate of the amount of tax that the Group expects to pay (or recover) and reflecting any potential associated uncertainties.

Current tax and deferred tax are recognised in profit or loss unless they relate to items that have been recognised in other comprehensive income or directly in equity. If current tax or deferred tax arises from the initial recognition of a business combination, the tax effect is included in the recognition of the business combination.

Deferred tax assets and liabilities are recognised on the basis of temporary differences between the carrying amounts of assets and liabilities on the balance sheet and their respective tax values (with some exceptions).

The impact of a change in tax rates and tax laws on deferred income tax assets and liabilities is generally recognised as tax income/expense over the period that the change was substantively in effect. Deferred tax assets and liabilities are measured at the expected tax rates for the period of realisation of the asset or settlement of the liability, based on tax rates and tax laws prevailing or substantively in force on the closing date.

Deferred tax assets are recognised in respect of deductible temporary differences, unused tax losses and unused tax credits only if it is probable that the Group will have sufficient future taxable profits against which they can be used. They are reviewed at each closing date and are impaired if it no longer appears likely that sufficient future taxable income will be available. To determine whether deferred tax assets should be recognised in respect of tax loss carryforwards, the Group applies various criteria that take into account the likely recovery period based on economic projections and the strategy for recovering tax losses over the long term applied in each country.

ESTIMATES AND ASSUMPTIONS MADE BY MANAGEMENT

Management's judgement is necessary to determine the extent to which tax losses can be recovered by the Group, resulting in the recognition of a deferred tax asset. In assessing the recognition of deferred tax assets, Management considers whether it is more likely than not that they will be used. Ultimately, deferred tax assets will be used if sufficient taxable income is available during periods in which temporary differences become deductible. Estimates of taxable profit and the use of tax loss carryforwards are based on the earnings forecast in the budget, the medium-term plan and, if necessary, supplementary estimates.

In addition, the Group applied the mandatory temporary exception introduced by the amendment to IAS 12 - International Tax Reform - Pillar Two Model Rules, an exception that consists in not accounting for deferred taxes related to income tax arising from the Pillar Two rules (Note **2.1**).

8.1 Income tax

The table below shows the breakdown of income tax expense:

	Year ended 31 December	
(in € million)	2023	2022
France	(33.6)	(13.1)
Outside France	(143.3)	(122.3)
Current tax	**(176.8)**	**(135.5)**
France	7.1	2.0
Outside France	2.4	11.3
Deferred tax	**9.5**	**13.3**
Total income tax	**(167.4)**	**(122.1)**

8.2 Analysis of deferred taxes on the balance sheet

In the consolidated balance sheet, changes in net deferred taxes are as follows:

	Year ended 31 December	
(in € million)	2023	2022
Opening	**(248.7)**	**(199.1)**
Deferred tax (expense)/benefit	9.5	13.3
Changes in deferred taxes related to actuarial gains and losses IAS19 and the fair value of cash flow hedge	128.3	(0.8)
Translation and hyperinflation adjustments	1.3	(3.2)
Change in group structure	—	(9.3)
Other	1.2	0.6
As of December 31 - Published value	**(108.4)**	**(198.5)**
*Adjustments - Deferred Taxes on Allied Customer Relationships.**	—	*(50.2)*
As of December 31 - Adjusted value	**(108.4)**	**(248.7)**

*On 8 November 2022, the Verallia Group acquired all the shares held by Tonic Topco in Allied Glass. The Group completed the process of identifying the assets acquired and liabilities assumed during the purchase price allocation period: deferred tax liabilities at 31 December 2022 were adjusted accordingly by €-50.2 million. This adjustment corresponds to the retroactive recognition of deferred taxes on customer relationships related to the acquisition of Allied Glass. See Note 1.2.1 "Highlights - Update on the acquisition of Allied Glass".

The table below shows deferred taxes by type:

	Year ended 31 December	
(in € million)	2023	2022
Deferred tax assets	33.5	27.5
Deferred tax liabilities*	(141.9)	(276.2)
Net deferred tax	**(108.4)**	**(248.7)**
Pensions	10.3	8.7
IFRS 16 - taxable temporary difference	(15.9)	(10.7)
Depreciation and amortisation, accelerated amortisation and regulated provisions*	(193.2)	(208.4)
IFRS 16 - deductible temporary difference	16.2	10.8
Tax loss carryforwards	2.6	11.0
Other **	71.6	(60.1)
Total	**(108.4)**	**(248.7)**

* On 8 November 2022, the Verallia Group acquired all the shares held by Tonic Topco in Allied Glass. The Group completed the process of identifying the assets acquired and liabilities assumed during the purchase price allocation period: deferred tax liabilities at 31 December 2022 were adjusted accordingly by €-50.2 million. This adjustment corresponds to the retroactive recognition of deferred taxes on customer relationships related to the acquisition of Allied Glass. See Note 1.2.1 "Highlights - Update on the acquisition of Allied Glass".
**In 2023, as in 2022, this item corresponds mainly to hedging instruments.

At 31 December 2023, deferred tax losses carried forward recognised as assets amounted to €2.6 million (€11.0 million at 31 December 2022) and were generated mainly in Russia. It is estimated that tax loss carryforwards will continue to be used for a period of two years.

Unrecognised deferred tax assets related to tax losses, in the amount of €4.0 million (€5.9 million at 31 December 2022), mainly concern Chile.

8.3 Tax proof

The reconciliation between the income tax shown in the consolidated statement of income and the theoretical tax that would be incurred based on the rate prevailing in the country where the parent company of the Group resides (France) is as follows:

	Notes	Year ended 31 December	
(in € million)		**2023**	**2022**
Profit (loss) before tax		**642.4**	**477.6**
Tax rate in France (%)		25.82 %	25.82 %
Theoretical tax expense		**(165.9)**	**(123.3)**
Difference in tax rates between countries	A	0.4	(4.5)
Non recognised deferred tax assets		1.3	3.8
Permanent differences	B	7.0	13.1
Tax not levied on taxable profits	C	(9.5)	(8.2)
Withholding tax		(0.2)	0.1
Other		(0.5)	(3.1)
Total income tax		**(167.4)**	**(122.1)**

A. This item corresponds mainly to the impact of the differential between the tax rate in France and the tax rate applied to the Group's subsidiaries.
B. This item corresponds mainly to tax on a portion of dividends received and the reintegration of net non-tax-deductible expenses.
C. These taxes mainly include the CVAE tax in France and IRAP tax in Italy.

8.4 Tax consolidation

The calculation of income tax expense takes into account specific local rules applicable to Verallia entities, including tax consolidation adopted by Verallia in France and Spain as well as in Germany under the country's Organschaft rules.

In France, Verallia SA is the head of the French tax group.

8.5 Uncertainty regarding tax treatment

Uncertain tax positions include risk estimations, litigation and disputes, be they actual or probable, regarding the calculation of income tax. Any of the Group's entities may be subject to a tax audit or even be asked by the local tax authorities to make adjustments. These requested adjustments along with any uncertain tax positions identified by the Group give rise to the recognition of a liability, the amount of which is reviewed regularly in accordance with the criteria set out in the IFRIC 23 interpretation "Uncertain tax positions".

Uncertain tax positions amounted to €15.8 million at 31 December 2023 (€13.3 million at 31 December 2022) and mainly concerned proposed rectifications or notifications of adjustments received from the tax authorities.

Note 9 – Goodwill

ACCOUNTING PRINCIPLES

At the acquisition date, goodwill is measured in accordance with the accounting standards applicable to business combinations, as described in Note **3.1**.

For the purposes of impairment testing (Note **12**), goodwill is allocated to the cash-generating unit (or group of cash-generating units) benefiting from the synergies of the business combination, depending on the level at which the return on investments is monitored for internal management purposes. A cash generating unit (CGU) is the smallest identifiable group of assets generating cash inflows that are largely independent of those generated by the entity's other assets. CGUs are defined on the basis of industrial organisation and correspond to countries.

In view of the Group's activities, goodwill is tested at the level of groups of CGUs corresponding to the Group's operating segments (Note **4**).

Goodwill is not amortised but is tested for impairment at each year-end or whenever events or changes in circumstances indicate that it may be impaired.

Impairment losses affecting goodwill cannot be reversed. The methods applied by the Group to perform impairment tests are described in Note **12**.

The change in the net value of goodwill is as follows:

(in € million)	Northern and Eastern Europe	Southern and Western Europe	Latin America	Total
Net value published as of 31 December 2022				
Gross amount	347.5	378.5	57.9	783.9
Net amount published as of 31 December 2022	**347.5**	**378.5**	**57.9**	**783.9**
Net value adjusted as of 31 December 2022				
Adjusted Allied Goodwill Gross amount*	(120.0)	—	—	(120.0)
Net amount adjusted as of 31 December 2022	**227.6**	**378.5**	**57.9**	**664.0**
Changes during the year				
Translation differences	2.3	—	2.9	5.2
Change in Group Structure**	—	18.6	—	18.6
Total changes	**2.3**	**18.6**	**2.9**	**23.8**
As of 31 December 2023				
Gross amount	229.9	397.1	60.8	687.8
Net amount as of 31 December 2023	**229.9**	**397.1**	**60.8**	**687.8**

*On 8 November 2022, the Verallia Group acquired all the shares held by Tonic Topco in Allied Glass. The Group completed the process of identifying the assets acquired and liabilities assumed during the purchase price allocation period. Goodwill was adjusted accordingly.

**Change in Group Structure corresponds to the preliminary goodwill linked to the acquisition of three companies from the Santaolalla Group.

*See Note **1.2** "Highlights"*

Note 10 – Other intangible assets

ACCOUNTING PRINCIPLES

Other intangible assets mainly include customer relationships, patents, trademarks, software and development costs. They are carried at historical cost less accumulated amortisation and depreciation. Intangible assets acquired in a business combination are recorded at fair value at the acquisition date.

Customer relationships are measured using the multi-period excess earnings method, in accordance with IFRS 13 "Fair value measurement". The useful life of customer relationships is estimated based on the period during which the economic benefits of the asset are consumed. Customer relationships identified during the acquisition of Saint-Gobain's glass packaging division in 2015 are being amortised on a straight-line basis over an estimated useful life of 12 years and customer relationships identified during the acquisition of Allied Glass in 2022 are being amortised on a straight-line basis over an estimated useful life of 17 years.

Costs incurred for in-house software development – mainly configuration, programming and testing costs – are recognised as intangible assets and are generally amortised over a period of 5 years.

Patents and purchased computer software are amortised over their estimated useful lives, not exceeding a period of 20 years for patents and 3 to 5 years for software.

Research costs are expensed in the year in which they are incurred. Process development costs meeting the recognition criteria of IAS 38 are included in intangible assets and amortised over their estimated useful lives (not exceeding 5 years) from the date of first sale of the products to which they relate.

Other intangible assets break down as follows:

(in € million)	Customer relationships	Software	Other	Total
Net value published as of 31 December 2022				
Gross amount	724.2	47.2	13.9	785.3
Cumulative amortisation and impairment	(432.5)	(36.3)	(3.4)	(472.2)
Net amount published as of 31 December 2022	**291.7**	**10.9**	**10.5**	**313.1**
Net value adjusted as of 31 December 2022				
Adjustment - Allied Contract Customers*	169.3	—	—	169.3
Cumulative amortisation and impairment as of 31 December 2022	**461.0**	**10.9**	**10.5**	**482.4**
Changes during the year				
Changes in scope and transfers**	—	3.2	(2.7)	0.5
Acquisitions	—	0.1	5.1	5.2
Disposals	—	—	—	—
Translation differences	4.1	(0.1)	—	4.0
Amortisation and impairment	(70.7)	(4.7)	(0.6)	(76.0)
Total changes	**(66.6)**	**(1.5)**	**1.8**	**(66.3)**
As of 31 December 2023				
Gross amount	899.1	49.5	16.2	964.8
Cumulative amortisation and impairment	(504.7)	(39.9)	(4.0)	(548.6)
Net amount as of 31 December 2023	**394.4**	**9.6**	**12.2**	**416.2**

*On 8 November 2022, the Verallia Group acquired all the shares held by Tonic Topco in Allied Glass. The Group completed the process of identifying the assets acquired and liabilities assumed during the purchase price allocation period; the adjustment corresponds to the retroactive recognition of customer relationships related to the acquisition of Allied Glass. See Note 1.2 "Highlights - Update on the acquisition of Allied Glass".

**Changes in scope correspond to intangible assets acquired during the acquisition of three companies from the Santaolalla Group.

Note 11 – Property, plant and equipment

ACCOUNTING PRINCIPLES

Property, plant and equipment

Property, plant and equipment is recorded at historical cost less any accumulated depreciation and impairment charges. This cost includes incidental expenses directly attributable to the acquisition. Property, plant and equipment acquired in a business combination is carried at its fair value on the acquisition date. Borrowing costs incurred for the construction and acquisition of property, plant and equipment requiring a long period of preparation before it can be used are included in the cost of the associated asset. Property, plant and equipment other than land is depreciated using the component approach on a straight-line basis over the estimated useful lives of:

Main plants and office buildings	30-40 years
Other buildings	15-25 years
Machinery and other production equipment	5-16 years
Vehicles	3-5 years
Furniture, accessories, computer and office equipment	4-16 years

Equipment notably includes the moulds used in the product manufacturing process. They are depreciated on the basis of "beaten costs", i.e. production units.

The Group is adapting and replacing its production facilities, for instance with furnaces that use new technologies, in a drive to rise to the planet's environmental challenges and reduce its CO_2 emissions. These new technologies have no impact on the useful life of its fixed assets.

Government grants for purchases of property, plant and equipment are recognised as deferred income under "Other current liabilities" and recorded in the statement of income as the asset is amortised.

Leases

IFRS 16 defines a lease as a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

So it was decided that certain logistics management contracts including materials handling and inventory management services as well as the rental of sites dedicated to Verallia contain a lease component in that the dedicated site corresponds to an identified asset, the Group obtains substantially all the economic benefits generated by this asset and it has the right to control the use of the dedicated site.

The Group records a right-of-use asset and a lease liability on the lease's start date. The right-of-use asset is initially measured at cost then, subsequently, at cost less any cumulative depreciation and any cumulative impairment losses. The amount may be adjusted according to certain cases of remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments outstanding at the lease's start date. The discount rate applied corresponds to the interest rate implicit in the agreement or, if that rate cannot be readily determined, at the incremental borrowing rate (based on terms and not maturities). It is the latter that the Group generally applies as its discount rate.

The lease liability is subsequently increased by the interest expense and reduced by the amount of rent paid. It is remeasured in the event of an amendment to future lease payments resulting from a change in an index or rate used to determine those payments, a new estimate of the amounts expected to be paid under a residual value guarantee or, where applicable, a remeasurement on the exercise of an option to purchase the underlying asset or extend the lease term or on the non-exercise of a termination option (which thus become reasonably certain).

The Group owns substantially all its property, plant and equipment. The Group's leases mainly cover warehouses, offices, forklift trucks and other industrial equipment, and vehicles. They are essentially fixed-rent agreements (possibly with index clauses).

Lease terms for warehouses and offices vary by country.

The Group takes the following into account when assessing the reasonable certainty of renewal or termination options being exercised:

- the financial conditions for the optional periods (attractive rents);
- with regard to property, their location (strategically located near Group factories and/or client sites) and any alterations made to the layout;
- in some cases, the Group's operational plans and their impact on the use of a leased property.

For equipment and vehicles, rental periods generally range from 3 to 6 years.

Property, plant and equipment breaks down as follows:

(in € million)	Note	Year ended 31 December 2023	2022
Assets owned	A	1,734.7	1,555.4
Assets leased	B	60.8	53.6
Property, plant and equipment		**1,795.5**	**1,609.0**

A. The property, plant and equipment owned by the Group breaks down as follows:

(in € million)	Land	Buildings	Machinery and equipment	Assets in progress	Total
As of December 31, 2022					
Gross amount	66.4	429.1	2,571.5	238.1	3,305.1
Cumulative depreciation and impairment	(1.0)	(211.0)	(1,536.5)	(1.2)	(1,749.7)
Net amount	**65.4**	**218.1**	**1,035.0**	**236.9**	**1,555.4**
Changes during the period					
Changes in scope and other*	0.6	10.1	7.5	3.1	21.3
Acquisitions	0.9	2.0	48.9	361.1	412.9
IAS 29, Hyperinflation	1.4	9.7	15.0	1.5	27.6
Disposals	—	(0.2)	(2.2)	0.5	(1.9)
Translation differences	(3.1)	(17.0)	(28.1)	(5.0)	(53.2)
Depreciation and impairment	(0.1)	(18.2)	(208.0)	(1.1)	(227.4)
Transfers	0.1	20.6	179.9	(200.6)	—
Total changes	**(0.2)**	**7.0**	**13.0**	**159.5**	**179.3**
As of December 31, 2023					
Gross amount	66.1	476.9	2,780.4	398.2	3,721.6
Cumulative depreciation and impairment	(0.9)	(251.8)	(1,732.4)	(1.8)	(1,986.9)
Net amount	**65.2**	**225.1**	**1,048.0**	**396.4**	**1,734.7**

* Changes in scope correspond to property, plant and equipment acquired during the acquisition of a recycling activity and of three companies from the Santaolalla Group.

B. Rights of use break down as follows:

(in € millions)	Buildings	Machinery and equipment	Others	Total
Net carrying amount as of 31 December 2022	**38.9**	**14.7**	**—**	**53.6**
Additions during the period	14.2	18.4	—	32.6
Reductions during the period	(0.3)	(1.3)	—	(1.6)
Changes in scope and other	3.0	(3.4)	—	(0.4)
Depreciation during the period	(14.8)	(8.5)	—	(23.3)
Net carrying amount as of 31 December 2023	**40.9**	**20.0**	**—**	**60.8**

Note 12 – Impairment of goodwill and fixed assets

The carrying amounts of goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually and whenever events or changes in circumstances indicate that they may be impaired. Other fixed assets are tested for impairment whenever events or changes in circumstances indicate that they may be impaired. Such events or situations are related to material and adverse changes affecting the economic environment and the assumptions or objectives identified at the time of acquisition.

Fixed assets are tested at the level of the CGUs, corresponding generally to their respective countries.

Goodwill is tested at the level of CGU groups, corresponding to the operating segments, i.e. Southern and Western Europe, Northern and Eastern Europe, and Latin America. The breakdown of goodwill generated at the time of the acquisition of Compagnie de Saint-Gobain's packaging activities in 2015 was based on the contribution of each group of CGUs to EBITDA.

When the carrying amount of CGUs or groups of CGUs exceeds their recoverable amount, an impairment loss is recognised and allocated first to the carrying amount of any goodwill allocated to the groups of CGUs.

The recoverable amount of the CGUs or groups of CGUs is the greater of the fair value net of exit costs and the value in use, which is measured against their expected future discounted cash flows.

Impairment losses recorded against goodwill cannot be reversed through profit or loss. For property, plant and equipment and other intangible assets, impairments recognised in previous periods may be reversed, taking into account the depreciation adjustment, if there is an indication that the loss of value no longer exists and that the recoverable amount of the asset is greater than its carrying amount.

In 2022, following Russia's invasion of Ukraine, the Verallia Group identified an indication of impairment on the CGUs corresponding to Ukraine and Russia and therefore also performed asset impairment tests on these two CGUs as well as its annual goodwill impairment tests on CGU groups. The Group's exposure in Ukraine and Russia remains low. As for Ukraine, the revenue generated in Russia represents less than 3% of the Group's total revenue as of December 31, 2023.

At 31 December 2023, based on healthy levels of business and profitability over the period, the outlooks for its CGUs and stable interest rate assumptions, the Group did not identify any indication of impairment. Given that there was no indication of impairment, as defined by IAS 36, no impairment tests were performed on the Ukraine or Russia CGUs at 31 December 2023.

However, the Group did perform asset impairment tests on the Argentina CGU at 31 December 2023 due to the devaluation of the Argentine peso in 2023.

ESTIMATES AND ASSUMPTIONS MADE BY MANAGEMENT

The assumptions, judgements and estimates on which impairment tests are based are the main assumptions used to estimate recoverable amounts when calculating value in use (discount rate, perpetual growth rate, expected cash flows), all of which depend on an assessment of the economic and financial environment.

In addition, the assumptions used to calculate future cash flows take climate risk into consideration as well as the expenditure required to improve the circularity of Verallia's glass packaging and decarbonise its activities. The Group's commitments to invest in reducing CO_2 emissions are included in its estimates for the coming years.

The Group identified no asset impairment losses arising from climate change.

Similarly, no impairment losses were recognised on the goodwill or assets tested in 2023 or 2022.

Cash flow projections

Projections of future cash flow correspond to the budget for the coming year, the strategic plan for the following two years and an extrapolation for years four and five.

The Group uses a number of macroeconomic assumptions to determine its cash flows: exchange rates, GDP growth, inflation, and variations in commodity, energy and packaging prices. As regards energy, the Group establishes its assumptions based on expected variations in underlying energy price data (Brent, TTF, NCG). These assumptions are determined using external data and by incorporating the hedging arrangements made.

In addition, the Group takes into account the schedule for maintenance stoppages (furnaces and machines) and for rolling out the Performance Action Plan (to improve its industrial performance).

The extrapolation carried out over two years (years four and five) for the purposes of the test is based on growth and margin rates and WCR that are relatively close to those of the last year of the Plan.

Cash flows beyond this five-year period are extrapolated using a constant perpetual growth rate determined on the basis of past performance and market growth forecasts.

The assumptions used to draw up the plan are based on economic growth assumptions and consistent with past performance.

In 2022, cash flow projections for the Ukraine and Russia CGUs and, consequently, for the Northern and Eastern Europe group of CGUs, were established over 10 years in order to factor in the uncertain geopolitical and economic climate. In 2023, the economic climate in Russia and Ukraine trended favourably for Verallia and the Zorya plant in Ukraine reopened. So, with operating conditions stabilising sooner than expected, the Group was able to establish cash flow projections over a 5-year period for the purpose of the impairment test on the Northern and Eastern Europe group of CGUs.

Main assumptions used to estimate the value in use of each group of CGUs

	Year ended 31 December	
	2023	2022
Southern and Western Europe		
Discount rate	8.8%	8.0 %
Perpetual growth rate	2.9%	2.9 %
Northern and Eastern Europe		
Discount rate	8.6%	From 9.4% to 7.2%
Perpetual growth rate	2.9%	2.9 %
Latin America		
Discount rate	11.7%	12.3%
Perpetual growth rate	2.9%	2.9%

The discount rate is the segment's weighted average cost of capital (WACC) for each CGU or group of CGUs.

The discount rates and perpetual growth rates applied at 31 December 2023 were updated from their 31 December 2022 values. The perpetual growth rates applied at 31 December 2022 were impacted by the inflation prospects in the region or countries concerned. The WACC values applied also factor in these inflation prospects and the risks in each country.

In 2022, given the exceptional circumstances in Ukraine and Russia, different WACC values were established for each year of the 10-year forecast horizon for these two CGUs and, consequently, for the Northern and Eastern Europe group of CGUs including these two CGUs. In 2023, with Verallia's situation in Ukraine and Russia having returned to normal, the Group adopted the usual approach based on a single discount rate for the Northern and Eastern Europe group of CGUs.

As in 2022, the Group performed its 2023 impairment tests on the Latin America group of CGUs based on the euro due to uncertainty about the inflation rate applicable in Argentina over the long term and the proven capacity of Argentine entity Rayen Cura in 2023 to pass hyperinflation onto its selling prices. A perpetual growth rate of 2.9% was used.

Sensitivity analysis

The Group analysed the sensitivity of its impairment tests to the main assumptions used to determine the recoverable amount of each group of CGUs to which goodwill is allocated and of the assets tested, namely the discount rate and long-term growth rate used to determine terminal value and terminal-year cash flows as they represent a significant portion of the recoverable amount.

For the Northern and Eastern Europe, Southern and Western Europe and Latin America groups of CGUs, no impairment losses would be recorded in 2023 in the event of a 1 percentage point increase in the WACC, a 0.5 percentage point reduction in the perpetual growth rate or a 10% decline in terminal-year cash flows.

Note 13 – Other non-current assets

The table below shows the breakdown of other non-current assets:

		Year ended 31 December	
(in € million)	**Notes**	**2023**	**2022**
Equity securities	21	8.2	7.6
Loans, deposits and guarantees	21	27.3	24.6
Pension plan surpluses		1.7	4.4
Other *		20.5	149.7
Total other non-current assets		**57.8**	**186.3**

* The "Others" line corresponds mainly to the fair value of interest rate hedging derivatives.

Loans, deposits and guarantees include reserves and escrow accounts for factoring agreements (Note **14.4**). The table below shows changes in the net carrying amount of other non-current assets:

(in € million)	**Equity securities**	**Loans, deposits and guarantees**	**Pension plan surpluses**	**Other**	**Total**
As of 31 December 2022					
Gross amount	8.5	31.6	4.4	149.7	194.2
Impairment	(0.9)	(7.0)	—	—	(7.9)
Net amount	**7.6**	**24.6**	**4.4**	**149.7**	**186.3**
Changes during the year					
Increase (decrease)	0.6	6.8	—	3.8	11.3
Impairment	—	—	—	—	—
Translation differences	—	(4.2)	—	—	(4.2)
Transfers and other movements	—	—	(2.6)	(132.9)	(135.6)
Total changes	**0.6**	**2.6**	**(2.6)**	**(129.1)**	**(128.5)**
As of 31 December 2023					
Gross amount	9.1	34.3	1.7	20.5	65.7
Impairment	(0.9)	(7.0)	—	—	(7.9)
Net amount	**8.2**	**27.3**	**1.7**	**20.5**	**57.8**

Note 14 – Change in net working capital

The change in net working capital in 2023 and 2022 was as follows:

(in € million)	Notes	31 December 2022	Adjust-ments **	31 December 2022 Ajusted	Impact of cash flows	Foreign exchange and other	Change in group structure	31 December 2023
Inventories	14.1	536.8	—	536.8	191.8	(19.2)	2.1	711.5
Operating receivables	14.2	409.5	—	409.5	(156.7)	(30.7)	4.5	226.7
Operating liabilities	14.3	(944.5)	—	(944.5)	41.5	13.6	(2.3)	(891.8)
Debts to suppliers of fixed assets	14.3	(156.2)	—	(156.2)	1.5	(0.3)	—	(155.0)
Operating working capital		**(154.4)**	**—**	**(154.4)**	**78.1**	**(36.6)**	**4.4**	**(108.6)**
Other receivables (non-operating) *	14.2	233.2	—	233.2	(689.3)	489.4	—	33.3
Other liabilities (non-operating) *	14.3	(76.5)	0.9	(75.6)	681.7	(809.0)	(0.1)	(203.0)
Current tax assets and liabilities		(38.9)	—	(38.9)	(15.2)	4.0	(1.1)	(51.2)
Total working capital		**(36.6)**	**0.9**	**(35.7)**	**55.2**	**(352.2)**	**3.1**	**(329.4)**
Change in working capital		**(73.4)**	**0.9**	**(72.5)**				**(293.7)**

Reconciliation with the condensed consolidated statement of cash flows :	
Change in inventory	(191.8)
Change in trade receivables, trade payables and other receivables/payables	92.7
Current tax expense	176.8
Income taxes paid	(131.4)
Increase (decrease) in debt to suppliers of fixed assets	(1.5)
Total	**(55.2)**

* Other receivables and other debts (non-operating): the column "foreign exchange and other" corresponds mainly to the variation in the fair value of energy hedging derivatives.

** On 8 November 2022, the Verallia Group acquired all the shares held by Tonic Topco in Allied Glass. The Group completed the process of identifying the assets acquired and liabilities assumed during the purchase price allocation period: other liabilities at 31 December 2022 were adjusted accordingly by €-0.9 million.

14.1 Inventories

ACCOUNTING PRINCIPLES

Inventories are carried at the lesser of their acquisition cost or probable net realisable value. The cost of inventories includes purchase costs, production costs and other costs incurred to bring inventories to their current location and condition. It is generally determined using the weighted average cost method and, in some cases, the first-in, first-out method (FIFO). The probable net realisable value is the sale price in the ordinary course of business, less estimated completion and sale costs. Inventory acquired in a business combination is carried at its fair value on the acquisition date. The impact of underutilised capacity is excluded when measuring inventory.

Inventory can be impaired to reflect the loss in value of inventories. For inventories of finished products, the provision generally relates to inventories whose realisable value is lower than the net carrying amount, inventories not meeting marketing quality standards, and inventories whose slow turnover is liable to result in deterioration.

The change in net inventories is as follows:

(in € million)	Year ended 31 December 2023			2022		
	Gross	Depreciation	Net	Gross	Depreciation	Net
Raw materials	225.5	(29.4)	196.1	192.8	(24.5)	168.3
Inventories of work in progress	3.1	(1.9)	1.2	2.2	(1.6)	0.6
Finished goods	529.9	(15.7)	514.2	373.9	(6.0)	367.9
Total inventories	**758.5**	**(47.0)**	**711.5**	**568.9**	**(32.1)**	**536.8**

14.2 Trade receivables and other current assets

ACCOUNTING PRINCIPLES

Accounting

Trade receivables are initially recognised at fair value and then measured at amortised cost using the effective interest rate method, net of impairment losses (if any). As trade receivables are generally due within one year, their nominal value is close to their fair value.

On the other hand, receivables with recourse (receivables that are not guaranteed by the factor because they exceed the provisions of either the insurance or factoring arrangement) included in the factoring programme are managed based on the "hold to collect and sell" business model and are measured at fair value in the balance sheet with a corresponding entry in other comprehensive income.

Amortisation

The impairment policy for trade receivables and related accounts is described in Note **21**.

Trade receivables - gross values, impairment and net values - break down as follows:

(in € million)	Year ended 31 December 2023			2022		
	Gross	Depreciation	Net	Gross	Depreciation	Net
Trade receivables	**163.9**	**(19.6)**	**144.3**	**262.9**	**(12.5)**	**250.4**

The table below shows the ageing of trade receivables at 31 December 2023 and 2022:

(in € million)	Year ended 31 December 2023			2022		
	Gross	Depreciation	Net	Gross	Depreciation	Net
Accounts receivable not yet due	**141.5**	**(5.8)**	**135.7**	**246.8**	**(7.8)**	**239.0**
Accounts receivable past due	**22.4**	**(13.8)**	**8.6**	**16.1**	**(4.7)**	**11.4**
Under 30 days	14.7	(6.1)	8.6	9.7	(0.7)	9.0
Between 30 and 90 days	0.2	(0.2)	—	2.3	(0.6)	1.7
Beyond 90 days	7.5	(7.5)	—	4.1	(3.4)	0.7
Total trade receivables	**163.9**	**(19.6)**	**144.3**	**262.9**	**(12.5)**	**250.4**

The table below shows the breakdown of other current assets:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Advances to suppliers	4.0	11.5
Prepaid social security contributions	0.7	0.4
Other taxes paid in advance and recoverable (other than income taxes)	51.3	76.2
Other operating receivables	24.3	70.8
Derivatives assets	26.9	228.3
Other non-trade receivables	8.5	5.1
Other current assets	**115.7**	**392.3**

14.3 Trade payables and other current liabilities

ACCOUNTING PRINCIPLES

Trade payables and other current liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method. Trade payables and related accounts, other payables and accrued liabilities are generally due within one year, such that their nominal value is close to their fair value.

Trade payables and other current liabilities break down as follows:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Trade payables	**627.1**	**740.6**
Customer down payments	79.0	14.6
Debts on fixed assets	154.9	156.2
Grants received	13.9	14.5
Accrued personnel expenses	131.2	128.5
Tax liabilities (other than income tax)	21.4	15.2
Derivative liabilities	182.2	48.1
Other *	40.0	58.7
Other current liabilities	**622.6**	**435.6**
Total trade payables and other current liabilities	**1,249.7**	**1,176.4**

* On 8 November 2022, the Verallia Group acquired all the shares held by Tonic Topco in Allied Glass. The Group completed the process of identifying the assets acquired and liabilities assumed during the purchase price allocation period: other liabilities at 31 December 2022 were adjusted accordingly by €-0.9 million.

14.4 Factoring

ACCOUNTING PRINCIPLES

Under a non-recourse factoring agreement, when the Group has transferred substantially all the risks and rewards of ownership of the receivables, the receivables are derecognised from the consolidated balance sheet.

In accordance with IFRS 9, transferred receivables are derecognised when the factoring agreement transfers the constructive rights to the cash flows and substantially all the associated risks and rewards (transfers of non-recourse receivables) to the assignee.

When trade receivables are sold with limited recourse and substantially all the risks and rewards of these receivables are not transferred, the receivables remain in the consolidated balance sheet. Cash inflows and outflows related to factoring agreements for which the Group does not derecognise receivables are presented on a net basis as cash flows related to financing activities. Contracts through which the Group derecognises receivables result in changes in trade receivables, which are recognised as cash flows from operating activities.

In the second half of 2022, the Group renewed and increased its pan-European factoring programme to a maximum of €500 million with Crédit Agricole Leasing & Factoring.

This programme came into effect on 1 December 2022 for a period of 3 years; it is now, since 2022, based on the Group's Sustainability-Linked Financing Framework and incorporates environmental criteria. The two sustainability performance targets are (i) to reduce Verallia's annual CO2 emissions (Scopes 1 and 2) to 2,625 kt CO2 by 2025; and (ii) to increase the percentage of external cullet used in its production operations to 59% by 2025.

The Group also has local lines in certain countries (primarily Italy and Argentina) giving it access to additional financing of up to €50 million.

	Year ended 31 December	
(in € million)	**2023**	**2022**
Assignment of receivables without recourse	424.4	324.9
Assignment of receivables with recourse	11.9	9.6
Total receivables assigned	**436.3**	**334.5**

Under the factoring agreements, the risk of dilution is covered by establishing reserves and escrow accounts in an amount corresponding to approximately 3% of the receivables transferred under the contract running until 30 November 2022 and 1.5% of the receivables transferred as from 1 December 2022.

The amounts thus recorded in "Other non-current assets" at 31 December 2023 and 31 December 2022 were €7.7 million and €7.0 million, respectively.

In addition, the Group has entered into various factoring programmes offered by some of its clients in the amount of €69.0 million in 2023 and €45.3 million in 2022.

Note 15 – Cash and cash equivalents

ACCOUNTING PRINCIPLES

Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term deposits held with other banks. Cash equivalents are short-term, highly liquid investments that are readily convertible into a known amount of cash and subject to an insignificant risk of change in value.

Statement of cash flow

The statement of cash flow is prepared using the indirect method on the basis of consolidated net income/loss and is broken down into three categories:

- **cash flow from operating activities**: including taxes, acquisition costs relating to takeovers and payments received as grants;
- **cash flows from investing activities**: in particular in the event of a takeover (excluding acquisition costs), a loss of control (including transaction costs), acquisitions and disposals of non-consolidated investments, associate companies and joint ventures, as well as acquisitions and disposals of fixed assets (including fees and deferred payments) other than right-of-use lease assets;
- **cash flow from financing activitie**s: including issuance and repayment of loans, issuance of equity instruments, shareholder equity transactions (including transaction costs and any deferred payments), interest paid (cash flows related to financial expense), treasury share transactions and dividends paid.

The balance of cash and cash equivalents is as follows:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Cash	349.7	271.8
Cash equivalents	124.9	59.0
Total cash and cash equivalents	**474.6**	**330.8**

At 31 December 2023, cash and cash equivalents consisted mainly of cash in bank accounts, short-term bank deposits and equivalent money-market funds in the amount of €474.6 million (€330.8 million at 31 December 2022).

The Group has access to a portion of the cash held by certain subsidiaries through the payment of dividends or through inter-company loans. However, local constraints may delay or restrict this access, including monetary restrictions in some foreign jurisdictions. Cash held in countries imposing restrictions on immediate currency convertibility or transferability amounted to €65.1 million at 31 December 2023 (€73.1 million at 31 December 2022).

The Verallia Group's policy is to centralise the liquidity of its subsidiaries at Verallia Packaging wherever possible.

Note 16 – Equity

16.1 Share capital

The change in the number of shares and share capital was as follows:

(in €)	Number of shares	Face value	Share capital
As of 31 December 2022	**122,289,183**	**3.38**	**413,337,439**
Capital Increase / Issue of ordinary share (22 June 2023)	611,445	3.38	2,066,684
Cancellation of treasury shares (22 June 2023)	(611,445)	3.38	(2,066,684)
As of 31 December 2023	**122,289,183**	**3.38**	**413,337,439**

At 31 December 2023, the share capital amounted to €413,337,438.54 and consisted of 122,289,183 ordinary shares with a nominal value of €3.38 each.

16.1.1 Capital increase

On 22 June 2023, the Chief Executive Officer recognised the completion of a capital increase reserved for employees and corporate officers of a total nominal amount of €2,066,684.10 via the issue of 611,445 new ordinary shares combined with a share premium of €16,551,816.15.

16.1.2 Capital reduction

On 22 June 2023, the Company carried out a capital reduction by cancelling 611,445 treasury shares that it had previously bought back.

16.2 Treasury shares

16.2.1 Share buybacks

At 31 December 2023, the Group held 5,384,950 treasury shares versus 5,031,208 treasury shares at 31 December 2022 subsequent to the following operations:

- the final allocation of 251,893 shares to certain employees (managerial staff) on 23 March 2023 under the share ownership plan;
- the cancellation of 611,445 shares;
- the buyback of 1,217,080 shares under the share buyback programme launched in 2022.

Verallia decided to launch a share buyback programme and entrusted an investment services provider with a share buyback mandate for a maximum amount of €50 million over a period running from 7 December 2022 to November 2023. Verallia intends to cancel all the shares bought back. This share buyback programme falls under the delegation of authority granted by the General Shareholders' Meeting on 11 May 2022 under resolution 16.

16.2.2 Liquidity agreement

In 2019, Verallia signed an AMAFI liquidity agreement with Rothschild Martin Maurel for market-making purposes with respect to its own shares on the regulated market of Euronext Paris. The liquidity agreement took effect on 6 January 2020 for an initial term of 12 months, renewable by tacit agreement for successive 12-month periods.

At 31 December 2023, the liquidity account amounted to €3,3 million and the Company did not hold any treasury shares through this liquidity contract.

16.3 Translation reserve

The translation reserve decreased by €70.2 million in 2023 following a €4.7 million increase in 2022.

The decrease in the translation reserve was primarily attributable to the devaluation of the Argentine peso decided by Argentina's new president, Javier Milei.

16.4 Earnings per share

16.4.1 Basic earnings per share

Basic earnings per share were calculated based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding excluding treasury shares:

	Year ended 31 December	
	2023	2022
Group's share of net profit (loss) (in € million)	470.0	342.0
Number of shares	116,941,934	117,191,417
Basic earnings per share (in €)	**4.02**	**2.92**

16.4.2. Diluted earnings per share

Diluted earnings per share were calculated based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding excluding treasury shares, after adjusting for the effects of all potential dilutive ordinary shares:

	Year ended 31 December	
	2023	2022
Group's share of net profit (loss) (in € million)	470.0	342.0
Diluted number of shares	117,246,749	117,300,110
Diluted earnings per share (in €)	**4.01**	**2.92**

The Group factored in the dilutive impact resulting from its performance share allocation plans.

Note 17 – Borrowings and financial liabilities

17.1 Net financial debt

Net financial debt includes all financial liabilities and derivatives on current and non-current financial liabilities, minus the amount of cash and cash equivalents.

The table below shows the change in net financial debt:

		Year ended 31 December	
(in € million)	**Note**	**2023**	**2022**
Financial debt - Non current	17.2	1,598.3	1,559.8
Financial debt - Current	17.2	240.5	201.3
Financial derivative instruments - net	17.2	0.3	(24.5)
Gross debt		**1,839.1**	**1,736.6**
Cash and cash equivalents	15	(474.6)	(330.8)
Net debt		**1,364.5**	**1,405.9**

17.2 Change in gross financial debt

17.2.1 Sustainability-linked bond issue

At 31 December 2023, the Group had two sustainability-linked bonds which it had issued in 2021 in accordance with the Sustainability-Linked Bond Principles of the International Capital Markets Association: one of a total amount of €500 million with a 7-year maturity (maturing on 14 May 2028) and a coupon of 1.625% per annum[102], and the other of a total amount of €500 million with a 10-year maturity (maturing on 10 November 2031) and a coupon of 1.875% per annum[102].

The coupon rate could potentially be revised upwards starting from the first interest period following 31 December 2025 and until maturity, depending on the achievement of two sustainability performance targets:

- to reduce Verallia's annual CO_2 emissions (Scopes 1 and 2) to 2,625kt CO_2 by 2025 (implying a 15% reduction from 2019 CO_2 emission levels); and
- to increase the percentage of external cullet used in its production operations to 59% by 2025 (implying a 10-point increase from 2019).

Failure to meet either of these targets would potentially raise the coupon rate by 12.5 basis points for the first issue in May 2021 and by 10 basis points for the second issue in November 2021.

[102] Prospectus approved by the French Financial Markets Authority on May 11, 2021 under visa 21-150 and on November 8, 2021 under visa 21-477

17.2.2 Syndicated facility

In April 2023, Verallia arranged a €1.1 billion syndicated facility in the form of:

- a €550 million term loan and
- a €550 million revolving credit facility (RCF) which remained undrawn at 31 December 2023,

in order to refinance in advance its €1 billion syndicated facility which was signed in 2019 and scheduled to mature in 2024.

At 31 December 2023, Verallia SA therefore had a €550 million term loan and a €550 million revolving credit facility (RCF) which remained undrawn.

The new term loan has a four-year maturity with a one-year extension option, while the new RCF has a five-year maturity with two one-year extension options.

The applicable margin on the term loan was initially set at Euribor + 150 basis points with an upward or downward adjustment (margin ratchet) mechanism. The term loan is currently indexed to the 3M Euribor rate.

The terms and conditions applied to these facilities are linked to CSR indicators. These indicators can impact the margins applied upwards or downwards (±1.⅔ bp per indicator) and are linked to the following three objectives: a reduction in the Group's Scope 1 & 2 CO_2 emissions, optimisation of water consumption in its plants, and the promotion of diversity and inclusion.

17.2.3 Negotiable European Commercial Paper (NEU CP)

On 28 September 2023, the Verallia Group transferred its short-term financing programme of Negotiable European Commercial Paper (NEU CP) to Verallia SA, to replace the existing programme held by its wholly owned subsidiary Verallia Packaging.

The NEU CP programme has been increased to a maximum principal amount of €500 million versus €400 million previously. The former programme of Verallia Packaging will be turned off as from the first issuances are made by Verallia SA and will be progressively be switched off until its outstanding issuances reach maturity. The new programme will not be rated as the securities and shares issued by Verallia SA are admitted to trading on the regulated market of Euronext Paris.

The outstanding amount issued at 31 December 2023 was €158.2 million.

The outstanding amount issued at 31 December 2022 was €150.3 million.

17.2.4 Instalment loan from Bpifrance, a Verallia shareholder (related party agreement)

In December 2021, the company entered into an instalment loan agreement for a total principal amount of €30 million with Bpifrance. The loan has been fully drawn; it carries interest at a fixed annual rate of 0.40% and has a 3-year maturity. The amount outstanding at end-December 2023 was €12.5 million.

GROSS FINANCIAL DEBT AT 31 DECEMBER 2023

At 31 December 2023, the €550 million revolving credit facility had not been drawn.

(in € million)	Notes	Notional or maximum amount	Currency	Contractual interest rate	Effective interest rate	Final maturity	Type of facility	Deferred expenses and bond premiums	Carrying amount as of 31 December 2023 Non-current	Current	Total as of 31 December 2023
Sustainability-Linked Bond November 2021		500.0	EUR	1.875 %	2.07 %	10/11/2031	Maturity	6.7	493.3	1.3	494.6
Sustainability-Linked Bond May 2021		500.0	EUR	1.625 %	1.72 %	14/05/2028	Maturity	2.0	498.0	5.2	503.2
Revolving credit facility (floor 0%) RCF		550.0	EUR	Euribor + 0,75%	4.93 %	17/04/2028	Revolving	2.6	—	—	—
Term Loan B (floor 0%)		550.0	EUR	Euribor + 1,25%	5.39 %	16/04/2027	Maturity	2.5	545.0	5.2	550.2
Lease liabilities	17.5								41.3	20.2	61.5
Other borrowings									20.7	15.4	36.1
Total long-term debt									***1,598.3***	***47.3***	***1,645.6***
Negotiable commercial paper (NEU CP)		500.0	EUR							158.2	158.2
Other borrowings										35.0	35.0
Total short-term debt										***193.2***	***193.2***
Total financial debt									**1,598.3**	**240.5**	**1,838.8**
Financial derivatives liability	20.2								12.2	8.7	20.9
Financial Debt and financial derivatives liability									**1,610.5**	**249.2**	**1,859.7**
Financial derivatives asset	20.2								(16.4)	(4.2)	(20.6)
Gross debt									**1,594.1**	**245.0**	**1,839.1**

GROSS FINANCIAL DEBT AT 31 DECEMBER 2022

At 31 December 2022, the €500 million revolving credit facility had not been drawn.

(in € million)	Notes	Notional or maximum amount	Currency	Contractual interest rate	Effective interest rate	Final maturity	Type of facility	Deferred expenses and bond premiums	Carrying amount as of 31 december 2022		Total as of 31 december 2022
									Non-current	Current	
Sustainability-Linked Bond November 2021		500.0	EUR	1.875 %	2.07 %	10/11/2031	Maturity	7.6	492.4	1.3	493.7
Sustainability-Linked Bond May 2021		500.0	EUR	1.625 %	1.72 %	14/05/2028	Maturity	2.5	497.5	5.2	502.7
Revolving credit facility (floor 0%) RCF1		500.0	EUR	Euribor + 0,85%	0.85 %	07/10/2024	Revolving	1.1	—	—	—
Term Loan A (floor 0%)		500.0	EUR	Euribor + 1,25%	4.39 %	07/10/2024	Maturity	1.1	497.8	2.8	500.6
Lease liabilities	17.5								36.2	17.3	53.5
Other borrowings									35.9	15.6	51.5
Total long-term debt									***1,559.8***	***42.2***	***1,602.0***
Negotiable commercial paper (NEU CP)		400.0	EUR							150.3	150.3
Other borrowings										8.9	8.9
Total short-term debt										***159.1***	***159.1***
Total financial debt									***1,559.8***	***201.3***	***1,761.1***
Financial derivatives liability	20.2								2.5	(0.4)	2.0
Financial Debt and financial derivatives liability									***1,562.2***	***200.9***	***1,763.1***
Financial derivatives asset	20.2								(26.5)	—	(26.5)
Gross debt									**1,535.7**	**200.9**	**1,736.6**

17.3 The Group's debt structure

The interest rates applicable to the Group's entire portfolio of financial liabilities, after incorporating derivative instruments, are as follows:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Fixed-rate debt	1,642.0	1,594.3
Floating-rate debt	197.1	142.4
Gross debt	**1,839.1**	**1,736.6**

17.4 Debt repayment schedule

The debt maturity profile of the Group's financial liabilities and derivatives is as follows:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Less than one year	245.1	200.9
Between one and five years	1,089.6	539.2
More than five years	504.4	996.6
Gross debt	**1,839.1**	**1,736.6**

At 31 December 2023, borrowings of under a year consisted primarily of €158.2 million of NEU CP (negotiable commercial paper) versus €150.3 million at 31 December 2022.

17.5 Lease liabilities

At 31 December 2023, lease liabilities amounted to €61.5 million.

(in € million)	**Leases current Terms Debts**	**Leases non current Terms Debts**	**Lease debts**
31 December 2022	**17.3**	**36.2**	**53.5**
Reductions during the period	(23.4)	(3.3)	(26.7)
Additions and modifications of contracts during the period	24.0	8.4	32.3
Capitalized Interests	2.4	—	2.4
Change in Group Structure	—	—	—
Other	—	—	—
31 December 2023	**20.2**	**41.3**	**61.5**

The maturity profile for lease liabilities is as follows:

(in € million)	**Year ended 31 December 2023**	**Year ended December 31 2022**
Less than one year	20.2	17.3
In one to five years	38.9	30.6
In more than five years	2.3	5.6
Total lease liabilities	**61.5**	**53.5**

17.6 Covenants

17.6.1 Senior facilities agreement

The Senior Facilities Agreement signed on 17 april 2023, contains certain negative covenants, for instance the Group cannot:

- grant collateral;
- divest/transfer assets; or
- conduct certain mergers, demergers, partial asset transfers or similar transactions,

with each of these cases subject to stipulated thresholds and exceptions typical in this type of financing arrangement.

The Senior Facilities Agreement also includes affirmative covenants, for instance to comply with applicable laws or keep the borrowings at least at the same rank as the borrower's unsecured debts under the Senior Facilities Agreement.

Last of all, should Verallia's two long-term credit ratings assigned by S&P and Moody's be downgraded to below BBB- and Baa3, respectively, the Senior Facilities Agreement requires the leverage ratio (total net debt / adjusted consolidated EBITDA) to be below 4.50x and tested every half-year.

This Senior Facilities Agreement was used to refinance the facilities agreements arranged in 2019 which included numerous contractual provisions: various affirmative and negative covenants, the requirement that the Group's operational subsidiaries accede as guarantors, and tests to be carried out every half-year on the leverage ratio (total net debt / pro forma consolidated EBITDA) until the facilities agreement arranged in 2019 expired.

At 31 December 2023, no payment default had occurred or was still ongoing under the Senior Facilities Agreement.

17.6.2 Sustainability-linked bond issuance

The prospectuses relating to each Sustainability-Linked bond issuance both include an undertaking, for the Company and for certain material Group subsidiaries, not to pledge their respective assets as guarantee for the payment obligations of the Company or of any of the aforementioned material subsidiaries under any future bond financial indebtedness, in the event where bond creditors under the Sustainability-Linked bonds would not be treated pari passu.

17.7 Change in debt

The change in financial debt in 2023 was as follows:

(in € million)	31 December 2022	Cash inflows	Cash outflows	Discount effects and other*	Interest expense	Change in the scope of consolidation	Translation differences	31 December 2023
Non-current financial liabilities and derivatives	**1,562.2**	**569.0**	**(530.7)**	**4.8**	**—**	**4.6**	**0.6**	**1,610.5**
Current financial liabilities and derivatives (excluding interest)	191.8	35.2	(43.4)	41.2	12.7	0.1	(0.3)	237.3
Interest on long-term debt	9.1	—	(42.0)	0.4	44.3	—	—	11.8
Current financial liabilities and derivatives	**200.9**	**35.2**	**(85.4)**	**41.6**	**57.0**	**0.1**	**(0.3)**	**249.2**
Financial liabilities and financial derivatives liability	**1,763.1**	**604.2**	**(616.1)**	**46.4**	**57.0**	**4.8**	**0.3**	**1,859.7**
Financial derivatives asset	(26.5)	—	—	9.8	(3.8)	—	—	(20.6)
Gross debt	**1,736.6**	**604.2**	**(616.1)**	**56.1**	**53.2**	**4.75**	**0.3**	**1,839.1**

* Mainly consists of lease liabilities in application of IFRS 16

Reconciliation with the consolidated statement of cash flows

Increase (reduction) in bank overdrafts and other short-term borrowings	34.5	
Increase in long-term debt	569.7	
Reduction in long-term debt		(565.0)
Financial interest paid		(51.2)
Total	**604.2**	**(616.1)**

Note 18 – Provisions and other non-current financial liabilities

The change in provisions in financial year 2023 breaks down as follows:

(in € million)	Provisions for claims, litigation and other	Provisions for environmental risks	Provisions for restructuring and employee benefit expenses	Provisions for risks relating to associates	Other risks	Total provisions	Liabilities relating to investments	Total provisions and other liabilities
As of 31 December 2022								
Current portion	8.4	10.7	8.3	—	26.9	54.3	—	54.3
Non-current portion	1.3	10.5	0.4	—	10.5	22.7	0.5	23.2
Total provisions	**9.7**	**21.2**	**8.7**	**—**	**37.4**	**77.0**	**0.5**	**77.5**
Changes during the period								
Business Consolidation	—	—	—	—	0.6	0.6	3.3	3.9
Additions	4.8	4.4	4.6	—	41.2	55.0	—	55.0
Reversals (unused)	(0.9)	(1.2)	(1.9)	—	(6.6)	(10.6)	—	(10.6)
Reversals (used)	(5.1)	(1.0)	(3.2)	—	(23.5)	(32.8)	—	(32.8)
Other (reclassifications and translation differences)	1.0	1.7	(0.2)	—	2.8	5.3	(2.9)	2.4
Total changes	**(0.3)**	**3.9**	**(0.7)**	**—**	**14.5**	**17.4**	**0.4**	**17.8**
As of 31 December 2023								
Current portion	9.4	6.9	7.6	—	25.9	49.8	—	49.8
Non-current portion	—	18.2	0.4	—	26.0	44.6	0.9	45.5
Total provisions	**9.4**	**25.1**	**8.0**	**—**	**51.9**	**94.4**	**0.9**	**95.3**

The change in provisions for "Other risks" corresponds mainly to:

- provisions set aside in the amount of €20.0 million and a reversal of the provision in the amount of €19.6 million relating to the Group's deficit with respect to its CO_2 allowances under Phase IV of the EU ETS scheme. The settlement of forward purchases carried out in April 2023 resulted in an outflow of €14.6 million;
- provisions for liabilities on aid granted and losses on customer contracts.

18.1 Provisions and contingent liabilities

ACCOUNTING PRINCIPLES

A provision is made when (i) the Group has a legal or current implicit obligation towards a third party resulting from a past event, (ii) an outflow of resources will probably be necessary for the Group to extinguish the obligation, and (iii) the amount of the obligation can be reliably estimated.

Provisions primarily concern obligations associated with litigation, restructuring plans and other risks identified with respect to the Group's operations. Provisions with settlement dates that can be reliably estimated are discounted.

When a current obligation is unlikely to exist, the Group recognises a contingent liability unless there is little likelihood of an outflow of resources embodying an economic benefit.

Contingent liabilities assumed during a business combination are recognised at their fair value on the acquisition date.

Under the regulation on carbon dioxide (CO2) emission allowances, the Group records CO2 allowances allocated free of charge or purchased in its inventory of raw materials. When the CO2 allowances to be surrendered for CO2 emitted during year N exceed the Group's stock of CO2 allowances, it recognises a provision to cover this deficit of year N allowances to be surrendered in April of year N+1.

Measurement of the provision takes into account the price of forward purchases made for the following year and the spot price on 31 December of the current year for the balance not covered by forward purchases.

ESTIMATES AND ASSUMPTIONS MADE BY MANAGEMENT

Estimates primarily concern valuations of liabilities and contingent liabilities, especially provisions for litigation and other Group risks.

18.1.1 Provisions for claims, litigation and other

These provisions mainly concern provisions for claims, litigation and other commercial risks, primarily in France and Italy.

Litigation between Verallia Italia and Nelson Servizi

In December 2014, Verallia Italia, as a supplier, and Nelson Servizi, as a distributor, renewed their previously agreed distribution contract and established mutual undertakings to sell and buy bottles for the Cuban market for the years 2015, 2016 and 2017. In 2015, the Group decided to cease all commercial activity for the Cuban market starting from the second half of 2016. In response, Nelson Servizi suspended all payments to Verallia Italia.

Verallia Italia then informed Nelson Servizi that said distribution contract would be cancelled if Nelson Servizi did not settle its debts towards it. Nelson Servizi thus requested that Verallia Italia be ordered to pay damages amounting to €11 million.

In 2021, Verallia Italia was ordered to make a payment of €1.8 million and the corresponding provision was consequently reversed.

Verallia Italia has lodged an appeal against the court decision.

18.1.2 Provisions for environmental risks

Provisions for environmental risks cover the costs of environmental protection measures, asbestos-related costs and the costs of waste disposal relating to the reconstruction of furnaces.

Asbestos-related litigation

Charges of gross negligence (inexcusable fault)

In France, since the late 1990s, several former and current Group employees or their assignees have filed lawsuits against the Group's French subsidiary, Verallia France, for gross negligence after falling ill as a result of their alleged exposure to asbestos-containing materials.

At 31 December 2023, the amount provisioned in respect of these claims stood at €3.0 million.

Claims for anxiety-related damages

Lawsuits have been filed by Group employees or former employees for recognition of anxiety caused by their alleged exposure to asbestos-containing materials at the Group's French facilities.

At 31 December 2023, the amount provisioned for all such claims amounted to €3.8 million.

Decontamination of Canoas site in Brazil

Verallia Brasil owns a property located in the city of Canoas, Brazil.

Industrial activity at the site was stopped during 2011-2012 when activity on the domestic products line was discontinued.

There are still buildings and fixtures on the site that require demolition and land decontamination.

At 31 December 2023, the amount provisioned to cover the costs of demolition and land decontamination and related expenses totalled €6.6 million.

18.1.3 Provisions for restructuring and personnel expenses

Provisions for restructuring and personnel expenses amounted to €8.0 million at 31 December 2023 and €8.7 million at 31 December 2022.

They mainly concern the transformation plan carried out in France, after it was decided not to rebuild the oldest of the three furnaces at the Cognac facility, and redundancy aid measures.

18.1.4 Provisions for other risks

Provisions for other risks mainly concern the provision relating to the Group's CO2 allowances deficit with respect to its CO2 emissions in financial year 2023, under Phase IV (2021-2030) defined by the Quotas (EU ETS) Directive.

With respect to the provision for CO2 allowance deficits, emission projections were calculated for Phase IV of the European scheme which started in 2021 and are based on the detailed estimates made periodically by the Group's industrial management.

Management measures the Group's capacity utilisation and any upgrades made to its production facilities, taking into consideration the various decarbonisation measures introduced by the Group.

Moreover, in accordance with the Quotas (EU ETS) Directive, the Group adjusts its estimate of the number of allowances it will be allocated free of charge depending on its production activity.

The Group is pursuing its policy of purchasing allowances on the market based on its expected deficit.

In order to secure the prices at which it will have to buy allowances, the Group has already made forward purchases of CO2 allowances on the market for a total amount at 31 December 2023 of €14.6 million.

The valuation of the provision is thus based on the price of forward purchases made by the Group and on the spot price at the end of the year for the balance not covered by forward purchases.

The Group's recorded deficit for the year 2023 amounts to €20.8 million (€18.6 million in 2022).

18.1.5 Risks relating to associates

In 2013, Verallia Brasil, a Company subsidiary, set up a joint venture governed by Brazilian law (Industria Vidreira de Nordeste – IVN) with a local partner, Ipiaram Empreendimentos e Participações Ltda (Ipiaram). Verallia Brasil held a majority stake in this joint venture, the purpose of which was to build and operate a glass manufacturing facility in the Brazilian state of Sergipe. The plant came onstream in 2015.

Verallia Brasil's shareholding was equity-accounted and then sold in October 2018.

In January 2017, Ipiaram launched arbitration proceedings with the International Chamber of Commerce (ICC) against Verallia Brasil regarding the interpretation of certain provisions in the partnership agreements signed by the two parties; Ipiaram felt entitled to exercise the undertakings to purchase granted by Verallia Brasil under these partnership agreements. At the closing date, these arbitration proceedings were still under way.

At 31 December 2019, Ipiaram's claim was estimated at 104 million Brazilian reals in total damages (i.e. approximately €19.3 million at 31 December 2023).

The Group deems it unnecessary to recognise any provisions in respect of this arbitration case given the decisions handed down by the court of arbitration and legal authorities.

18.2 Other non-current financial liabilities

ACCOUNTING PRINCIPLES

Other non-current financial liabilities primarily consist of put options granted to minority shareholders in subsidiaries and liabilities relating to the acquisition of securities in the Group's companies, including additional considerations for acquisitions made. Liabilities relating to the put options correspond to the present value of their estimated exercise price, with a corresponding decrease in interests not conferring control and in equity attributable to owners of the parent company. Any subsequent change in the fair value of the liability is recognised through an adjustment to equity.

At 31 December 2023, other non-current financial liabilities corresponded mainly to the outstanding balance due to the seller following the acquisition of a recycling activity by the Group's Spanish subsidiary and the contingent consideration on the shares in Thierry Bergeon Embouteillage.

Note 19 – Provisions for pensions and similar liabilities

Provisions for pensions and other employee benefits break down as follows:

		Year ended 31 December	
(in € million)	**Notes**	**2023**	**2022**
Annuities payable to plan beneficiaries		54.6	53.5
Flat-rate compensation		27.2	27.0
Post-employment medical benefits		4.0	3.7
Provisions for pensions and other liabilities	**19.1**	**85.8**	**84.2**
Other long-term benefits	19.2	3.1	3.2
Provisions for pensions and other employee benefits		**88.9**	**87.4**

The Group's workforce breaks down as follows:

	Year ended 31 December	
	2023	**2022**
Managers	1,174	1,081
Administrative employees	2,495	2,319
Other employees	7,207	6,924
Total	**10,876**	**10,324**

The workforce presented corresponds to the average number of people employed by the Group over the year.

19.1 Pension liabilities and other post-employment benefit liabilities

ACCOUNTING PRINCIPLES

Defined benefit plans

Defined benefit pension plans refer to plans where the Group is committed officially or through an implicit obligation to an amount or level of benefits and therefore bears the associated medium- or long-term risk.

After retiring, the Group's former employees are entitled to pension benefits in accordance with applicable laws and regulations in the respective countries in which the Group operates. Supplemental pension liabilities also apply in some of the Group's companies, in France and also in other countries. The group's liabilities with respect to pensions and retirement benefits are established at the end of the reporting period with the assistance of independent actuaries, on an actuarial basis, using the projected unit credit method which incorporates projected final salaries on retirement and economic conditions in each country. These liabilities can be funded by pension funds or plan assets, and a provision is recognised in the consolidated balance sheet for the portion not funded by assets.

The Group contributes to defined benefit plans which determine the level of retirement benefits an employee will receive on their retirement. These plans mainly concern Germany, Spain, Italy and France.

In France, employees receive retirement benefits depending on their years of service and their last salary on the date of their retirement. This flat-rate amount is determined according to the applicable collective agreement.

Meanwhile the effects of the PFLSS (French social security finance bill) on France's pension reform, which was promulgated in April 2023 to raise the legal age of retirement and lengthen the period over which contributions must be paid, are considered to be a plan amendment within the meaning of IAS 19.104 and are recognised as a past service cost in profit or loss (IAS19.103).

The impact on the financial statements at 31 December 2023 was income in the amount of €0.5 million.

Retired former employees in Spain and Germany receive benefits other than retirement benefits, for instance for healthcare. The Group's obligations under these plans are calculated on an actuarial basis and provisions are recognised accordingly in the consolidated balance sheet.

Remeasurements of the net defined benefit liability (asset), comprising actuarial gains and losses, the return on plan assets (excluding amounts factored into the calculation of net interest on net liabilities) and the change in the effect of the asset ceiling (if any, excluding amounts factored into the calculation of net interest on net liabilities), are recognised immediately in "Other comprehensive income".

Provisions are also made, on an actuarial basis, for other long-term employee benefits such as long-service awards and bonuses in various countries. Actuarial gains and losses relating to these other long-term benefits are recognised immediately in the statement of income.

Interest expenses relating to these liabilities and returns on the corresponding plan assets are valued by the Group using the discount rate applied to estimate the liability at the start of the period and are recognised in financial income as "Net interest expense relating to pension plans and other benefits".

Defined contribution plans

Defined contribution pension plans are those for which the Group's only obligation is to pay a contribution but the Group has no obligation as regards the level of benefits paid.

Contributions into defined contribution plans are expensed as incurred.

ESTIMATES AND ASSUMPTIONS USED BY MANAGEMENT

The present value of defined benefit pension liabilities depends on a certain number of factors that are determined on an actuarial basis using assumptions about population growth and financial/economic factors. The assumptions used to calculate defined benefit pension liabilities and net pension costs include the discount rate and the rate of future salary growth. Management takes advice from external consultants and actuaries to establish these estimates and assumptions. Any material change in these assumptions could result in a material change in the personnel expenses recognised in the consolidated statement of income and in the remeasurements recognised in other comprehensive income offset against equity.

19.1.1 Main economic and financial assumptions used to measure defined benefit pension liabilities and plan assets

Pension liabilities and other post-employment benefit liabilities are calculated on an actuarial basis using the projected unit credit method applied to estimated final salaries.

i. Rate assumptions

Assumptions about mortality, staff turnover and salary growth factor in economic conditions and population trends in each individual country.

Discount rates are established by region depending on the bond yields of high-quality companies at the end of the financial year. The discount rates used for the Group's main plans are as follows:

	Year ended 31 December	
(In %)	**2023**	**2022**
Discount rate	3,4 to 3,5%	3,7% to 3,8%
Salary increases including long-term inflation	1.5% to 2.0%	1.8% to 2.3%
Long-term inflation rate	2.0 %	2.0 %

ii. Sensitivity analysis

The sensitivity analyses carried out imply the following outcomes for defined benefit pension liabilities:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Impact of 0.5% increase in discount rate	(5.0)	(6.1)
Impact of 0.5% decrease in discount rate	5.5	6.0
Impact of 0.5% increase in inflation rate	4.9	5.3
Impact of 0.5% decrease in inflation rate	(4.5)	(5.5)

19.1.2 Change in pension liabilities and other post-employment benefit liabilities

i. Net carrying value of the provision

The table below shows defined benefit pension liabilities relating to the Group's pension liabilities and other post-employment benefit plans along with the corresponding plan assets:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Provisions for pensions and other post-employment benefit liabilities	(85.8)	84.2
Pension plan surpluses	1.7	(4.4)
Net pension liabilities and other post-employment benefit liabilities	**84.1**	**79.8**

ii. Liability analysis

The total amount of the Group's pension liabilities and other post-employment benefit liabilities breaks down as follows:

	31 December 2023					31 December 2022				
(in € million)	Spain	Germany	Other Western European countries	Other	Total	Spain	Germany	Other Western European countries	Other	Total
Average duration (in years)					**10.2**					**10.8**
Defined benefit liabilities - funded plans	23.9		—		23.9	27.7		0.1		27.8
Defined benefit liabilities - unfunded plans	3.5	54.9	26.9	0.6	85.9	3.2	53.6	26.9	0.5	84.2
Fair value of plan assets	(24.6)		(1.1)		(25.7)	(31.1)		(1.1)		(32.2)
Deficit (Surplus)	**2.8**	**54.9**	**25.8**	**0.6**	**84.1**	**(0.2)**	**53.6**	**25.9**	**0.5**	**79.8**
Asset ceiling					**—**					**—**
Net pension liabilities and other post-employment benefit liabilities					**84.1**					**79.8**

iii. Plan assets

Plan assets primarily consist of insurance policies. They are invested in low-risk assets.

iv. Change in pension liabilities and other post-employment benefit liabilities

Changes in pension liabilities and other post-employment benefit liabilities break down as follows:

(in € million)	Notes	Pension liabilities and other post-employment benefit liabilities	Fair value of plan assets	Net pension liabilities and other post-employment benefit liabilities
As of 31 December 2021		**148.8**	**(40.8)**	**108.0**
Fluctuations during the year				
Current service cost		2.9	—	2.9
Net interest expense	7	(5.5)	6.9	1.4
Reductions/settlements		—	—	—
Past service cost		—	—	—
Contributions to the pension plan		—	—	—
Translation differences		(0.1)	—	(0.1)
Employee benefit expenses recognised in the income statement		**(2.7)**	**6.9**	**4.2**
Payment of benefits		(9.1)	2.6	(6.5)
Business combination		—	—	—
Remeasurement of net liabilities (net assets)		(25.0)	(0.9)	(25.9)
Other		—	—	—
Total movements during the year		**(36.8)**	**8.6**	**(28.2)**
As of 31 December 2022		**112.0**	**(32.2)**	**79.8**
Fluctuations during the year				
Current service cost		2.0	—	2.0
Net interest expense	7	1.4	1.6	3.0
Reductions/settlements		—	—	—
Past service cost		0.1	—	0.1
Contributions to the pension plan		—	0.1	0.1
Translation differences		(0.1)	—	(0.1)
Employee benefit expenses recognised in the income statement		**3.4**	**1.7**	**5.1**
Payment of benefits		(9.2)	2.5	(6.8)
Business combination		—	—	—
Remeasurement of net liabilities (net assets)		3.5	2.4	5.9
Other		—	—	—
Total movements during the year		**(2.3)**	**6.5**	**4.3**
As of 31 December 2023		**109.7**	**(25.7)**	**84.1**

19.2 Other long-term benefits

Defined benefit pension liabilities are generally calculated on an actuarial basis according to the same method as for pension liabilities.

At 31 December 2023, provisions for other long-term employee benefits primarily included long-service awards payable by the subsidiaries in France amounting to €1.6 million (€1.7 million at 31 December 2022) and bonuses in Germany amounting to €1.1 million (€1.1 million at 31 December 2022).

19.3 Share ownership plans

19.3.1 Share ownership plans

The Group's compensation policy is aimed at retaining and motivating talented employees, and at involving managerial staff in its performances, mainly through a long-term incentive plan in the form of bonus share awards subject to performance criteria linked to the Group's long-term strategy.

Accordingly, bonus share award plans subject to performance criteria have been set up since 2019.

In accordance with the authorisation granted by the Combined General Shareholders' Meeting of 10 June 2020:

- The March 2020 Plan was ultimately allocated with 142,290 shares delivered on 23 March 2022 based on the percentage of the performance criteria achieved on completion of the plan.
- On 23 February 2021, the Board of Directors decided to set up two new performance share allocation plans, one covering a two-year period spanning 2021 to 2022 (the "2021-2022 Plan") and the other covering a three-year period spanning 2021 to 2023 (the "2021-2023 Plan").

  The allocations ultimately decided under the 2021-2022 Plan resulted in the delivery of 251,893 shares on 23 March 2023 based on the percentage of the performance criteria achieved on completion of the plan.

  The final allocation of shares awarded under the 2021-2023 Plan will go ahead with no discount applied subject to (a) the continued employment of the employee or executive concerned and (b) financial and non-financial performance criteria being met. The 2021-2023 Plan is aligned with latest market practices, especially with respect to the performance criteria applied.

  At 31 December 2023, the number of potential ordinary shares under this plan was 207,783.
- On 6 February 2022, the Board of Directors decided to set up a new performance share allocation plan covering a three-year period spanning 2022 to 2024 (the "2022-2024 Plan").

  The final allocation of shares awarded under the 2022-2024 Plan will go ahead with no discount applied, subject to (a) the continued employment of the employee or executive concerned and (b) financial and non-financial performance criteria being met, for instance regarding CO_2 emissions. The 2022–2024 Plan will be aligned with any changes in market practices, in particular in terms of the performance criteria applied.

  At 31December 2023, the number of potential ordinary shares under this plan was 229,950.
- On 15 February 2023, the Board of Directors decided to set up a new performance share allocation plan covering a three-year period spanning 2023 to 2025 (the "2023-2025 Plan").

  The final allocation of shares awarded under this 2023-2025 Plan will go ahead without any discount, subject to (a) the continued employment of the employee or executive concerned and (b) performance criteria being met. The 2023-2025 Plan will be aligned with latest market practices, especially with respect to the performance criteria applied.

  At 31 December 2023, the number of potential ordinary shares under this new plan was 277,200.

19.3.2 Accounting impacts

Fair values applied to these share ownership plans were measured taking the features of these plans into account. As of December 2022, expenses incurred in relation to these plans and associated costs recognised in the consolidated statement of income totalled €6.2 million for the year ended 31 December 2023.

19.4 Group savings plans

The Group has set up a Group savings plan (PEG) for all its French employees and an International Group savings plan (PEGI) for those located in the other countries in which it operates.

On 22 June 2023, the Company carried out a capital increase reserved for employees under the Group Savings Plan (PEG) and International Group Savings Plan (PEGI). Employees subscribed to the operation either via the Verallia FCPE in the case of those located in France, Brazil, Poland and Portugal, or directly in the case of those located in Germany, Spain, Italy and Chile.

The number of shares subscribed under this capital increase was 611,445, and the IFRS 2 expense measuring the benefits offered to employees was measured by reference to the share's fair value on the last day of subscription. At 31 December 2023, it amounted to €3.0 million.

At 31 December 2023, it was recorded that employee shareholders - whether direct shareholders or shareholders through the Verallia FCPE - held 4.2% of Verallia's share capital.

Note 20 – Financial risk management

The Group's financial risk management strategy aims to secure liquidity for the Group and minimise the impact of volatility in interest rates, commodity prices including energy and exchange rates on its costs and cash flows, while maintaining the financial flexibility the Group needs to successfully roll out its commercial strategies.

20.1 Liquidity risk

In a crisis scenario, the Group might not be able to obtain the financing or refinancing needed to cover its investment plans from the credit or equity markets, or it might not be able to do so on acceptable terms.

The Group's overall exposure to liquidity risk is managed by the Group's Treasury and Financing Department.

The table below shows the contractual deadlines applicable to the Group's financial liabilities, including its interest payments.

		31 December 2023					
(in € million)	**Note**	**Carrying amount**	**Contractual cash flows**	**Less than 1 year**	**1 to 2 years**	**2 to 5 years**	**More than 5 years**
Current and non-current portion of long-term debt (including interest)	17	1,645.6	1,845.1	81.8	59.5	1,169.3	534.5
Other liabilities, including derivative financial instruments	17	20.9	20.9	8.6	0.1	12.2	
Short-term debt	17	193.2	193.2	193.2			
Total borrowings	17	**1,859.7**	**2,059.2**	**283.6**	**59.6**	**1,181.5**	**534.5**
Trade payables and related accounts	14.3	627.1	627.1	627.1			
Other payables and accrued liabilities, including commodity derivative financial instruments	14.3	622.6	622.6	542.0	69.7	10.9	
Total financial liabilities		**3,109.4**	**3,308.9**	**1,452.7**	**129.3**	**1,192.4**	**534.5**

At 31 December 2023, the Group had a revolving credit facility of an undrawn amount of €550 million.

		31 December 2022					
(in € million)	**Note**	**Carrying amount**	**Contractual cash flows**	**Less than 1 year**	**1 to 2 years**	**2 to 5 years**	**More than 5 years**
Current and non-current portion of long-term debt (including interest)	17	1,602.0	1,773.3	68.3	571.2	81.7	1,052.3
Other liabilities, including derivative financial instruments	17	2.0	—	—	—		
Short-term debt	17	159.1	159.1	159.1			
Total borrowings	17	**1,763.1**	**1,932.5**	**227.4**	**571.2**	**81.7**	**1,052.3**
Trade payables and related accounts	14.3	740.6	740.6	740.6			
Other payables and accrued liabilities, including commodity derivative financial instruments	14.3	436.5	436.5	424.7	0.6	11.2	
Total financial liabilities		**2,940.2**	**3,109.6**	**1,392.7**	**571.8**	**92.8**	**1,052.3**

At 31 December 2022, the Group had a revolving credit facility of an undrawn amount of €500 million.

20.2 Market risks

20.2.1 Interest rate risk

The Group's overall exposure to debt-related interest rate risk is managed by its Treasury and Financing Department. The subsidiaries using derivative instruments generally do so with Verallia Packaging as the counterparty. The Group's policy is to secure the cost of its medium-term debt by managing the risk of an increase in interest rates, while at the same time optimising it.

At 31 December 2023, as at 31 December 2022, the Group had a large portion of its exposure to a rise in the Euribor rate hedged through interest rate options (caps) of a nominal value of €370 million in 2023 and €370 million in 2022.

In August 2023, the Group hedged the intra-group acquisition debt incurred on Allied Glass in GBP through EUR / GBP cross-currency swaps (CCS) totalling £241.7 million.

	31 December 2023		31 December 2022	
Interest rates	**Notional amount in currency millions**	**Fair value**	**Notional amount in currency millions**	**Fair value**
Interest rate CAP	370.0	14.8	370.0	22.6
Cross Currency Swap capped	274.0	(10.7)	—	—
Total interest rate derivative financial instruments		**4.1**		**22.6**

Interest rate derivatives: derivative instruments hedging interest rate risk are referred to as cash flow hedging instruments.

Hedges are set up in such a way as to align the main characteristics of the underlying with those of the derivatives, so the inefficiency to be recorded is non-significant for the periods presented herein.

With interest rates (3-month Euribor) in positive territory at the end of 2023, a change of 50 basis points in interest rates on a forward-looking basis at the closing date would have an impact of €3.2 million on profit (loss). At end-2022, the impact of a 50-basis point change in interest rates had been estimated at €3.5 million.

(in € million)	2023	2022
Impact of 50 base point (bp) increase	(3.6)	(3.4)
Impact of 50 base point (bp) decrease	3.2	3.5

20.2.2 Currency risk

Currency risk includes the following:

- **Transaction risk:** occurring during the normal course of business. The Group mostly operates locally, and most of its receivables and payables are denominated in the subsidiary's functional currency ;
- **Financial risk:** occurring during the normal course of business for certain financial liabilities denominated in a currency other than the functional currency.

	31 December 2023	
Foreign exchange - devise	**Notional amount in currency millions**	**Fair value**
Currency derivatives - EUR/CLP	9.1 / 9,119.7	(0.3)
Currency derivatives - EUR/USD	8.6 / 9.3	0.1
Currency derivatives - EUR/GBP	35 / 33.9	(0.2)
Currency derivatives - EUR/ARS	2.8 / 2,725.9	0.1
Currency derivatives - EUR/BRL	124.9 / 699.5	(4.8)
Currency derivatives - USD/ARS	11.5 / 10,032.1	0.2
Currency derivatives - USD/BRL	16 / 83.7	(0.9)
Currency derivatives - USD/EUR	—	—
Total currency derivative financial instruments		**(5.8)**

Foreign exchange - devise	31 December 2022 Notional amount in currency millions	Fair value
Currency derivatives - EUR/CLP	10.1/9,732.4	(0.3)
Currency derivatives - EUR/USD	10.9/11,2	0.5
Currency derivatives - EUR/GBP	284.2/249.8	2.6
Currency derivatives - EUR/ARS	2.1/461.4	(0.1)
Currency derivatives - EUR/BRL	52.4/308.7	(0.3)
Currency derivatives - USD/ARS	6.6/1,566.7	(0.6)
Currency derivatives - USD/BRL	17.9/99.0	(0.4)
Currency derivatives - USD/EUR	1.4/1.3	0.0
Total currency derivative financial instruments		**1.4**

- **Currency derivative**s: derivative instruments hedging commercial transactions are referred to as fair value hedging instruments and cash flow hedging instruments. Derivative instruments hedging financial transactions are referred to as fair value hedging instruments.
- **Translation risk**: occurring as a result of the consolidation in euros of the financial statements of subsidiaries that have a different functional currency. Any fluctuation in the exchange rates of these currencies against the euro has an impact on the Group's equity. The group's main exposure is the Brazilian real. Other currencies such as the Russian ruble, the British pound, the Argentine peso, and the Ukrainian hryvnia also constitute exposures for the Group.

2023	Groups's equity	
(in € million)	**Euro appreciation +10%**	**Euro depreciation -10%**
Brazilian real	(18.8)	22.9
Argentine peso	(2.2)	2.7
Russian rouble	(7.2)	8.8
Ukrainian hryvnia	(2.0)	2.4
Pound sterling	(6.4)	7.8

2022	Groups's equity	
(in € million)	**Euro appreciation +10%**	**Euro depreciation -10%**
Brazilian real	(17.9)	21.8
Argentine peso	(10.0)	12.2
Russian rouble	(9.1)	11.1
Ukrainian hryvnia	(2.1)	2.6
Pound sterling	(5.2)	6.3

20.2.3 Risk related to commodity prices

The Group is exposed to variations in the prices of the commodities, including energy, that it uses in its operational activities. The Group may sometimes limit its exposure to fluctuations in energy prices by using swaps to hedge some of its energy purchases. Energy hedges (excluding purchases at fixed prices negotiated directly with suppliers by the Purchasing Department) are arranged, as far as possible, by the Group's Treasury and Financing Department in accordance with the instructions received from the Group's Purchasing Department and in keeping with the directives established by the Board of Directors.

	31 December 2023	
Commodities	**Notional amount in currency millions**	**Fair value**
Commodity derivatives fuel swaps (€)	-	-
Commodity derivatives gas swaps (€)	365.6	(117.6)
Commodity derivatives electricity swaps (€)	136.1	(36.4)
Total commodity derivative financial instruments		**(154.0)**

	31 December 2022	
Commodities	**Notional amount in currency millions**	**Fair value**
Commodity derivatives fuel swaps (€)	23.6	(2.4)
Commodity derivatives gas swaps (€)	452.5	227.9
Commodity derivatives electricity swaps (€)	145.5	78.7
Total commodity derivative financial instruments		**304.2**

- **Energy derivatives**: derivative instruments hedging the risk of fluctuations in energy prices are referred to as cash flow hedging instruments. Hedges are set up in such a way as to align the main characteristics of the underlying with those of the derivatives, so the inefficiency to be recorded is non-significant for the periods presented herein.

Energy (in € million)	2023	2022
impact of a 10% price appreciation	34.3	91.1
impact of a 10% price depreciation	(34.3)	(91.1)

20.2.4 Financial counterparty risk

The Group is exposed to the risk of a default by any one of the banking counterparties that manages its cash or any of its other financial instruments. Such a default could result in a financial loss for the Group. Application of IFRS 13 "Fair value measurement", requiring the incorporation of counterparty risk when measuring derivative instruments, resulted in the Group recognising a €1.3 million reduction in negative fair value at 31 December 2023. There had been no material impact on the Group's financial statements at 31 December 2022.

Note 21 – Financial instruments

ACCOUNTING PRINCIPLES

Initial recognition and measurement

Trade receivables are initially recognised when they are created. All other financial assets and liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, in the case of an item not measured at fair value through profit or loss (FVTPL), the transaction costs that are directly attributable to its acquisition or issue. A trade receivable with no significant financing component is initially measured at its transaction price.

Classification and subsequent measurement

Financial assets

At initial recognition, a financial asset is classified as having been measured either at amortised cost, at fair value through other comprehensive income (FVOCI) with a distinction made between debt instruments and equity instruments, or at fair value through profit or loss (FVTPL).

Financial assets are not reclassified after initial recognition unless the Group changes its economic model for managing financial assets, in which case all financial assets affected are reclassified on the first day of the first financial year following the change in economic model.

A financial asset is measured at amortised cost if it meets the following two conditions and is not designated as at FVTPL:

- it is held as part of a business model whose objective is to hold assets in order to collect contractual cash flows; and
- its contractual terms give rise, on specified dates, to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets the following two conditions and is not designated as at FVTPL:

- it is held as part of a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise, on specified dates, to cash flows that are solely payment of principal and interest on the principal amount outstanding.

At initial recognition of an equity instrument that is not held for trading, the Group has the irrevocable option to present subsequent adjustments to the fair value of this instrument in other comprehensive income. This choice is made for each instrument.

All financial assets not classified as being measured at amortised cost or at FVOCI using the method described above are measured at FVTPL. This includes all derivative financial assets (see below). At initial recognition, the Group has the irrevocable option to designate a financial asset that would otherwise meet the conditions to be measured at amortised cost or at FVOCI as being at FVTPL, if this designation makes it possible to eliminate or significantly reduce an accounting mismatch that would otherwise have arisen.

Financial assets – assessing whether contractual cash flows are solely payment of principal and interest

For the purposes of this assessment, the term "principal" is defined as being the fair value of the financial asset at initial recognition. "Interest" is defined as being the consideration of the time value of money, the credit risk associated with the principal amount outstanding during a particular period of time, and other basic lending risks and costs (for example, liquidity risk and administrative expenses), as well as the profit margin.

The Group takes into consideration the instrument's contractual terms when assessing whether contractual cash flows are solely payment of principal and interest.

Financial assets – subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are then measured at their fair value. Net gains and losses, including any interest income or dividends, are recognised through profit or loss. However, see Note 20 for derivative instruments designated as hedging instruments.
Financial assets at amortised cost	These assets are then measured at amortised cost using the effective interest method. Impairment losses are deducted from the amortised cost. Interest income, currency gains and losses, and impairment losses are recognised through profit or loss. Any gains or losses from derecognition are recognised through profit or loss.
Debt instruments at FVOCI	These assets are then measured at their fair value. Interest income calculated using the effective interest method, currency gains and losses, and impairment losses are recognised through profit or loss. Other net gains and losses are recognised through other comprehensive income. At derecognition, cumulative gains and losses in other comprehensive income are reclassified to profit or loss.
Equity investments at FVOCI	These assets are then measured at their fair value. Dividends are recognised as income in profit or loss, unless the dividend clearly corresponds to the recovery of some of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss.

Financial liabilities – classification, subsequent measurement and gains and losses

In accordance with IFRS 9, financial liabilities are classified as being measured at amortised cost or at FVTPL. A financial liability is classified as being at FVTPL if it is considered to be held for trading, whether it is a derivative or was designated as such at initial recognition. Financial liabilities at FVTPL are measured at fair value and the resulting net gains and losses, including any interest expense, are recognised through profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and currency gains and losses are recognised through profit or loss. Any gains or losses resulting from derecognition are also recognised through profit or loss.

Please refer to **Note 20** for financial liabilities designated as hedging instruments.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control over the financial asset.

The Group carries out transactions through which it transfers assets recognised in its balance sheet but retains all or substantially all the risks and rewards of ownership of the transferred assets. In such cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at its fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

When a financial liability measured at amortised cost is modified without being derecognised, a gain or loss is recognised through profit or loss. The calculated gain or loss corresponds to the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

Derivative financial instruments and hedge accounting under IFRS 9

The Group holds derivative financial instruments to hedge currency risk, interest rate risk, commodity risk and energy risk. Embedded derivatives are separated from the host contract and considered separately if the host contract is not a financial asset and if certain criteria are met.

Derivatives are first measured at their fair value. Subsequent to initial recognition, derivative instruments are measured at their fair value and changes therein are generally recognised in profit or loss.

The Group designates certain derivative instruments as being hedging instruments to hedge the variability of cash flows relating to highly probable forecast transactions resulting from movements in exchange rates, interest rates, commodity prices or energy prices. At inception of a designated hedging relationship, the Group documents the risk management objective and the strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether variations in cash flows from the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative recognised in other comprehensive income is limited to the cumulative change in the fair value of the hedged item, determined using the present value, as from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

If a hedged forecast transaction subsequently results in the recognition of a non-financial item, such as inventory, the amount that has been accumulated in the hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount that has been accumulated in the hedging reserve is reclassified to profit or loss in the same period(s) as when the hedged forecast future cash flows affect profit or loss.

If the hedge no longer meets hedge qualifying criteria or if the hedging instrument is sold, expires, is terminated or exercised, hedge accounting is then discontinued prospectively. If hedge accounting of cash flow hedges ceases to apply, the amount that has been accumulated in the hedging reserve remains recognised in equity until, in the case of the hedging of a transaction giving rise to the recognition of a non-financial item, it is included in the cost of the non-financial item on its initial recognition or, in the case of other cash flow hedges, until it is reclassified to profit or loss in the same period(s) as when the hedged forecast cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, the amounts that have been accumulated in the hedging reserve are immediately reclassified to profit or loss.

Impairment of receivables

The Group recognises impairment losses for expected credit losses (ECL) for:

- financial assets measured at amortised cost; and
- contract assets.

Impairments for losses on trade receivables and contract assets are measured at an amount equal to full lifetime ECL.

To determine whether the credit risk of a financial asset has increased significantly since initial recognition, and to estimate ECL, the Group considers reasonable and supportable information that is relevant and available and does not involve undue cost or effort. This consists of quantitative and qualitative information and analyses based on the Group's past experience and on an informed credit assessment, including prospective information.

Impairments for losses on financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off if the Group has no reasonable expectation of recovering the financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to recovery procedures in accordance with the Group's credit policy.

ESTIMATES AND ASSUMPTIONS MADE BY MANAGEMENT

As indicated above, the Company uses estimates to determine impairments for trade receivables.

Classification and fair value measurement

Financial assets and liabilities are classified as follows:

		31 December 2023									
		Accounting categories						Fair value measurement based on:			
(in € million)	Notes	Amortised cost	other comprehensive income – equity instruments	other comprehensive income – debt instruments	Mandatorily at fair value through profit or loss	Fair value – hedging instruments	Carrying amount	Level 1: prices quoted on active markets	Level 2: significant observable inputs	Level 3: significant nonobservable inputs	Total financial instruments at fair value
Equity investments - nongroup	13		8.2				8.2			8.2	8.2
Loans, deposits and receipts	13	28.6					28.6		28.6		28.6
Trade receivables and related accounts (excluding current tax receivables)	14.2	232.4		—			232.4		232.4		232.4
Derivative instruments hedging financial risk	20.2					20.6	20.6		20.6		20.6
Derivative instruments hedging operating risk (*)	14.2 & 20.2					27.6	27.6		27.6		27.6
Cash and cash equivalents	15	349.7			124.9		474.6	450.1	24.5		474.6
Total financial assets		**610.7**	**8.2**	**—**	**124.9**	**48.2**	**792.0**	**450.1**	**333.6**	**8.2**	**792.0**
Sustainability-Linked Bond November 2021	17	(550.2)					(550.2)	(439.6)			(439.6)
Sustainability-Linked Bond May 2021	17	(503.2)					(503.2)	(467.1)			(467.1)
Term Loan A and revolving credit facility (unused)	17	(494.6)					(494.6)		(550.2)		(550.2)
Financial liabilities on finance leases		(61.5)					(61.5)		(61.5)		(61.5)
Other long-term liabilities	17	(36.1)		—			(36.1)		(36.1)		(36.1)
Total long-term debt		**(1,645.6)**	**—**	**—**	**—**	**—**	**(1,645.6)**	**(906.7)**	**(647.8)**	**—**	**(1,554.5)**
Derivative instruments hedging financial risk (**)	20.2					(20.9)	(20.9)		(20.9)		(20.9)
Total long-term debt and financial derivatives liability		**(1,645.6)**		**—**		**(20.9)**	**(1,666.5)**	**(906.7)**	**(668.7)**		**(1,575.4)**
Negotiable commercial paper (NEU CP)	17	(158.2)					(158.2)		(158.2)		(158.2)
Other short-term liabilities	17	(35.0)		—			(35.0)		(35.0)		(35.0)
Total short-term debt		**(193.2)**	**—**	**—**	**—**	**—**	**(193.2)**		**(193.2)**		**(193.2)**
Derivative instruments hedging operating risk (*)	14.3 & 20.2					(182.2)	(182.2)		(182.2)		(182.2)
Trade payables and related accounts	14.3	(627.1)					(627.1)		(627.1)		(627.1)
Other payables and accrued liabilities	14.3	(440.4)					(440.4)		(440.4)		(440.4)
Total financial liabilities		**(2,906.3)**	**—**	**—**	**—**	**(203.1)**	**(3,109.4)**	**(906.7)**	**(2,111.6)**		**(3,018.3)**
Total		**(2,295.6)**	**8.2**	**—**	**124.9**	**(154.9)**	**(2,317.4)**	**(456.6)**	**(1,778.0)**	**8.2**	**(2,226.3)**

* All commodity swaps are designated as cash flow hedges.

** Interest rate derivatives (CCS, caps and spread caps) taken out by the Group are designated as cash flow hedges.

		31 December 2022									
		Accounting categories						Fair value measurement based on:			
	Notes	Amortised cost	Fair value through other comprehensive income – equity instruments	Fair value through other comprehensive income – debt instruments	Mandatorily at fair value through profit or loss	Fair value – hedging instruments	Carrying amount	Level 1: prices quoted on active markets	Level 2: significant observable inputs	Level 3: significant nonobservable inputs	Total financial instruments at fair value
Equity investments - nongroup	13		7.6				7.6			7.6	7.6
Loans, deposits and receipts	13	26.0					26.0		26.0		26.0
Trade receivables and related accounts (excluding current tax receivables)	14.2	290.5					290.5		290.5		290.5
Derivative instruments hedging financial risk	20.2					26.5	26.5		26.5		26.5
Derivative instruments hedging operating risk (*)	14.2 & 20.2					352.2	352.2		352.2		352.2
Cash and cash equivalents	15	271.8			59.0		330.8	328.4	2.3		330.8
Total financial assets		**588.3**	**7.6**	**—**	**59.0**	**378.7**	**1,033.5**	**328.4**	**697.5**	**7.6**	**1,033.5**
Sustainability-Linked Bond November 2021	17	(493.7)					(493.7)	(388.3)			(388.3)
Sustainability-Linked Bond May 2021	17	(502.7)					(502.7)	(429.0)			(429.0)
Term Loan A and revolving credit facility (unused)	17	(500.6)					(500.6)		(500.6)		(500.6)
Financial liabilities on finance leases		(53.5)					(53.5)		(53.5)		(53.5)
Other long-term liabilities	17	(51.5)					(51.5)		(51.5)		(51.5)
Total long-term debt		**(1,602.0)**	**—**	**—**	**—**	**—**	**(1,602.0)**	**(817.4)**	**(605.5)**	**—**	**(1,422.9)**
Derivative instruments hedging financial risk (**)	20.2					(2.0)	(2.0)		(2.0)		(2.0)
Total long-term debt and financial derivatives liability		**(1,602.0)**		**—**		**(2.0)**	**(1,604.0)**	**(817.4)**	**(607.6)**		**(1,424.9)**
Negotiable commercial paper (NEU CP)	17	(150.3)					(150.3)		(150.3)		(150.3)
Other short-term liabilities	17	(8.8)					(8.8)		(8.8)		(8.8)
Total short-term debt		**(159.1)**		**—**			**(159.1)**		**(159.1)**		**(159.1)**
Derivative instruments hedging operating risk (*)	14.3 & 20.2					(48.1)	(48.1)		(48.1)		(48.1)
Trade payables and related accounts	14.3	(740.6)					(740.6)		(740.6)		(740.6)
Other payables and accrued liabilities	14.3	(388.4)					(388.4)		(388.4)		(388.4)
Total financial liabilities		**(2,890.1)**	**—**	**—**	**—**	**(50.1)**	**(2,940.2)**	**(817.4)**	**(1,943.8)**		**(2,761.1)**
Total		**(2,301.8)**	**7.6**	**—**	**59.0**	**328.6**	**(1,906.7)**	**(489.0)**	**(1,246.1)**	**7.6**	**(1,727.6)**

* All commodity swaps are designated as cash flow hedges.

** Interest rate swaps (payer fixed / receiver variable) taken out by the Group are designated as cash flow hedges.

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants.

Fair value is based on market inputs and commonly used valuation models, and may be confirmed in the case of complex instruments by reference to values quoted by independent financial institutions.

Note 22 – Related parties

ACCOUNTING PRINCIPLES

Under IAS 24 "Related party disclosures", a related party is a person or an entity that is related to the reporting entity.

It can be any of the following:

- a person or company that has control over the Group;
- a Group associate;
- a joint venture;
- a member of the Company's key management personnel (or a member of that person's family).

A related party transaction is a transfer of resources, services or obligations between the Group and this related party.

22.1 Transactions with associates

The scope of associates is defined in Note **3.3**.

The amounts shown in the Group's accounts relating to associates are as follows:

	(in € million)	Year ended 31 December 2023	2022
Statement of financial position	Non-current assets	3.2	2.4
	Current assets	1.4	1.4
	Non-current liabilities	—	—
	Current liabilities	5.7	7.8
Income statement	Revenue	—	—
	Cost of sales	66.0	54.9
	Financial income	—	0.1

Transactions were carried out in normal market conditions, that is in conditions similar to those that would usually apply between independent parties.

22.2 Transactions with shareholders

22.2.1 Loan taken out with Bpifrance

In its efforts to extend its average debt maturity profile, continue diversifying its sources of funding and obtain competitive funding costs, the Group reached an instalment loan agreement for a total principal amount of €30.0 million on 16 December 2021 with Bpifrance (an affiliate of Bpifrance Participations, which is a shareholder in the Group, and of Bpifrance Investissement, which is a member of the Group's Board of Directors).

The loan was fully drawn at 31 December 2021; it carries interest at an annual fixed rate of 0.40% and has a maturity of 3 years. Its purpose is to finance and/or refinance the working capital requirement and/or investment expenditure of the Company and its subsidiaries within the meaning of Article L. 233-3 of the French Commercial Code.

Verallia Packaging, a wholly owned subsidiary of the Company, stood as joint and several guarantor for the repayment of the amounts due under this loan, a guarantee that was lifted after the syndicated facility signed on 17 July 2019 was refinanced by way of the syndicated facilities agreement signed by Verallia SA on 17 April 2023, in accordance with the terms and conditions stipulated in the loan agreement and as described in Note 23.2.

The amount outstanding at 31 December 2023 was €12.5 million.

22.2.2 Partnership with Bpifrance

In 2021, an agreement was reached between Verallia Packaging, a subsidiary of the Company, and Bpifrance (an affiliate of Bpifrance Participations, which is a shareholder in the Company, and of Bpifrance Investissement, which is a member of the Company's Board of Directors). The purpose of this agreement was to provide Bpifrance with financial and logistical support to organise its "BIG Tour" event. The contract was renewed for €200,000 and covered the "Big Tour" from 5 March 2022 to 26 November 2022 and the "Big Inno" held on 6 October 2022.

This partnership was discontinued during the course of 2023.

22.2.3 Services contract

The Group has no services contracts with its shareholders.

22.3 Transactions with key management personnel

The Group's key management personnel are its Management team, which includes the following:

- the Chairman
- the Chief Executive Director
- the Chief Financial Officer
- segment Directors
- the Human Resources Director
- the Director of Operations
- the CSR Director & General Counsel

The compensation of key management personnel shown in the statement of income for the period (including employer contributions and social security contributions on bonus share awards) is as follows:

	Year ended 31 December	
(in € million)	**2023**	**2022**
Short-term employee benefits	6.2	6.9
Post-employment benefits	—	—
Other long-term benefits	—	—
Termination benefits	—	—
Share-based payment	2.1	2.6
Total	**8.2**	**9.6**

The compensation of members of the Board of Directors (attendance fees) corresponds to the amounts recorded in the statement of income over the period.

Attendance fees allocated to non-executive directors in respect of their terms of office at the Company amounted to €0.5 million in 2023 versus €0.4 million in 2022.

Note 23 – Contractual obligations and off-balance sheet commitments

23.1 Commitments of operating activities

(in € million)	Notes	Year ended 31 December 2023	2022
OPERATING COMMITMENTS GIVEN			
Non-cancellable purchase commitments	23.1.1	1,004.5	1,067.3
Other operating commitments given	23.1.2	27.8	11.8
Total operating commitments given		**1,032.3**	**1,079.0**
OPERATING COMMITMENTS RECEIVED			
Commitments received	23.1.3	**55.0**	**73.6**

23.1.1 Non-cancellable purchase commitments

Non-cancellable purchase commitments include firm orders for property, plant and equipment as well as purchase commitments for commodities and services.

(In € million)		2023	Payments due Less than 1 year	1 to 5 years	More than 5 years
Non-cancellable purchase commitments					
- Non-current assets	A	251.3	240.4	10.9	—
- Commodities and energy	B	693.2	468.5	203.4	21.3
- Services		47.1	40.5	6.6	—
- Other		12.9	11.2	1.6	0.1
Total		**1,004.5**	**760.6**	**222.5**	**21.4**

(In € million)		2022	Payments due Less than 1 year	1 to 5 years	More than 5 years
Non-cancellable purchase commitments					
- Non-current assets	A	194.6	170.1	20.5	4.0
- Commodities and energy	B	805.7	685.1	116.0	4.6
- Services		53.5	48.2	5.2	—
- Other		13.5	12.3	1.2	—
Total		**1,067.3**	**915.8**	**142.9**	**8.6**

A. Corresponds mainly to purchase commitments made for the building and rebuilding of furnaces.

B. Includes forward purchases of carbon quota, soda ash and sand.

Over the past two years, the Group has signed PPA-type agreements (Power Purchase Agreements) enabling it to continue increasing the share of low-carbon electricity in its energy mix.

The electricity supplied under these agreements is generated from solar energy (in Portugal, Spain and Italy), wind energy (in Germany and Argentina) and hydropower (in Chile). Verallia is committed for periods ranging from 5 to 15 years depending on the agreement. These PPAs can cover up to 100% of a site's electricity consumption (in the case of the Rosario plant in Chile). Prepayments made under these agreements are generally completely variable. An accounting analysis to date concludes that these agreements do not give rise to the recognition of an asset and liability under IFRS 16 or IAS 16, nor to the recognition of a derivative under IFRS 9. These agreements benefit from the own-use exemption referred to in paragraph 2.4 of IFRS 9. Agreements that include a minimum fixed prepayment to make are referred to in the section on off-balance sheet commitments

23.1.2 Other operating commitments given

Other operating commitments given consist primarily of guarantees relating to the environment.

23.1.3 Operating commitments received

Operating commitments received amounted to €55.0 million at 31 December 2023 and €73.6 million at 31 December 2022. They consist primarily of guaranteed receivables and operating commitments.

23.2 Financing commitments

The Group's main commitments with respect to its borrowings and financial liabilities are described in Note **17**.

The Group had current assets pledged as collateral in the amount of €36.9 million at 31 December 2023 versus €63.0 million at 31 December 2022. They consist mainly of bank guarantees and tangible collateral.

The sustainability-linked bonds issued in 2021 were under a joint and several guarantee provided by Verallia Packaging SAS on Verallia SA's liabilities in respect of these bonds. The prospectuses also included the possibility of lifting the guarantee, for instance if the syndicated facility signed on 17 July 2019 was refinanced with an unsecured bank loan taken on by Verallia SA. The guarantee was therefore lifted after the syndicated facility signed on 17 July 2019 was refinanced by way of the facilities agreement signed by Verallia SA in April 2023 as described in Note **17.2.2.**

Verallia SA's instalment loan from Bpifrance was under a guarantee provided by Verallia Packaging SAS on Verallia SA's liabilities in respect of the Bpifrance loan. The loan agreement included the possibility of lifting this guarantee, for instance if the syndicated facility signed on 17 July 2019 was refinanced with an unsecured bank loan taken on by Verallia SA. The guarantee was therefore lifted after the syndicated facility signed on 17 July 2019 was refinanced by way of the facilities agreement signed by Verallia SA in April 2023.

Other financial commitments given amounted to €26.1 million at 31 December 2023 versus €9.4 million in 2022. These commitments consisted mainly of comfort letters for local loan guarantees.

The Group also received financial commitments in the amount of €554.8 million at 31 December 2023 versus €502.5 million in 2022. These commitments consisted primarily of a €550 million revolving credit facility (RCF) arranged in April 2023 to refinance that in place at end-December 2022 for €500 million. See Note **17** for more information.

As part of the refinancing of the senior facilities agreement arranged in 2019 (the "2019 Facilities Agreement"), the guarantee granted by the Company and by the Group's other companies adhering to the 2019 Facilities Agreement (i.e. Verallia France, Verallia Italia, Verallia Brasil, Verallia Spain, Verallia Portugal and Verallia Deutschland) for the payment and repayment obligations of Verallia Packaging and of the Group's other companies that had adhered to the 2019 Facilities Agreement, for a maximum principal amount of €2.0 billion (plus interest, fees and commissions) and within the legal and contractual limits set out in the 2019 Facilities Agreement, was lifted in full. See Note **17** for more information.

Note 24 – Audit fees

	PricewaterhouseCoopers				BM&A and partners				Total			
	Amount (before tax)		%		Amount (before tax)		%		Amount (before tax)		%	
(in € million)	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Audit, certification and review of parent company and consolidated financial statements	**1.3**	**1.3**	**90 %**	**93 %**	**0.6**	**0.5**	**100 %**	**100 %**	**1.8**	**1.8**	**93 %**	**95 %**
Verallia SA	*0.4*	*0.4*	*29 %*	*29 %*	*0.3*	*0.3*	*60 %*	*60 %*	*0.7*	*0.7*	*37 %*	*37 %*
Fully-consolidated subsidiaries	*0.9*	*0.9*	*61 %*	*64 %*	*0.2*	*0.2*	*40 %*	*40 %*	*1.1*	*1.1*	*55 %*	*58 %*
Services other than certification of financial statements	**0.1**	**0.1**	**10 %**	**7 %**	**0.0**	**0.0**	**— %**	**— %**	**0.1**	**0.1**	**7 %**	**5 %**
Verallia SA	*0.1*	*0.1*	*6 %*	*7 %*	*0.0*	*0.0*	*0 %*	*— %*	*0.1*	*0.1*	*4 %*	*5 %*
Fully-consolidated subsidiaries	*0.1*	*0.0*	*4 %*	*— %*	*0.0*	*0.0*	*0 %*	*— %*	*0.1*	*—*	*3 %*	*— %*
TOTAL	**1.4**	**1.4**	**100 %**	**100 %**	**0.6**	**0.5**	**100 %**	**100 %**	**2.0**	**1.9**	**100 %**	**100 %**

Non-audit services provided by the Statutory Auditors to Verallia and its subsidiaries relate mainly to procedures involving acquisition projects and audit procedures carried out as an independent third party on consolidated social, environmental and corporate information.

Note 25 – Events after the closing date

No significant events occurred after the close on 31 December 2023.

6.2. Statutory Auditors' report on the consolidated financial statements

(For the year ended 31 December 2023)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders

Opinion

In compliance with the engagement entrusted to us by your General Shareholders' Meeting, and by the decision of the sole shareholder, we have audited the accompanying consolidated financial statements of Verallia for the year ended 31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments - Key audit matters

In accordance with the requirements of articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of the recoverable amount of goodwill

Description of risk

The carrying amount of goodwill at 31 December 2023 was €688 million and is recognised as indicated in Note 3.1 "Changes in the scope of consolidation" and Note 9 "Goodwill" to the consolidated financial statements.

Management conducts impairment tests, as described in Note 12 "Impairment of goodwill and fixed assets" to the consolidated financial statements at least once a year and whenever there is an indication of impairment. Impairment indicators may correspond to events or situations related to material and adverse changes affecting the economic environment and the assumptions or objectives identified at the time of acquisition.

Goodwill is tested at the level of groups of cash-generating units (CGUs) corresponding to the operating segments as defined by the Group. An impairment loss is recognised when the carrying amount of a group of CGUs exceeds its recoverable amount.

We deemed the measurement of the recoverable amount of these assets to be a key audit matter due to the potentially significant nature of any impairment and the high level of judgement and estimation required by management for this assessment. Management's judgement is based on assumptions relating to future trends in sales, renewal investments and changes in working capital requirements linked to the operation of these assets, as well as the determination of an appropriate discount rate applied to future cash flows.

How our audit addressed this risk

We assessed the appropriateness and pertinence of the approach used by management to determine the groups of CGUs at the level of which goodwill impairment tests are performed.

Concerning the allocation of goodwill related to the acquisition of Allied Glass group in 2022:

- we assessed the appropriateness of the main assumptions used by management to identify and measure assets and liabilities at fair value;
- we examined the documents produced by the independent expert appointed by management;
- we carried out a comparative analysis of the main assumptions used against market data and performed sensitivity tests;
- we also verified the appropriateness of the information provided in Note 1.2.1 to the consolidated financial statements "Highlights" in the section entitled "Follow-up to the acquisition of Allied Glass".

We also gained an understanding of and examined the procedure implemented by management to conduct impairment tests:

- we assessed the appropriateness of the model used to calculate the value in use based on the discounted cash flow method and reviewed, periodically, the calculations made by management;
- we verified the consistency of the cash flow projections by comparing them with:
  - management's most recent estimates, as presented to the Board of Directors during the budget process,
  - the cash flow projections used in the previous impairment tests for the years 2024 to 2027, and
  - historical projections for 2023 and the performance for that year;
- we met with management to analyse the main assumptions used in the impairment tests and to obtain explanations to enable us to corroborate these assumptions;
- with the assistance of our valuation experts, we performed an independent analysis of certain key assumptions used by management in its tests and analyses, including the discount rate and the perpetual average annual growth rate of future cash flows, with reference to both external market data and analyses of comparable companies;
- we also compared sensitivity analyses to certain key variables in the valuation model to assess the materiality of potential impacts on the assets' recoverable amount;
- we examined the appropriateness of the disclosures provided in Note 12 "Impairment of goodwill and fixed assets" to the consolidated financial statements.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also performed the specific verifications on the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the Board of Directors' management report includes the consolidated non-financial performance statement required under article L.225-102-1 of the French Commercial Code. However, in accordance with article L.823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

Other verifications and information pursuant to legal and regulatory requirements

Presentation of the consolidated financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of article L.451-1-2 of the French Monetary and Financial Code (Code monétaire et financier) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018. As it relates to the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

Due to the technical limitations inherent to block tagging the consolidated financial statements in the European single electronic reporting format, the content of some of the tags in the notes may not be rendered identically to the accompanying consolidated financial statements.

In addition, it is not our responsibility to ensure that the consolidated financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Verallia SA in the Articles of Association dated 18 June 2015 for PricewaterhouseCoopers Audit and by a decision of the sole shareholder of 24 July 2019 for BM&A.

At 31 December 2023, PricewaterhouseCoopers Audit and BM&A were in the ninth and the fifth consecutive year of their engagement, respectively, and the fifth year since the Company's securities were admitted to trading on a regulated market.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit Committee

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris, 14 February 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	BM&A
Nicolas Brunetaud	Eric Seyvos

6.3. The Company's annual individual financial statements

Balance sheet

In thousands of euros	Notes	31/12/23 Gross	31/12/23 Amort. & Dep	31/12/23 Net	31/12/22 Net
ASSETS					
Intangible assets		—	—	—	—
Property, plant and equipment		—	—	—	—
Financial assets		2,377,788.1	—	2,377,788.1	1,800,529.4
Equity interests	3.1.2	665,747.2	—	665,747.2	665,747.2
Other financial assets		142,120.8	—	142,120.8	120,229.0
Loans	3.1.1	1,562,301.9	—	1,562,301.9	1,006,907.1
Other financial assets		7,618.2	—	7,618.2	7,646.1
TOTAL NON-CURRENT ASSETS	**3.1**	**2,377,788.1**	**0.0**	**2,377,788.1**	**1,800,529.4**
Advances and deposits paid on orders		4.8		4.8	—
Trade receivables and related accounts		0.8		0.8	—
Other receivables		336,648.7		336,648.7	114,784.2
Investments		24,251.2		24,251.2	31,493.1
Financial instruments		—		—	27.3
Cash and equivalents		12.1		12.1	5,357.4
TOTAL CURRENT ASSETS	**3.2**	**360,917.6**		**360,917.6**	**151,662.0**
Prepaid expenses		101.3		101.3	94.4
Charges to be spread over several periods		9,379.1		9,379.1	5,096.4
Premiums on the redemption of debentures		4,412.7		4,412.7	4,973.9
TOTAL ASSETS		**2,752,598.8**	**0.0**	**2,752,598.8**	**1,962,356.0**
LIABILITIES					
Share capital	3.3.1			413,337.4	413,337.4
Additional paid-in capital	3.3.2			132,764.8	133,920.0
Legal reserve				36,265.6	29,096.1
Retained earnings				156,900.4	184,520.1
Net profit (loss) for the period				254,637.5	143,390.4
Regulated provisions				—	—
EQUITY	**3.3**			**993,905.8**	**904,264.0**
Provisions for liabilities				—	195.1
Provisions for charges				13,342.3	15,579.1
PROVISIONS FOR LIABILITIES AND CHARGES	**3.4**			**13,342.3**	**15,774.2**
Borrowings and similar liabilities				1,730,392.5	1,029,022.7
Prepayments received on orders in progress				—	—
Trade payables and related accounts				2,085.6	2,054.3
Tax and social security liabilities				6,290.9	3,645.8
Other liabilities				6,581.7	7,567.7
LIABILITIES	**3.5**			**1,745,350.7**	**1,042,290.5**
Unrealised foreign exchange gains				—	27.3
Deferred income				—	—
TOTAL LIABILITIES				**2,752,598.8**	**1,962,356.0**

Statement of income

		Year ended 31 December	
(In thousands of euros)	**Notes**	**2023**	**2022**
Net revenue	4.1	41,126.3	4,469.6
Write-back of depreciation and provisions - Operating charges transferts		5,990.5	
Other income		0.7	
Total operating income		**47,117.5**	**4,469.6**
Other purchases and external charges		57,013.2	12,237.5
Taxes and similar duties		(61.8)	1,911.8
Wages and salaries		5,748.7	6,448.2
Payroll taxes		1,965.8	1,376.4
Depreciation, amortisation and provisions		1,707.7	756.8
Other expenses		513.3	542.7
Total operating expenses		**66,886.9**	**23,273.5**
Operating profit	4.2	**(19,769.4)**	**(18,803.9)**
Income from other securities and receivables		250,005.6	139,504.6
Other interest payable and similar income		45,373.7	19,157.7
Write-back of depreciation and provisions		—	1,352.6
Positive translation adjustment		32.7	1.3
Total financial income		**295,412.0**	**160,016.2**
Depreciation, amortisation and provisions for financial items		561.2	561.2
Other interest payable and similar income		37,886.8	17,605.3
Negative translation adjustment		118.1	22.7
Total financial expenses		**38,566.1**	**18,189.2**
Financial result	4.3	**256,845.9**	**141,827.1**
Recurring profit before tax		**237,076.5**	**123,023.2**
Total non-recurring income		11,232.2	9,659.9
Total non-recurring expenses		11,049.6	8,395.9
Non-recurring profit/(loss)	4.4	**182.6**	**1,264.0**
Corporate tax (tax consolidation gains)	4.5	17,378.4	19,103.2
Total income		**360,090.5**	**193,248.9**
Total expenses		**105,453.0**	**49,858.5**
Net profit (loss) for the period		**254,637.5**	**143,390.4**

Contents

NOTES TO THE INDIVIDUAL FINANCIAL STATEMENTS

At 31 December 2023, the Company's name is "Verallia" (hereinafter the "Company") and has been since 20 June 2019. The Company operates a holding activity.

The Company is incorporated for a period of 99 years starting from its registration on 23 June 2015, unless it is dissolved early or extended on the joint decision of its shareholders in accordance with the law and articles of association.

The financial year begins on 1 January and ends on 31 December of each year.

The Company's 2023 annual financial statements were approved by the Board of Directors on 14 February 2024.

The notes below form an integral part of the annual financial statements.

Note 1 – Highlights of the financial year

Repurchase, cancellation and allocation of shares

During the course of 2023, the Company:

- set up a new performance share allocation plan, the "2023-2025 Plan". At 31 December 2023, the number of ordinary shares under this new plan was 297,000;
- allocated 251,893 treasury shares at a unit price of €28.75 to Group employees in March 2022 under the 2021-2022 performance share allocation plan.

The following transactions went ahead on 22 June 2023:

- a capital increase of a total nominal amount of €2,066.7 thousand by issuing a total of 611,445 new ordinary shares in the Company with a nominal value of €3.38 each; the capital increase (share premium included) thus amounted to €18,618.5 thousand;
- the cancellation of 611,445 treasury shares with a nominal value of €3.38 each. The difference between the repurchase value of the cancelled shares and their nominal value constituted a share premium of €17,707.1 thousand counting towards the "Share premium" account.

On completion of these transactions, the share capital amounted to €413,337,438.54 and consisted of 122,289,183 ordinary shares with a nominal value of €3.38 each.

Under the share repurchase programme set up on 7 December 2022 and completed in November 2023, the Company repurchased a total of 1,484,080 shares valued at €50,000 thousand over the duration of the programme. Share repurchases in 2023 totalled 1,217,080 shares valued at €41,666 thousand.

Debt financing

Sustainability-linked bond issuance

At 31 December 2023, the Group had two sustainability-linked bonds which it had issued in 2021 in accordance with the Sustainability-Linked Bond Principles of the International Capital Markets Association: one of a total amount of €500 million with a 7-year maturity (maturing on 14 May 2028) and a coupon of 1.625% per annum, and the other of a total amount of €500 million with a 10-year maturity (maturing on 10 November 2031) and a coupon of 1.875% per annum.

The interest rate may be revised upwards starting from the first interest period following 31 December 2025 and until maturity, depending on the achievement of two sustainability performance targets:

- a reduction in Verallia's annual CO_2 emissions (Scopes 1 and 2) to 2,625 kt CO_2 by 2025 (corresponding to a 15% decrease from its 2019 baseline); and
- an increase in the percentage of external cullet used in its production operations to 59% by 2025 (implying a 10-point increase from 2019).

Failure to meet either of these targets would raise the coupon by 12.5 basis points for the first bond issuance in May 2021 and by 10 basis points for the second bond issuance in November 2021.

Syndicated facility

In April 2023, Verallia arranged a €1.1 billion syndicated facility in the form of:

- a €550 million term loan and
- a €550 million revolving credit facility (RCF) which remained undrawn at 31 December 2023,

in order to refinance in advance its €1 billion syndicated facility which was signed in 2019 by its wholly owned subsidiary Verallia Packaging and scheduled to mature in 2024.

At 31 December 2023, Verallia therefore had a €550 million term loan and a €550 million revolving credit facility (RCF) which remained undrawn.

The new term loan has a four-year maturity with a one-year extension option, while the new RCF has a five-year maturity with two one-year extension options.

The applicable margin on the term loan was initially set at Euribor + 150 basis points with an upward or downward adjustment (margin ratchet) mechanism. The term loan is currently indexed to the 3M Euribor rate.

The terms and conditions applied to these facilities are linked to CSR indicators. These indicators can impact the margins applied upwards or downwards (±1.⅔ bp per indicator) and are linked to the following three objectives: a reduction in the Group's Scope 1 & 2 CO_2 emissions, optimisation of water consumption in Verallia Group plants, and the promotion of diversity and inclusion.

Negotiable European Commercial Paper (NEU CP)

In September 2023, the Verallia Group transferred its short-term financing programme of Negotiable European Commercial Paper (NEU CP) to Verallia, to replace the existing programme held by its wholly owned subsidiary Verallia Packaging.

The NEU CP programme was increased to a maximum principal amount of €500 million versus €400 million previously. The former programme of Verallia Packaging will be turned-off as from the first issuances made by Verallia and will progressively be switched off until its outstanding issuances reached maturity. The new programme will not be rated as the shares and bonds issued by Verallia SA are admitted to trading on the regulated market of Euronext Paris.

At 31 December 2023, outstanding issues amounted to €157.0 million.

Instalment loan from Bpifrance, a Verallia shareholder (related party agreement)

In December 2021, the Company entered into an instalment loan agreement for a total principal amount of €30.0 million with Bpifrance. The loan has been fully drawn; it carries interest at a fixed annual rate of 0.40% and has a 3-year maturity. The amount outstanding at end-December 2023 was €12.5 million.

Dividend payout

The Company's Combined General Shareholders' Meeting of 25 April 2023 voted to pay a cash dividend per share of €1.40. The dividends were paid on 10 May 2023 and amounted to a total of €163,840.6 thousand.

Note 2 – Accounting principles and valuation methods

2.1. Accounting principles

The financial statements were prepared according to the General Chart of Accounts in compliance with Regulation ANC No. 2014-03, the provisions set out in French law and generally accepted accounting principles applied in France.

General accounting conventions were applied, with the principle of prudence being observed based on the following core assumptions:

- that the business is a going concern;
- that accounting policies are consistent from one accounting period to the next;
- that there is a clear cut-off between accounting periods;

and in accordance with the general rules for preparing and presenting annual financial statements.

The basic method used to evaluate accounting items is the historical cost method.

2.2. Main methods used

2.2.1. Financial assets

Equity interests

Equity interests are initially recognised at acquisition cost or transfer value, excluding ancillary expenses.

Periodically, such as at the end of each financial year, securities are compared with their value in use corresponding to what the entity would be prepared to pay out to obtain the equity interest if it were to acquire it at that time.

Estimates of value in use factor in various criteria including the Company's share of equity, the share of consolidated net carrying value and future discounted cash flows based on business plans (or projected long-term budgets), excluding financial expenses but after tax.

An impairment charge is recognised when the value in use of the securities is below their net carrying value. Unrealised capital gains are not recognised. However, any impairment charges recognised are adjusted.

Other long-term investments

Other long-term investments include the treasury shares held by Verallia:

- treasury shares held by the company for cancellation. They are recognised at their acquisition value and are not subject to impairment;
- unallocated treasury shares. They are recognised by applying the FIFO (first-in / first-out) method and are subject to impairment if the average share price for the last month of the financial year is below the carrying value.

2.2.2. Translation of receivables and payables denominated in foreign currencies

Payables and receivables not under any currency risk hedging arrangement appear in the balance sheet at their countervalue based on the year-end exchange rate.

The Company applies Regulation ANC No. 2015-05 relating to futures and hedging operations and applicable to financial years starting from 1 January 2017.

2.2.3. Cash and cash equivalents and bank loans and overdrafts

Cash and cash equivalents comprise securities immediately convertible into cash at their nominal value.

2.2.4. Marketable securities and negotiable debt securities

Treasury shares

Shares purchased to cover the Group's future employee share ownership programmes and performance share allocation plans are recorded as marketable securities.

At the closing date, an impairment test is performed only on treasury shares intended for allocation to employees and not allocated to a specific plan.

An impairment loss is recognised if the inventory value (average share price for the last month of the financial year) is below the carrying value.

Other shares

Shares are recorded at acquisition cost. An impairment loss is recognised if the share price at the end of the financial year is below the carrying value.

2.2.5. Provisions for liabilities and charges

Provisions for liabilities and charges (excluding retirement benefits and long-service awards)

A provision is recognised when the Company has an obligation (legal or implicit) towards a third party resulting from past events that can be reliably estimated and that will probably lead to an outflow of resources.

A provision for liabilities and charges is recorded under the performance share allocation plans benefiting the Group's employees. This provision is calculated based on the likely number of shares that will be awarded to beneficiaries and the entry cost of the shares on the date they are allocated to the performance share allocation plan or the likely repurchase cost measured on the closing date.

Retirement benefits and long-service awards

Retirement benefits are presented as off-balance sheet commitments.

Actuarial estimates of benefits granted are made using the projected unit credit method based on final salaries and pension rights established on the valuation date.

Long-service awards are provisioned in the financial statements.

2.2.6. Tax consolidation

Since 1 July 2015, the Company has been the parent company of a tax group. Since 1 January 2019, this group has consisted of Verallia SA, Verallia Packaging, Verallia France, Everglass, Etablissements René Salomon, Saga Décor and Société Charentaise de Décor;

On 1 January 2023, Thierry Bergeon Embouteillage was incorporated into this tax group.

The consolidation convention applies the principle of tax neutrality for consolidated subsidiaries. In their relations with the consolidating parent company, subsidiaries pay their taxes as if they were taxed individually.

Note 3 – Notes to the balance sheet

3.1. Fixed assets

3.1.1. Table of changes in fixed assets

In thousands of euros	Notes	January 1st, 2023	Increases	Decreases	31 December 2023
GROSS AMOUNT					
Intangible assets (I)		—	—	—	—
Property, plant and equipment (II)		—	—	—	—
- Equity interests	A	665,747.2	—	—	665,747.2
- Other long term securities	B	120,229.0	41,665.6	19,773.7	142,120.9
- Loans	C	1,006,907.1	562,301.9	6,907.1	1,562,301.9
- Other financial assets	D	7,646.1	53,898.4	53,926.3	7,618.2
Financial assets (III)		**1,800,529.4**	**657,865.9**	**80,607.1**	**2,377,788.2**
NON-CURRENT ASSETS (I+II+III)		**1,800,529.4**	**657,865.9**	**80,607.1**	**2,377,788.2**
DEPRECIATION / AMORTIZATION					
Intangible assets (I)		—	—	—	—
Property, plant and equipment (II)		—	—	—	—
- Equity interests		—	—	—	—
- Other long term securities	B	—	—	—	—
- Loans		—	—	—	—
- Other financial assets		—	—	—	—
Financial assets (III)		**—**	**—**	**—**	**—**
DEPRECIATION / AMORTIZATION (I+II+III)		**0.0**	**0.0**	**0.0**	**0.0**
NET VALUE		**1,800,529.4**			**2,377,788.2**

A. At 31 December 2023, equity interests recognised consisted of the shares in Verallia Packaging.

B. Other long-term investments comprised:

- 872,435 treasury shares bought back under the share repurchase programme set up on 7 December 2022. The Company repurchased a total of 1,484,080 shares, of which 267,000 shares in 2022 and 1,217,080 in 2023. As part of the capital reduction, 611,445 shares were cancelled on June 22, 2023 (see Note 1) ;
- 3,668,675 treasury shares bought back on 5 November 2021.

At 31 December 2023, the average share price for the last month of the financial year was above the carrying value, so no impairment provision for shares was recognised.

The net carrying value of these shares at 31 December 2023 was €142,120.8 thousand.

C. Loans consisted of:

- a €500,000.0 thousand loan to the Company's wholly owned subsidiary Verallia Packaging, arranged on 14 May 2021; the loan carries interest at a fixed annual rate of 1.715% and has a 7-year maturity;
- a €500,000.0 thousand loan to the Company's wholly owned subsidiary Verallia Packaging, arranged on 10 November 2021; the loan carries interest at a fixed annual rate of 2.045% and has a 10-year maturity;

Both loans include a mechanism whereby the applicable interest rate can be revised upwards, based on the coupon ratchet mechanism referred to in the documentation relating to the two bond issues mentioned above;

- a €550,000.0 thousand loan to the Company's wholly owned subsidiary Verallia Packaging, arranged on 20 April 2023; the loan carries interest at a floating 3M Euribor rate + 1.63% and has a 4-year maturity, with a one-year extension option

The loan includes a mechanism whereby the applicable interest rate can be revised upwards or downwards, based on the coupon ratchet mechanism referred to in the documentation relating to the arrangement of the term loan mentioned above.

- accrued interest on these loans in the amount of €11,872.3 thousand at 31 December 2023.

D. . Other fixed assets consisted of:

- net merger losses in the amount of €4,292.0 thousand in connection with the merger-acquisition of the Company's subsidiary Horizon Holdings I on 7 October 2019;
- a liquidity agreement which was signed with Rothschild Martin Maurel on 20 December 2019 and took effect on 6 January 2020 before being amended on 9 November 2020 (Note 3.3.3); it includes the resources made available to Rothschild Martin Maurel, i.e. a balance of €3,326.2 thousand at 31 December 2023, as well as treasury shares. Transactions during the period were as follows:
- cumulative purchases of 1,497,625 shares made under the liquidity agreement for a total amount of €53,898.4 thousand;
- cumulative sales of 1,497,625 shares for a total amount of €53,926.3 thousand:

At 31 December 2023, Verallia SA did not own any treasury shares under the liquidity agreement and no impairment provisions were recognised.

3.1.2. Table of subsidiaries and equity interests

Subsidiaries and equity interests	*Gross value of shares held*	*Net value of shares held*	*Loans and advances granted by the Company*	*Guarantees and endorsements given by the Company*	*Net revenue for the last financial year*	*Profit(loss) for the last financial year*	*Dividends received by the Company during the financial year*
Detailed information							
- Subsidiaries (capital ownership >50%)							
Verallia Packaging	665,747.2	665,747.2	—	—	41,126.3	254,637.5	250,005.6
quity interests (capital ownership 10% to 50%)							

The Verallia Packaging subsidiary operates an active holding company activity for the Verallia Group.

3.2. Current assets

In thousands of euros		31.12.2023			31.12.2022
Receivables on current assets	**Notes**	**Maturing in < 1 year**	**Maturing in > 1 year**	**Total**	**Total**
Trade receivables and related accounts		—	—	—	—
Other receivables		329,216.7	7,432.0	336,648.7	114,784.2
State - corporate tax receivable		—	—	0.0	2,109.0
State - other receivables	A	8,659.4	—	8,659.4	1,531.6
Group - tax consolidation current account		—	—	—	—
Group - other receivables	B	320,557.3	7,432.0	327,989.3	111,143.6
Total		**329,216.7**	**7,432.0**	**336,648.7**	**114,784.2**

A. Other receivables (State) corresponded to VAT credits totalling €8,659.4 thousand versus €1,531.6 thousand at 31 December 2022.

Other receivables (Group) amounting to €327,989.3 thousand consisted mainly of:

- the current account forming part of the centralised cash management arrangement with Verallia Packaging in the amount of €306,975.4 thousand;
- the reinvoicing of management fees to subsidiaries in the amount of €9,506.7 thousand;
- the reinvoicing to subsidiaries of shares delivered to their employees under the 2021-2022 performance share allocation plan in the amount of €714.8 thousand.
- accrued receivables in the amount of €10,792.4 thousand relating to the allocation of shares under the 2021-2023, 2022-2024 and 2023-2025 performance share allocation plans.

At 31 December 2023, no impairment provisions were recognised for receivables.

Marketable securities and cash and cash equivalents

In thousands of euros

Investments and Cash and equivalents	Notes	31/12/2023	31/12/2022
Treasury shares pending allocation to employees	A	24,251.2	31,493.1
INVESTMENTS		**24,251.2**	**31,493.1**
Treasury - Current accounts	B	12.1	5,357.4
CASH AND EQUIVALENTS		**12.1**	**5,357.4**
TOTAL		**24,263.3**	**36,850.5**

A. Marketable securities comprise treasury shares held for the purposes of performance share allocation plans. In March 2023, the Company allocated 251,893 shares to Group employees under the 2021-2022 performance share allocation plan.

The balance of marketable securities at 31 December 2023 was €24,251.2 thousand, corresponding to 843,520 shares.

At 31 December 2023, no impairment provisions were recognised.

B. At 31 December 2023, the balance held in cash current accounts was €12.1 thousand.

Expenses allocated over several years

In thousands of euros

	31/12/2023			
Charges to be spread over several periods	**Gross amount**	**Amortisation beginning of year**	**Amortisation of year**	**Net value**
Cost of loan issues SLB May 2021	3,231.8	*754.5*	461.3	2,016.0
Cost of loan issues SLB November 2021	2,956.7	337.6	295.5	2,323.6
Frais d'émission - Emprunt RCF Avril 2023	2,995.2	0.0	424.6	2,570.6
Frais d'émission - Emprunt TLB Avril 2023	2,995.2	0.0	526.3	2,468.9
TOTAL	**12,178.9**	**1,092.1**	**1,707.7**	**9,379.1**

Expenses to be allocated consisted of:

- bond issuance costs under the financing arrangements made in May 2021 and November 2021;
- issuance costs for the new borrowings contracted in April 2023 (cf. Note 1): Term Loan B and the Revolving Credit Facility (RCF).

The Company has decided to apportion these costs over the duration of the bank financing arrangements.

At 31 December 2023, the amount remaining to be amortised was €9,379.1 thousand

Bond issuance premium

In thousands of euros

	31/12/2023			
Issuance premiums	**Gross amount**	**Amortisation beginning of year**	**Amortisation of year**	**Net value**
Issuance premiums - SLB November 2021	5,615.0	641.1	561.2	4,412.7
TOTAL	**5,615.0**	**641.1**	**561.2**	**4,412.7**

The premium is apportioned over the duration of the bond based on the preferred method provided for ANC regulation n° 2014-03, and has so a corresponding amortisation charge of €561.2 thousand was recognised in financial year 2023, bringing the net carrying value of premiums to €4,412.7 thousand at 31 December 2023.

3.3. Equity

3.3.1. Composition of the share capital

(in €)	Number of shares	Face value	Share capital
31 December 2022	**122,289,183**	**3.38**	**413,337,439**
Capital Increase / Issue of ordinary share (22 June 2023)	611,445	3.38	2,066,684
Capital Decrease / Cancellation of treasury shares (22 June 2023)	(611,445)	3.38	(2,066,684)
31 December 2023	**122,289,183**	**3.38**	**413,337,439**

At 31 December 2023, the share capital amounted to €413,337.4 thousand and consisted of 122,289,183 ordinary shares with a nominal value of €3.38 each.

Capital increase reserved for members of the Group Savings Plan

A capital increase of a nominal amount of €2,066,684.10 was carried out on 22 June 2023 by issuing 611,445 ordinary shares with a nominal value of €3.38 each; the capital increase (share premium included) thus amounted to €18,618,500.25 in total.

Capital reduction by way of a cancellation of treasury shares

Concurrently, on 22 June 2023, a capital reduction was carried out by cancelling 611,445 treasury shares of a nominal value of €3.38 each acquired under the share repurchase programme. The share capital was thus reduced by a total amount of €2,066.7 thousand.

The difference between the repurchase value of the cancelled shares and their nominal value constituted a share premium of €17,707.1 thousand counting towards the "Share premium" account.

3.3.2. Change in equity

In thousands of euros	Share capital	Premiums	Profit (loss) & Other	Equity
31 December 2022	**413,337.4**	**133,920.0**	**357,006.6**	**904,264.1**
Capital increase / Increase in nominal value (22 June 2023)	2,066.7	16,551.8	—	18,618.5
Capital decrease / Cancellation of treasury shares (22 June 2023)	(2,066.7)	(17,707.1)		(19,773.8)
Income Approbation (25 April 2023)	—	—	(163,840.6)	(163,840.6)
Net profit (loss) for the period	—	—	254,637.5	254,637.5
31 December 2023	**413,337.4**	**132,764.7**	**447,803.5**	**993,905.8**

Details about changes in the share capital appear in Section 3.3.1.

3.3.3 Liquidity agreement

On 20 December 2019, the Company signed an AMAFI liquidity agreement with Rothschild Martin Maurel for market-making purposes with respect to its own shares on the regulated market of Euronext Paris. This liquidity agreement took effect on 6 January 2020 for an initial term of 12 months, renewable by tacit agreement for successive 12-month periods. Implementation of the agreement involved €2,500,000 being credited to the liquidity account.

An amendment to the liquidity agreement was signed on 9 November 2020 to increase the amount allocated to the liquidity account to €3,400,000 (Note 3.1.1).

The Company purchased 1,497,625 shares and sold 1,497,625 shares under the liquidity agreement over the course of 2023.

3.4 Provisions for liabilities and charges

The provision for charges amounted to €13,342.3 thousand at 31 December 2023 and consisted mainly of provisions for performance share allocation plans in the amount of €13,341.8 thousand.

The provision for tax risk in the amount of €195.1 thousand was fully reversed in 2023.

3.5 Liabilities

In thousands of euros		31.12.2023				31.12.2022
Liabilities	**Notes**	**Maturity 0 to 1 year**	**Maturity 1 to 5 years**	**Maturity > 5 years**	**Total**	**Total**
Borrowings and similar liabilities	A	180,392.5	1,050,000.0	500,000.0	1,730,392.5	1,029,022.7
Trade payables and related accounts	B	2,085.6	—	—	2,085.6	2,054.3
Tax and social security liabilities	C	6,290.9	—	—	6,290.9	3,645.8
Other liabilities	D	6,581.7	—	—	6,581.7	7,567.7
Total		**195,350.7**	**1,050,000.0**	**500,000.0**	**1,745,350.7**	**1,042,290.5**
Borrowings reimbursed over the year		742,000.0				
Borrowings reimbursed over the year		45,000.0				

A. Borrowings and similar liabilities comprised:

- sustainability-linked bonds issued in May 2021 in the amount of €500,000.0 thousand (cf. Note 1);
- sustainability-linked bonds issued in November 2021 in the amount of €500,000.0 thousand (cf. Note 1);
- the term loan arranged in April 2023 in the amount of €550,000.0 thousand (see note on "Highlights of the financial year");
- the Bpifrance loan contracted in December 2021 in the amount of €30,000.0 thousand (see note on "Highlights of the financial year"). A total amount of €10,000.0 thousand was reimbursed over the course of the financial year. The amount outstanding at end-December 2023 was €12,500.0 thousand;
- paper issued under the short-term financing programme of Negotiable European Commercial Paper (NEU CP) transferred from Verallia Packaging to Verallia on 28 September 2023 (see note on "Highlights of the financial year"). The amount outstanding at end-December 2023 was €157,000.0 thousand;
- accrued interest on these borrowings in the amount of €10,892.5 thousand at 31 December 2023.

B. At 31 December 2023, trade payables and related accounts amounted to a total of €2,085.6 thousand, of which €1,293.3 thousand of provisions for miscellaneous fees and external services.

C. At 31 December 2023, tax and social security liabilities totalled €6,290.9 thousand; they mainly consisted of liabilities relating to Company employees and corporate officers in the amount of €3,387.9 thousand, corporate tax of €2,373.6 thousand and other tax liabilities in the amount of €529.4 thousand.

D. Other liabilities of a total amount of €6,581.7 thousand comprised intragroup liabilities, of which:

- current accounts for management fees and services reinvoiced to Verallia Packaging and subsidiaries in the amount of €5,449.7 thousand;

the tax consolidation current account in the amount of €1,132.0 thousand (see Section 2.2.6).

Note 4 – Notes to the statement of income

4.1 Revenue

Revenue came to €41,126.3 thousand in 2023 versus €4,469.6 thousand in 2022.

The reinvoicing of management fees to all subsidiaries has been centralised with the Company since January 2023.

The Company's revenue growth between 2022 and 2023 was mostly attributable to said reinvoicing.

4.2 Operating profit/(loss)

The operating result came to €(19,769.4) thousand in 2023 versus €(18,803.9) thousand in 2022.

It consisted mainly of the following:

- the reinvoicing of management fees to subsidiaries in the amount of €41,082.4 thousand in 2023;
- the reinvoicing of services by Verallia Packaging in the amount of €(42,929.0) thousand in 2023;
- bank fees and commissions relating to the arrangement of loans, syndicated facilities (Term Loan B) and the revolving credit facility (RCF) in the total amount of €(7,233.4) thousand;
- adjustment of the tax expense relating to the VAT coefficient applied in 2023 to 2022, representing a gain of €838.7 thousand;
- the incorporation of expenses relating to performance share allocation plans (2021-2022, 2021-2023, 2022-2024 and 2023-2025) in the amount of €(2,151.2) thousand;
- the amortisation of acquisition costs relating to the various debt financing arrangements made in the amount of €(1,707.7) thousand.

4.3 Financial income/(expense)

The financial result came to €256,845.9 thousand in 2023 versus €141,827.0 thousand in 2022.

It consisted of the following:

- financial income of €295,412.0 thousand in 2023, including €250,005.6 thousand from the dividend payments received from the Verallia Packaging subsidiary;
- interest income on sustainability-linked bonds in the amount of €18,781.1 thousand, interest on the Term Loan in the amount of €19,756.0 thousand, and interest on the current account (cash management centralised with Verallia Packaging) in the amount of €5,386.4 thousand;
- financial expenses of €38,566.0 thousand in 2023 versus €18,189.1 thousand in 2022. The increase due to interest expenses on new loans in the amount of €20,338.3 thousand (TLB Term Loan and NEU CP).

4.4 Non-recurring profit/(loss)

The non-recurring result came to €182.6 thousand in 2023 versus €1,264.0 thousand in 2022. The change was mostly the result of non-recurring expenses in the amount of €11,049.6 thousand related to performance share allocation plans for Group employees and set against non-recurring income related to reinvoicing in the amount of €11,232.2 thousand as these expenses will be reinvoiced to the subsidiaries concerned.

4.5 Taxes

At 31 December 2023, Verallia SA recognised a net corporate tax gain of €17,378.4 thousand under the French tax consolidation regime, of which a research tax credit of €1,061.7 thousand.

In the absence of any tax consolidation, the Company would have recognised tax in the amount of €78.2 thousand.

Note 5 – Off-balance sheet commitments

5.1. Pensions

The Company's commitments relating to retirement benefits are not provisioned.

These commitments totalled €1 thousand at 31 December 2023 versus €16.0 thousand in 2022.

5.2. Other commitments

5.2.1. Commitments given

As part of the refinancing of the senior facilities agreement arranged by Verallia Packaging in 2019 (the "2019 Facilities Agreement") (see note on "Highlights of the financial year"), the guarantee granted by the Company and by the Group's other companies adhering to the 2019 Facilities Agreement (i.e. Verallia France, Verallia Italia, Verallia Brasil, Verallia Spain, Verallia Portugal and Verallia Deutschland) for the payment and repayment obligations of Verallia Packaging and of the Group's other companies that had adhered to the 2019 Facilities Agreement, for a maximum principal amount of €2.0 billion (plus interest, fees and commissions) and within the legal and contractual limits set out in the 2019 Facilities Agreement, was lifted in full.

5.2.2. Commitments received

The sustainability-linked bonds issued in 2021 were under a joint and several guarantee provided by Verallia Packaging on Verallia's liabilities in respect of these bonds. The prospectuses also included the possibility of lifting the guarantee, for instance if the syndicated facility signed on 17 July 2019 was refinanced with an unsecured bank loan taken on by Verallia. The guarantee was therefore lifted after the syndicated facility signed on 17 July 2019 was refinanced by way of the facilities agreement signed by Verallia in April 2023 as described in the note on "Highlights of the financial year".

The instalment loan contracted by Verallia from Bpifrance was under a guarantee provided by Verallia Packaging on Verallia's liabilities in respect of the Bpifrance loan. The loan agreement included the possibility of lifting this guarantee, for instance if the syndicated facility signed on 17 July 2019 was refinanced with an unsecured bank loan taken on by Verallia. The guarantee was therefore lifted after the syndicated facility signed on 17 July 2019 was refinanced by way of the syndicated facilities agreement signed by Verallia in April 2023.

Verallia also received financial commitments in the amount of €550.0 million at 31 December 2023 related to a €550 million revolving credit facility (RCF) arranged in April 2023 (cf. Note 1).

Note 6 – Other information

6.1. Workforce

The Company had four employees and two corporate officers at 31 December 2023 versus three employees and two corporate officers at 31 December 2022.

6.2. Compensation of board members

The compensation of members of the Board of Directors (attendance fees) corresponds to the amounts recorded in the statement of income over the period.
Attendance fees allocated to non-executive directors in respect of their terms of office at Verallia SA amounted to €455.5 thousand versus €446.6 thousand in 2022.

Note 7 – Events after the closing date

None.

6.4. Payment times and five years summary

Information on payment times for suppliers and customers

In accordance with Articles L. 441-6-1, D. 441-1 and D. 441-6 of the French Commercial Code, information about payment deadlines applicable to suppliers and customers is presented below:

	Article D.441 I. -1°: Invoices received not paid						Article D.0.I.-2°: Issued invoices not paid					
(in € million)	**0 day (area code)**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**Beyond 90 days**	**Total (1 day and more)**	**0 day (area code)**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**Beyond 90 days**	**Total (1 day and more)**
(A) Late payment instalments												
Number of invoices concerned	8	41	15	—	—	56	—	—	—	—	3	3
Total amount of invoices concerned (including VAT)	9.2	5,219.5	607.8	—	—	5,827.3	—	—	—	—	409.7	409.7
Percentage of the total amount of the invoices concerned (including VAT)	0,00%	8.60%	1.00%	0,00%	0,00%	9.60%	—	—	—	—	—	—
Percentage of revenue for the year (including VAT)	—	—	—	—	—	—	0,00%	0.00%	0.00%	0,00%	0.86%	0.86%
(B) Invoices excluded from (A) relating to debts or receivables that are contentious or not recorded in the accounts												
Total number of invoices excluded	—	—	—	—	—	—	—	—	—	—	—	—
Total amount of excluded invoices (including VAT)	—	—	—	—	—	—	—	—	—	—	—	—
(C) Reference terms of payment used (contractual or legal period – Article L.41-6 or Article L.43-1 of the French Commercial Code												
Payment terms used to calculate late payments	Contractual periods: cash, 30 days end of month on the 1st / 15th Legal terms: 45 days						Contractual terms: not applicable Legal terms: not applicable					

Results for the last five years

Description	31 December 2019	31 December 2020	31 December 2021	31 December 2022	31 December 2023
Capital at year end					
Share capital (en euros)	400,171,524	416,662,128	413,337,439	413,337,439	413,337,439
Number of ordinary shares oustanding	118,393,942	123,272,819	122,289,183	122,289,183	122,289,183
Number of convertibles bonds outstanding	0.00	0.00	0.00	0.00	0.00
II - Operations and earning (in millions of euros)					
Revenues before sales tax	0.00	2,469.0	875.1	4,469.6	41,126.3
Income before income tax, amortization and provisions	10,191	127,188	152,538	123,743	237,096
Income tax	25,796	18,890	17,645	19,103	17,378
Income after income tax but before amortization and provisions	35,987	146,059	170,183	142,846	254,474
Income after income tax, amortization and provisions	35,985	146,058	152,131	143,390	254,638
Net income distributed	—	114,177	122,737	163,841	262,922*
III - Earnings per share (in euros)					
Income after tax but before depreciation, amortization and provisions	0.30	1.18	1.39	1.17	2.08
Income after tax, amortization and provisions	0.30	1.18	1.24	1.17	2.08
Dividend paid per share	0.85	0.95	1.05	1.40	2.15*
IV - Employees (in millions of euros)					
Number of employees	2	3	3	3	4
Total payroll costs for the period	252	1,918	4,500	3,277	4,085
Employee benefits expense	93	339	1,634	1,083	1,478

*Subject to approval by the Company's General Shareholders' Meeting scheduled for 26 April 2024.

6.5. Statutory Auditors' report on the parent company financial statements for the year ended 31 December 2023

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the General Annual Meeting,

Opinion

In compliance with the engagement entrusted to us by your General Shareholders' Meeting, and by the decision of the sole shareholder,, we have audited the accompanying financial statements of Verallia SA for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (Code de commerce) and the French Code of Ethics *(Code de déontologie)*

for Statutory Auditors for the period from 1 January 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

Measurement of investments in subsidiaries

Description of risk

Investments in subsidiaries are initially recognised at cost or at their value in use.

A provision for impairment is recognised when the value in use of the securities is less than their net carrying amount. The estimate of value in use takes into account various criteria, including the Company's share of equity, consolidated net assets and discounted future cash flows on the basis of business plans (or long-term forecast budgets) excluding interest and after tax, as described in Note 2.2.1. "Financial assets" to the financial statements in the section entitled "Investments".

At 31 December 2023, they comprise shares in Verallia Packaging, which are recorded in the balance sheet for an amount of €666 million, i.e., 24% of total assets.

The valuation of these investments in subsidiaries, which requires management to exercise its judgement in selecting the items to be considered and the assumptions used, is sensitive to the economic environment and the uncertainty inherent in evaluating future prospects and is a determining factor in assessing Verallia's financial position, assets and liabilities.

We therefore deemed the measurement of investments in subsidiaries to be a key audit matter.

How our audit addressed this risk

On the basis of the information provided to us, we verified that the estimated value of these investments in subsidiaries determined by management were based on an appropriate measurement method and underlying data.

Our work consisted primarily in verifying that management's estimate of value in use

was based on:

(a) enterprise values determined on the basis of the same assumptions as those used for the impairment tests carried out by the Group within the scope of the operations of the subsidiary Verallia Packaging and the subsidiaries that it holds directly or indirectly, ly, and

(b) consolidated net debt within this scope.

We have assessed the appropriateness of the approach used by management to assess the value in use of Verallia Packaging shares.

We also ensured that the value in use was consistent with the Group's stock market capitalisation.

Lastly, we examined the appropriateness of the disclosures in the notes to the financial statements.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in article D.441-6 of the French Commercial Code.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of article L.22-10-9 of the French Commercial Code relating to remuneration and benefits paid or awarded to corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements, and, where applicable, with the information obtained by the Company from controlled companies within its scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information given in accordance with the requirements of article L.22-10-11 of the French Commercial Code relating to those items the Company has deemed liable to have an impact in the event of a takeover bid or exchange offer, we have verified its consistency with the underlying documents that were disclosed to us. Based on this work, we have no matters to report with regard to this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Format of the presentation of the financial statements intended to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the annual financial report referred to in paragraph I of article L.451-1-2 of the French Monetary and Financial Code *(Code monétaire et financier)* and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Verallia SA in the Articles of Association dated 18 June 2015 for PricewaterhouseCoopers Audit and by a decision of the sole shareholder of 24 July 2019 for BM&A.

At 31 December 2023, PricewaterhouseCoopers Audit and BM&A were in the ninth and the fifth consecutive year of their engagement, respectively, and the fifth year since the Company's securities were admitted to trading on a regulated market.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris, 14 February 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	BM&A
Nicolas Brunetaud	Eric Seyvos

7

INFORMATION ABOUT THE COMPANY, ITS SHARE CAPITAL AND OWNERSHIP STRUCTURE

7.1. Legal information

7.1.1. Company name

At the date of this Universal Registration Document, the Company's legal name is "Verallia".

7.1.2. Place of registration and registration number

The Company is registered with the Nanterre Trade and Companies Register under number 812 163 913.

7.1.3. Date of incorporation and term of the Company

The Company has been incorporated for a period of 99 years from its registration on 23 June 2015, subject to early wound up early or extension of its term by a collective decision of its shareholders in accordance with the law and its articles of association.

Its financial year begins on 1 January and ends on 31 December of each year.

7.1.4. Registered office, legal form and governing laws

The Company's registered office is located at 31, Place des Corolles, Tour Carpe Diem, Esplanade Nord, 92400 Courbevoie, France. The telephone number of the registered office is +33 1 71 13 11 00.

At the date of this Universal Registration Document, the Company is a French public limited company (société anonyme).

The address of the Company's website is: www.verallia.com. The information provided on the Company's website does not form part of this Universal Registration Document.

7.1.5. Memorandum and articles of association

7.1.5.1. Object

The Company's object, in France and other countries, is as follows:

- the purchase, subscription, holding, management, transfer or contribution of shares or other transferable securities in all French and foreign companies;
- any provision of services and advice in the fields of human resources, information technology, management, communication, finance, law, marketing and purchasing for its subsidiaries and holdings;
- the ownership, management and exploitation of the Company's trademarks, patents and intellectual property rights and those of its subsidiaries and holdings;
- the provision of any type of financial assistance as group finance company to companies within the same corporate group as the Company;
- the granting of any surety bonds or guarantees for the benefit of any company in its group or within the normal course of business of any company in its group;
- and in general, any transaction, whether financial, commercial, industrial or civil, and any transactions involving movable or immovable property, directly or indirectly related to the above-mentioned objects and to any similar or connected objects, that may directly or indirectly promote the objectives pursued by the Company, its expansion or its development and its assets.

7.1.5.2. Provisions of the articles of association relating to administrative and management bodies

The description below summarises the main provisions of the articles of association relating to the Board of Directors, in particular its operation procedures and powers.

(a) Board of Directors (Articles 15, 16 and 17 of the articles of association)

Composition

The Company will be managed by a Board of Directors with at least three members and no more than eighteen members, subject to the exceptions permitted by law.

The Board of Directors may appoint one or more non-voting members; however, it may not have more than two non-voting members. Non-voting members may be individuals or legal persons, but need not be shareholders. The term of office of non-voting members shall be four years, unless they resign or the Board of Directors decides to terminate their appointment in advance. The duties of non-voting members, including any compensation, shall be decided by the Board of Directors. Non-voting members shall be eligible for re-election. They shall be invited to meetings of the Board of Directors and shall participate in discussions in an advisory capacity.

Appointment

During the Company's term, Directors shall be appointed, re-elected or removed from office under the conditions laid down by applicable laws and regulations and by the articles of association.

Duties

Directors shall serve a four-year term of office. Exceptionally, in order to implement or maintain the principle of renewing the Board of Directors on a staggered basis, they may be elected for a different term of no more than four years or have their term reduced to less than four years.

Directors will be eligible for re-election. They may be removed at any time by the shareholders at an ordinary general meeting.

Directors must not be more than 75 years of age (it being specified that the number of directors who are over the age of 70 may not exceed one third of the directors in office) and shall be subject to applicable laws and regulations on holding multiple mandates.

Identity of Directors

Directors may be natural persons or legal persons. Upon being appointed, legal persons shall appoint a permanent representative who will be subject to the same conditions and requirements and have the same responsibilities as if he or she were a director in his or her own right, without prejudice to the joint and several liability of the legal person he or she represents.

The term of office of the permanent representative will be the same as that of the legal person he or she represents.

If the legal person revokes the mandate of its permanent representative, it will be required to inform the Company of such revocation immediately by registered letter, together with the name of its new permanent representative. The same will apply in the event of the death, resignation or prolonged incapacity of the permanent representative.

Employee-representative directors

In accordance with the provisions of Article L. 225-27-1 of the French Commercial Code, the Board of Directors shall include an employee-representative director. This Director will be elected from the employees of the Company and its direct or indirect subsidiaries whose registered offices are in France, subject to the conditions laid down in Article L. 225-28 of the French Commercial Code.

If the number of members of the Board of Directors exceeds the number of directors referred to in the first paragraph of Article L. 225-27-1-II of the French Commercial Code, and provided that this criterion is still met on the date of the appointment, a second employee-representative director will be appointed by the European Works Council.

The employee-representative directors shall be appointed for a four-year term expiring at the end of the shareholders' general meeting which voted on the financial statements for the previous financial year, held in the year in which their term of office expires. The term of office of employee-representative directors is renewable.

Directors representing employee shareholders

When the report presented annually by the Board of Directors at the general meeting pursuant to Article L. 225-102 of the French Commercial Code shows that the shares held by employees of the Company, as well as by its affiliates within the meaning of Article L. 225-180 of the French Commercial Code, represent more than 3% of the Company's share capital, a director shall be appointed by the shareholders at an ordinary general meeting to represent the employee shareholders, in accordance with the procedures laid down by applicable laws and regulations and by the Company's articles of association.

The director representing the employee shareholders shall be appointed for a four-year term expiring at the end of the shareholders' general meeting which voted on the financial statements for the previous financial year, held in the year in which his or her term of office expires. However, the term of office shall automatically be terminated and the director representing the employee shareholders shall be deemed to have resigned automatically in the event that he or she ceases to be an employee of the Company (or of an affiliated company within the meaning of Article L. 225-180 of the French Commercial Code) or a shareholder (or a member of the FCPE (employee investment fund) that holds shares in the Company).

These provisions shall cease to apply if, at the end of a financial year, the percentage of the share capital held by the Company's employees, as well as by its affiliates within the meaning of Article L. 225-180 of the French Commercial Code, represents less than 3% of the share capital, it being specified that the office of any director appointed pursuant to the above provisions shall expire at the end of its term.

Chairman of the Board of Directors

The Board of Directors shall elect one of its members as Chairman, who must be a natural person.

The Chairman shall be appointed for the length of his or her term of office as a director. He or she is eligible for re-election.

Resolutions of the Board of Directors

The Board of Directors shall carry out the duties and exercise the powers conferred on it by law, the Company's articles of association and the internal rules of the Board of Directors. The Board of Directors shall determine and monitor the implementation of the Company's overall business strategy. It shall examine any and all matters pertaining to the efficient operation of the Company and make decisions about any and all issues concerning the Company, within the limits of the Company's corporate purpose and, except for those issues that, by law, can only be decided upon by shareholders at a general meeting. The Board of Directors shall carry out any inspections and audits it deems necessary.

The Board of Directors shall be convened by the Chairman or by one of its members as often as the interests of the Company so require, it being specified that the frequency and duration of meetings of the Board of Directors shall be such as to permit a thorough examination and discussion of the matters within the Board's remit.

The Board of Directors may deliberate validly, even without being formally convened, if all members are present or represented.

Certain decisions of the Board of Directors may be made by written consultation of the directors, in accordance with applicable laws and regulations.

At least half of the Board members must be present for decisions made at Board meetings to be valid. Decisions will be made by a simple majority of the directors present or represented. In the event of a tied vote, the Chairman of the meeting shall have a casting vote.

(b) Executive management (Article 18 of the articles of association)

Management model

The Company's executive management shall be the responsibility either of the Chairman of the Board of Directors or of another individual appointed by the Board of Directors (from among its members), who shall have the title of Chief Executive Officer.

The Board of Directors may choose between these two executive management models at any time, and at least upon the expiration of the term of office of the Chief Executive Officer or the term of office of the Chairman of the Board of Directors, if the Chairman is also responsible for the executive management of the Company.

Shareholders and third parties will be informed of this choice in the manner required by law.

If responsibility for the Company's executive management is assumed by the Chairman of the Board of Directors, the provisions that follow regarding the Chief Executive Officer shall also apply to the Chairman. He or she will then have the title of Chairman and Chief Executive Officer.

Executive management

Following a proposal from the Chief Executive Officer, the Board of Directors may appoint one or more individuals to assist the Chief Executive Officer, who will have the title of Deputy Chief Executive Officer.

The Company may not have more than two Deputy Chief Executive Officers.

Age limit – Term of office – Compensation

The Chief Executive Officer and the Deputy Chief Executive Officers may not be more than 65 years of age.

The term of office of the Chief Executive Officer or Deputy Chief Executive Officers shall be determined upon their appointment, but may not exceed their term of office as a director, where applicable.

Removal from office

The Chief Executive Officer may be removed from office by the Board of Directors at any time. The same shall apply, following a proposal from the Chief Executive Officer, to the Deputy Chief Executive Officers.

If the Chief Executive Officer ceases or becomes unable to carry out his or her duties, the Deputy Chief Executive Officers will retain their duties and powers until the new Chief Executive Officer is appointed, unless otherwise decided by the Board.

The Board of Directors shall determine the compensation of the Chief Executive Officer and the Deputy Chief Executive Officers.

Powers of the Chief Executive Officer and Deputy Chief Executive Officers

The Chief Executive Officer is fully empowered to act on behalf of the Company in any and all circumstances. The Chief Executive Officer shall exercise those powers subject to the limits imposed by the Company's objects and subject to the powers expressly reserved by law for shareholders' general meetings and for the Board of Directors.

He or she represents the Company in its dealings with third parties. The Company will be bound by the actions of the Chief Executive Officer even if such actions fall outside the Company’s corporate purpose, unless the Company is able to prove that a third party knew that the action in question fell outside the Company’s corporate purpose or had constructive knowledge thereof in view of the circumstances. The publication of the articles of association alone may not be deemed to constitute evidence of such knowledge.

Decisions of the Board of Directors limiting the powers of the Chief Executive Officer will not be binding on third parties.

The Board of Directors shall, jointly with the Chief Executive Officer, determine the scope and duration of the powers granted to the Deputy Chief Executive Officers. The Deputy Chief Executive Officers shall have the same powers with respect to third parties as the Chief Executive Officer.

The Chief Executive Officer or the Deputy Chief Executive Officers may, within the limits set by applicable laws, delegate such powers as they deem appropriate, for one or more specified purposes, to any representatives, even outside the Company, individually or meeting as a committee or commission, with or without the right of substitution, subject to the limitations provided for by law. Such powers may be permanent or temporary, and may or may not include the right of substitution. Any authority thus delegated shall remain in full effect notwithstanding the expiration of the term of office of the person that granted them.

7.1.5.3. Rights, privileges and restrictions attached to the shares (Articles 10, 11, 12 and 13 of the articles of association)

Fully paid-up ordinary shares will be in registered or bearer form, at the shareholder’s option, under the conditions laid down by applicable regulations.

Each share entitles its holder to a share of the Company’s profits and net assets in proportion to the percentage of the share capital it represents. In addition, each share carries the right to vote and the right to be represented at general meetings, in accordance with the law and the articles of association.

Fully paid-up registered shares that have been continuously held by the same shareholder for a minimum period of two (2) years entitle their holder to double voting rights.

Pursuant to the second paragraph of Article L. 225-123 of the French Commercial Code, in the event of a share capital increase through the capitalisation of reserves, profits or issue premiums, double voting rights shall be granted, on issue, to holders of the new shares granted free of charge to shareholders on the basis of his or her existing shares that carry double voting rights.
Such double voting rights may be exercised at any general meeting.

The double voting rights will automatically lapse when the shares are converted to bearer shares or ownership is transferred.

Shareholders shall only be responsible for losses up to the amount of their contributions.

The rights and obligations attached to shares will be transferred to the new owner in the event of a change of ownership. Ownership of a share is deemed to imply acceptance of the articles of association and of the decisions made at general meetings.

Whenever it is necessary to hold several shares in order to exercise a particular right, holders of single shares or of fewer shares than the required number will have no rights against the Company, the shareholders being responsible in this case for forming a consortium representing the necessary number of shares.

The Company regards its shares as indivisible.

Co-owners of shares will be represented at general meetings by one of the co-owners or by a sole representative. In the event of a disagreement, the representative will be appointed by a court of law at the request of the first co-owner to take action.

If the shares are subject to *usufruit* (a life interest), their book entry will mention the existence of the *usufruit*. Unless otherwise agreed and notified to the Company by registered letter with acknowledgement of receipt, the voting right will belong to the *usufruitier* (holder of the life interest) at ordinary general meetings and to the *nu-propriétaire* (remainderman) at extraordinary general meetings.

Registered and bearer ordinary shares will be freely negotiable, unless otherwise provided by laws or regulations. Shares will be recorded in book-entry form. The sale of shares to the Company or third parties will take place by account transfer, in accordance with the terms defined by applicable laws and regulations.

7.1.5.4. Modifications of share capital and rights attached to the shares

Unless otherwise stated in the articles of association, changes to the rights attached to the shares will be subject to statutory provisions.

7.1.5.5. General meetings (Article 19 of the articles of association)

Notice of meetings and place of meeting

General meetings will be convened in accordance with the conditions, forms and time frames provided for by law.

They will be held at the Company's registered office or at any other place stated in the meeting notice.

Agenda

The agenda for the meeting will be included in the meeting notice and shall be set by the person calling the meeting.

The shareholders' general meeting may only discuss matters included on the agenda. They may, however, in all circumstances, remove one or more directors from office and replace them.

One or more shareholders, representing no less than the percentage of the share capital required by law, and acting in accordance with the conditions and within the deadlines provided for by law, may request that draft resolutions be included on the agenda.

Access to general meetings

All shareholders will have the right to attend general meetings and to participate in discussions, either in person or by proxy.

All shareholders may participate in general meetings, in person or by proxy, in accordance with applicable regulations, subject to providing evidence of their identity and ownership of their securities in book-entry form under the conditions laid down in applicable laws and regulations.

If the Board of Directors authorises the use of telecommunication methods, as published in the meeting notice or the convening notice, shareholders who participate in the general meeting by video-conference or by telecommunication methods, including the internet, enabling them to be identified under the conditions laid down by applicable regulations, will be deemed present for the purpose of calculating the quorum and majority.

Any shareholder may vote by post or by proxy in accordance with applicable regulations using a form issued by the Company and sent to the Company under the conditions laid down in applicable regulations, including by electronic methods, if authorised by the Board of Directors. That form must be received by the Company in accordance with applicable regulations for it to be taken into account.

The minutes of general meetings will be drawn up and copies shall be certified and issued in accordance with applicable regulations.

The legal representatives of shareholders without legal capacity and natural persons representing corporate shareholders may attend meetings, whether or not they personally are shareholders.

Attendance register, officers, minutes

An attendance register will be kept at each general meeting containing the information required by law.

General meetings will be chaired by the Chairman of the Board of Directors or, in his/her absence, by a director specially appointed for this purpose by the Board. Failing this, the general meeting shall elect its own chair.

The role of vote teller (*scrutateur*) will be carried out by the two members of the general meeting, present and accepting this role, who have the most votes either personally or as proxies.

The meeting officers will appoint a secretary, who need not be a shareholder.

The meeting officers will have the task of verifying, certifying and signing the attendance register, ensuring that the meeting takes place in an orderly fashion, resolving matters that arise during the meeting, monitoring the voting process, ensuring that it is properly applied, and overseeing the drafting of the minutes.

Minutes of shareholders' general meetings and copies or extracts of such minutes are prepared, and certified copies are made in accordance with applicable regulations.

Ordinary general meetings

Ordinary general meetings are meetings at which shareholders are asked to pass resolutions that do not have the effect of amending the articles of association. Ordinary general meetings shall be held at least once a year, within six months of each financial year-end, to approve the financial statements for that financial year and the consolidated financial statements.

They will only be deemed to be quorate when first called if the shareholders present or represented, or having voted by post, hold at least one fifth of the shares with voting rights. No quorum is required when a meeting is convened for a second time.

Resolutions shall be passed by a majority of the votes of the shareholders present or represented or who voted by post.

Extraordinary general meetings

Shareholders are only authorised to amend the provisions of the articles of association at extraordinary general meetings. However, resolutions passed at extraordinary general meetings may not increase the commitments of shareholders, except in the context of transactions resulting from a reverse share split lawfully carried out.

Extraordinary general meetings shall only be quorate if the shareholders present, represented or having voted by post hold at least one quarter of the voting shares at first call and one fifth of the voting shares at second call. If this second quorum is not reached, the second meeting may be postponed until a later date, which must fall no more than two months after the date on which it was originally convened.

Resolutions shall be passed by a two-thirds majority of the votes of the shareholders present, represented or having voted by post.

However, resolutions passed at extraordinary general meetings may not under any circumstances, except by unanimous agreement of the shareholders, increase the commitments of shareholders, nor interfere with the equality of their rights.

7.1.5.6. Provisions that delay, postpone or prevent a change of control of the Company

The articles of association contain no provisions that delay, postpone or prevent a change of control of the Company.

7.1.5.7. Ownership threshold disclosures and identification of shareholders (Article 14 of the articles of association)

While the Company's shares are admitted to trading on a regulated market, in addition to the ownership threshold disclosures expressly provided for by applicable laws and regulations, any natural or legal person who directly or indirectly holds, alone or in concert, a percentage of the share capital or voting rights (calculated in accordance with the provisions of Articles L. 233-7 and L. 233-9 of the French Commercial Code and the provisions of the French Financial Markets Authority's General Regulation) equal to or greater than 1% of the share capital or voting rights, or any multiple thereof, even if above the thresholds set by law and regulations, shall notify the Company of the total number of (i) shares and voting rights that he or she holds, directly or indirectly, alone or in concert, (ii) securities giving access in the future to the Company's capital that he or she owns, directly or indirectly, alone or in concert, and the voting rights potentially attached thereto, and (iii) existing shares in issue that such person may acquire under agreements or financial instruments referred to in Article L. 211-1 of the French Monetary and Financial Code. Such notification must be made by registered letter with acknowledgement of receipt within four trading days of the relevant threshold being breached.

The shareholder will also be required to inform the Company, within the same time frame and under the same conditions, if his or her interest in the share capital or voting rights falls below one of the above-mentioned thresholds.

In the event of non-compliance with the threshold disclosure requirement referred to above and at the request, recorded in the minutes of the general meeting, of one or more shareholders representing at least 3% of the Company's share capital or voting rights, the shares exceeding the percentage that should have been disclosed shall be deprived of voting rights for a period of two years following the date of disclosure.

The Company reserves the right to inform the public and shareholders either of the information disclosed to it or of the failure of the person in question to comply with the above-mentioned requirement.

7.1.5.8. Identification of securities holders (Article 10 of the articles of association)

While the Company's shares are admitted to trading on a regulated market, the Company is entitled to require holders of securities conferring voting rights immediately or in the future at its shareholders' meetings to be identified, together with the quantities of securities held, under the conditions provided for by the laws and regulations in force.

Pursuant to Article L. 228-3-3 of the French Commercial Code, where the person who is the subject of a request referred to above does not send the information by the deadline provided for by the legislative and regulatory provisions in force or sends incomplete or erroneous information relating either to his or her status, or to the owners of the securities, or to the quantity of securities held by each of them, the shares or securities giving immediate or deferred access to the share capital and for which this person has been registered will be deprived of voting rights for any shareholders' meeting held until the date on which the identification request has been fulfilled, and the payment of the corresponding dividends will be postponed until that date.

7.1.5.9. Special clauses governing modifications of share capital

The Company's articles of association contain no specific provisions applicable to modifications of share capital that are more stringent than the legal provisions.

7.2. Shareholders

7.2.1. Main shareholders

The table below provides a breakdown of the Company's share capital and voting rights as at 31 December 2021:

Shareholders	Total number of shares	% of share capital	Total number of theoretical voting rights	% of voting rights
Brasil Warrant Administração de Bens e Empresas S.A. (BWSA)[(1)]	32,464,406	26.55%	45,477,896	24.18%
Bpifrance Participations	9,189,887	7.51%	9,189,887	13.44%
Employees (FCPE Verallia and direct shareholding)	4,246,179	3.47%	27,405,390	3.16%
Treasury shares	5,517,943	4.51%	3,957,833	4.11%
Public	70,870,768	30.2%	37,241,813	55.11%
Total	**123,272,819**	**100%**	**134,277,562**	**100%**

(1) Acting through Kaon V, a sub-fund (wholly owned by Lepton Fund Ltd, a fund managed by BW Gestão de Investimentos Ltda, (BWGI), itself owned as to 99.955% by Brasil Warrant Administração de Bens e Empresas S.A) of Kaon Investment Fund ICAV, an Irish collective asset-management vehicle whose investment manager is BWGI.

The table below provides a breakdown of the Company's share capital and voting rights as at 31 December 2022:

Shareholders	Total number of shares	% of share capital	Total number of theoretical voting rights	% of voting rights
Brasil Warrant Administração de Bens e Empresas S.A. (BWSA)[(1)]	34,192,450	27.96%	34,192,550	24.83%
Bpifrance Participations	9,189,887	7.51%	18,051,426	13.11%
Employees (FCPE Verallia and direct shareholding)	4,640,383	3.79%	6,982,387	5.07%
Treasury shares	5,031,208	4.11%	5,031,208	3.65%
Public	69,235,255	56.63%	73,474,443	53.34%
Total	**122,289,183**	**100%**	**137,732,014**	**100%**

(1) BWSA,which is controlled by the Moreira Salles family, holds 99.965% of BW Gestão de Investimentos Ltda. ("BWGI"), which itself controls Kaon V, the investment vehicle which holds the Verallia shares. BWSA directly holds 1,000 Verallia shares, and BWGI also directly holds 1,000 Verallia shares.I.

The table below provides a breakdown of the Company's share capital as at 31 December 2023 (with regard to voting rights, a double voting right applies to fully paid-up registered shares that have been continuously held by the same shareholder for a minimum of two years):

Shareholders	Total number of shares	% of capital	Total number of theoretical voting rights	% of theoretical voting rights
Brasil Warrant Administração de Bens e Empresas S.A. (BWSA)[(1)]	34,392,450	28.12 %	39,521,218	27.45 %
Bpifrance Participations	9,189,887	7,51 %	18,051,426	12.54 %
Employees (FCPE Verallia and direct shareholding)	4,651,702	3.80 %	8,540,039	5.93 %
Treasury shares	5,384,950	4.40 %	5,384,950	3.74 %
Public	68,670,194	56.15 %	72,472,069	50.34 %
Total	**122,289,183**	**100 %**	**143,969,702**	**100 %**

(1) BWSA,which is controlled by the Moreira Salles family, holds 99.965% of BW Gestão de Investimentos Ltda. ("BWGI"), which itself controls Kaon V, the investment vehicle which holds the Verallia shares. BWSA directly holds 1,000 Verallia shares, and BWGI also directly holds 1,000 Verallia shares.

To the Company's knowledge, the table below provides a breakdown of the Company's share capital as at 15 March 2024:

Shareholders	Total number of shares	% of capital	Total number of theoretical voting rights	% of theoretical voting rights
Brasil Warrant Administração de Bens e Empresas S.A. (BWSA)[1]	34,806,684	28.81 %	39,937,652	27.97 %
Bpifrance Participations	9,189,887	7.61 %	18,379,774	12.87 %
Employees (FCPE Verallia and direct shareholding)	4,607,567	3.81 %	8,517,408	5.96 %
Treasury shares	3,672,308	3.04 %	3,672,308	2.57 %
Public	68,528,657	56.73 %	72,301,509	50.63 %
Total	**120,805,103**	**100 %**	**142,808,651**	**100 %**

(1) BWSA,which is controlled by the Moreira Salles family, holds 99.965% of BW Gestão de Investimentos Ltda. ("BWGI"), which itself controls Kaon V, the investment vehicle which holds the Verallia shares. BWSA directly holds 1,000 Verallia shares, and BWGI also directly holds 1,000 Verallia shares.

7.2.1.1. Brasil Warrant Administração de Bens e Empresas S.A. (BWSA)

BWSA, a Brazilian investment company that has been operating for six decades, has successfully forged partnerships around the world with leading companies in its sector, as well as its reference shareholders and founders, in a variety of sectors, such as financial services, natural resources, agriculture, consumer products, commercial services, distribution and industry. The shareholders controlling BWSA currently concentrate their activities in the banking and mining sectors in Brazil, and hold a shareholding which gives them joint control of Alpargatas, the largest footwear manufacturer in Latin America (notably the maker of "Havaianas" flip-flops). BWSA group investments are managed by BWGI, an independent asset management company established in 2008, controlled by BWSA.

7.2.1.2. Bpifrance Participations

A subsidiary of the Caisse des Dépôts et Consignations and of the French State, Bpifrance SA provides credit and equity for entrepreneurs and businesses from their start-up to the period after they are listed on the stock exchange. Bpifrance Participations is a société anonyme (French public limited company) wholly owned by Bpifrance SA. Its objective is to provide long-term support to mid-caps with potential in order to accelerate their growth, strengthen their innovation capacity and promote their international development. The investments made by Bpifrance Participations are made on its behalf by the management company, Bpifrance Investissement.

7.2.2. Statement relating to control of the Company

As at 31 December 2023, the Company is not "controlled" within the meaning of Article L. 233-3 of the French Commercial Code.

The Company was informed on 19 April 2021 that João Moreira Salles, the Kaon Investment Fund ICAV fund (acting only for its Kaon V sub-fund), the Lepton Fund Ltd. fund, the company BW Gestão de Investimentos Ltda. and the company Brasil Warrant Administração de Bens e Empresas S.A., on the one hand, and Michel Giannuzzi, Chairman of the Company's Board of Directors, and the members of the Giannuzzi family group, on the other hand, had signed on 16 April 2021 a collective lock-up commitment under the Dutreil law relating to 32,305,694 Company shares, representing 26.21% of the Company's share capital and voting rights as at the date of the commitment. This lock-up commitment was entered into pursuant to Article 787 B of the French General Tax Code for a period of two years, not renewable by tacit agreement. It does not contain any clause providing for preferential conditions for signatories on the sale or acquisition of shares in the Company and does not constitute concerted action vis-à-vis the Company.

7.2.3. Agreements that could lead to a change of control

None.

7.2.4. Changes to the Company's share capital over the past three years

Date	Type of transaction	Share capital before transaction	Number of shares before transaction	Number of shares after transaction	Nominal value	Share capital after transaction
24 June 2021	Capital increase and reduction	416,662,128.22	123,272,819	122,289,183	€3.38	413,337,438. 54
23 June 2022	Capital increase and reduction	413,337,438. 54	122,289,183	122,289,183	€3.38	413,337,438. 54
22 June 2023	Capital increase and reduction	413,337,438.54	122,289,183	122,289,183	€3.38	413,337,438. 54
14 February 2024	Capital reduction	413,337,438.54	122,289,183	120,805,103	€3.38	408,321,248.14

7.2.5. Employee ownership of shares

7.2.5.1. Stock options and bonus share issues

The Company has a long-term incentive policy in place for senior executives, including its Chief Executive Officer, in line with market practices (see Section 3.3 "Compensation of corporate officers" of this Universal Registration Document).

7.2.5.2. Profit-sharing and incentive agreements

7.2.5.2.1. Profit-sharing agreements

In France, the Group's companies benefit from performance-based profit-sharing arrangements, in accordance with the statutory conditions. In 2023, Verallia France and Thierry Bergeon Embouteillage (TBE) made profit-sharing payments.

7.2.5.2.2. Incentive agreements

In France, employees in most of the Group's companies are eligible for a share of their company's profits, calculated based on performance indicators such as safety, quality, output and financial performance.

In other countries, profit-sharing agreements exist in Germany, Italy, Spain, Portugal, Ukraine and Chile.

7.2.5.2.3. Employee savings plans, other similar plans and employee share ownership

The Group has a Group Savings Plan (PEG) in place for the French companies and an International Group Savings Plan (PEGI) in place for its foreign companies, under which eligible employees are able to participate in offers reserved for them through a Verallia employee investment fund that invests in Verallia's securities (the "FCPE"). This FCPE constitutes an investment option for employees of the Group's companies who are members of the Group's savings plans, either through the Group Savings Plan (PEG), through the International Group Savings Plan (PEGI), or by direct shareholding for the offer restricted to employees, in order to invest their savings in diversified funds.

Employee share ownership

In 2023, the countries (other than France) participating in the PEGI via direct shareholdings were Italy, Spain, Germany and Chile. Other countries eligible for the employee share ownership programme participate through the Verallia FCPE.

In this respect, as a result of transactions carried out by the Group every year since 2016, more than 4,000 employees have become company shareholders through the Verallia FCPE and through direct shareholdings, with a combined shareholding of 3.80% as at 31 December 2023, after deduction of sales made by employees at the end of the 5-year lock-up periods and/or after deduction of early exits by employees in the second half of 2023, as allowed by regulations in certain special individual situations (such as marriage, divorce, birth of a third child, departure from the Company, etc.).

At the combined general meeting held on 25 April 2023, the Company's shareholders delegated to the Board of Directors under the 31st and 32nd resolutions the authority to increase the Company's share capital on one or more occasions, up to a maximum nominal amount of €12,000,000, per issue of new shares in the Company, reserved for eligible employees and corporate officers of the Company and of French and foreign companies linked to it under the terms of Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labour Code, and who are members of a Group company savings plan.

On 19 October 2023, the Company's Board of Directors approved, in principle, a new issue of ordinary shares to employees who are members of a Group company savings plan, approved the principal features of the transaction and delegated to the Company's Chief Executive Officer the powers necessary to implement the transaction in the second quarter of 2024.

7.3. Information on the share capital

7.3.1. Non-equity securities

In the 2023 financial year, the Company did not carry out any transaction involving non-equity securities.

7.3.2. Other securities granting access to the Company's share capital

At the date of this Universal Registration Document, the Company had not issued any equity securities other than the ordinary shares described in Section 7.3.6.1 of this Universal Registration Document.

7.3.3. Conditions governing any acquisition rights and/or any obligations attached to capital subscribed for but not paid up

None.

7.3.4. Share capital of any Group company that is under option or the subject of an agreement under which it will be placed under option

None.

7.3.5. Exercise of voting rights, double voting rights, limitations on voting rights

See Section 7.1.5.3. of this Universal Registration Document.

7.3.6. Factors that may have an impact in the event of a public offer

The following factors may have an impact in the event of a public offer.

7.3.6.1. Structure of the Company's capital

As at 31 December 2023, the Company's share capital was €413,337,438.54, divided into 122,289,183 ordinary shares, with a nominal value of three euros and thirty-eight cents (€3.38), fully paid up, all of the same class.

The table below provides a breakdown of the Company's share capital and voting rights as at 31 December 2023:

Shareholders	Total number of shares	% of share capital	theoretical voting rights	% of theoretical voting rights
Brasil Warrant Administração de Bens e Empresas S.A. (BWSA)[1]	34,392,450	28.12 %	39,521,218	27.45 %
Bpifrance Participations	9,189,887	7,51 %	18,051,426	12.54 %
Employees (FCPE Verallia and direct shareholding)	4,651,702	3.80 %	8,540,039	5.93 %
Treasury shares	5,384,950	4.40 %	5,384,950	3.74 %
Public	68,670,194	56.15 %	72,472,069	50.34 %
Total	**122,289,183**	**100 %**	**143,969,702**	**100 %**

(1) BWSA,which is controlled by the Moreira Salles family, holds 99.965% of BW Gestão de Investimentos Ltda. ("BWGI"), which itself controls Kaon V, the investment vehicle which holds the Verallia shares. BWSA directly holds 1,000 Verallia shares, and BWGI also directly holds 1,000 Verallia shares.

At 31 December 2023, the number of registered shareholders was 1,997 individuals or legal entities.

At the close of the financial year that ended on 31 December 2023, shares held by employees as defined in Article L. 225-102 of the French Commercial Code represented 3.80% of the Company's share capital.

To the Company's knowledge, with the exception of BWSA and Bpifrance Participations, no other shareholder holds more than 5% of the share capital or voting rights.

Ownership threshold disclosures

In 2023, the Company was informed that the following ownership disclosure thresholds, as provided for by law and articles of association, were crossed:

Date on which the threshold was crossed	Company/Group	Threshold crossed (as a % of share capital)	Threshold crossed (as a % of voting rights)	Direction
26 January 2023	Mondrian	1%	N/A	Downwards
27 January 2023	Caisse des dépôts et consignations (indirectly via CNP Assurances)	N/A	16%	Upwards
27 January 2023	CNP Assurances	N/A	2%	Upwards
10 February 2023	Brasil Warrant Administração de Bens e Empresas S.A	N/A	25%	Upwards
30 March 2023	BNP Paribas Asset Management	1%	N/A	Upwards
14 April 2023	Caisse des dépôts et consignations	N/A	15%	Downwards
13 July 2023	FCPE Verallia	3%	N/A	Upwards
1 September 2023	FCPE Verallia	N/A	5%	Downwards
30 October 2023	Brasil Warrant Administração de Bens e Empresas S.A	28%	N/A	Upwards
1 December 2023	Caisse des dépôts et consignations (indirectly via CNP Assurances)	N/A	14%	Upwards
11 December 2023	Caisse des dépôts et consignations (indirectly via CNP Assurances)	N/A	14%	Downwards
15 December 2023	Caisse des dépôts et consignations (indirectly via CNP Assurances)	N/A	14%	Upwards

7.3.6.2. Restrictions in the articles of association on the exercise of voting rights and transfers of shares or the provisions of agreements brought to the Company's attention pursuant to Article L. 233-11 of the French Commercial Code

Restrictions in the articles of association on the exercise of voting rights and on transfers of shares or the provisions of agreements brought to the Company's attention pursuant to Article L.233-11 of the French Commercial Code, as well as the rules applicable to the appointment and replacement of the members of the Board of Directors and agreements between shareholders of which the Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights are described in Sections 7.2.3. "Agreements that could lead to a change of control", 7.1.5.3. "Rights, privileges and restrictions attached to the shares (Articles 10, 11, 12 and 13 of the articles of association)" and 7.1.5.7. "Ownership threshold disclosures and identification of shareholders (Article 14 of the articles of association)" of this Universal Registration Document. The powers of the Board of Directors, in particular the issuance or buyback of shares and agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company, are described in Sections 7.2.2. "Statement relating to control of the Company" and 7.1.5.6. "Provisions that delay, postpone or prevent a change of control of the Company", respectively, of this Universal Registration Document.

7.3.6.3. Direct or indirect interests in the share capital of the Company of which it is aware under Articles L. 233-7 and L. 233-12 of the French Commercial Code

The direct or indirect interests in the share capital of the Company of which it is aware under Articles L. 233-7 and L. 233-12 of the French Commercial Code are described in the share ownership table above (see Section 7.3.6.1. "Structure of the Company's share capital" of this Universal Registration Document).

7.3.6.4. List of holders of any securities with special control rights and a description of those rights and control mechanisms provided for in any employee ownership system, where the control rights are not exercised by the employees

There are no holders of securities with special control rights and no control mechanisms are provided for in any employee ownership system where the supervisory rights are not exercised by the employees.

7.3.6.5. Agreements between shareholders of which the Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights

See section 7.2.2 "Statement relating to control of the Company" of this Universal Registration Document.

7.3.6.6. Powers of the Board of Directors in respect of share capital increases and share buybacks

Information on the powers of the Board of Directors with respect to share capital increases is detailed in Section 7.5.3 "Delegations and authorisations granted by the shareholders' general meeting in respect of capital increases" of this Universal Registration Document.

Share buyback programme

At the general shareholders' meeting held on 25 April 2023, the shareholders authorised, for a period of 18 months from the date of the meeting, the Board of Directors with the right to sub-delegate as permitted by law, in accordance with the provisions of Articles L.22-10-62 *et seq.* of the French Commercial Code, to purchase, on one or more occasions and at such times as it shall determine, a number of shares of the Company not exceeding 10% of the total number of shares comprising the share capital at any given time, or 5% of the total number of shares comprising the share capital if they are shares acquired by the Company with a view to their retention and subsequent delivery in payment or exchange as part of a merger, demerger or contribution. However, under no circumstances may the number of shares held by the Company cause the Company to hold more than 10% of the shares comprising its share capital at any time whatsoever.

The Board of Directors may decide to acquire shares in order to:

- ensure liquidity and make a market in the Company's securities through an investment service provider acting independently under a liquidity agreement in accordance with the market practice adopted by the French Financial Markets Authority on 22 June 2021;
- allocate shares to employees of the Company and other Group entities, and particularly in the context of (i) profit-sharing arrangements, (ii) any Company stock option plan pursuant to Articles L.225-177 *et seq.* of the French Commercial Code, or (iii) any savings plan pursuant to Articles L.3331-1 *et seq.* of the French Labour Code or (iv) any award of bonus shares pursuant to Articles L.225-197-1 *et seq.* of the French Commercial Code, and to carry out any hedging in relation to such transactions, under the conditions set out by the market authorities and at such times as the Board of Directors or the person acting on behalf of the Board of Directors may determine;
- deliver shares in the Company when exercising rights attached to transferable securities conferring entitlement by way of redemption, conversion, exchange, presentation of a warrant or any other means to be allotted shares the Company under applicable regulations, and to carry out any hedging in relation to such transactions, under the conditions set out by the market authorities and at such times as the Board of Directors or the person acting on behalf of the Board of Directors may determine;
- hold the Company's shares and subsequently deliver them in payment or exchange in connection with any acquisition, merger, demerger or contribution transactions;
- cancel some or all of the Company's shares in order to reduce the share capital;
- implement any market practice accepted by the French Financial Markets Authority and in general carry out any transaction in compliance with applicable regulations.

The maximum unit purchase price may not exceed €54, excluding costs.

However, the Board of Directors may, in the event that transactions are carried out that affect the Company's share capital, including alterations to the nominal value of the shares, share capital increases through the capitalisation of reserves followed by the creation and allotment of bonus shares, stock splits or reverse stock splits, adjust the above-mentioned maximum purchase price to reflect the impact of such transactions on the value of the Company's shares.

The purchase, sale or transfer of such shares may be effected and paid for by any means permitted under applicable regulations, on a regulated market, on a multilateral trading facility, with a systematic internaliser or over the counter, in particular through block purchases or sales, through the use of options or other financial derivatives, warrants or, more generally, transferable securities conferring an entitlement to shares in the Company, at such times as the Board of Directors may determine.

The Board of Directors is fully authorised, with the right to sub-delegate as permitted by law and to the extent permitted by relevant laws and regulations, to reallocate shares repurchased for one of the programme's objectives to one or more of its other objectives, or to sell them on- or off-market.

The Board of Directors has not yet exercised its rights under this delegation.

The share buyback programme approved by the Board of Directors at its meeting held on 6 December 2022, exercising its rights under the delegation of authority granted by the Shareholders in the sixteenth resolution of the General Meeting of 11 May 2022, terminated in November 2023.

The shareholders at the Company's combined general meeting to be held on 26 April 2024 will be asked to renew delegation of authority granted to the Board of Directors by the Company's combined general meeting held on 25 April 2023 described above, under the same conditions.

Liquidity agreement

On 20 December 2019, the Company entered into a liquidity agreement with Rothschild Martin Maurel to ensure liquidity and make a market in the Company's shares. This liquidity agreement took effect on 6 January 2020 for an initial term of 12 months, renewable by tacit agreement for successive 12-month periods. As part of the implementation of this liquidity agreement, an initial amount of €2.5 million was credited to the liquidity account. This amount was increased to €3.4 million by way of a first amendment to the liquidity agreement entered into on 9 November 2020, and then to €5 million by way of a second amendment to the liquidity agreement entered into on 21 March 2024.

7.3.6.7. Agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company

Agreements entered into by the Company that may be amended or terminated in the event of a change of control of the Company are described in Section 5.2.8. "Material contracts" of this Universal Registration Document.

7.3.6.8. Agreements that provide for compensation to be paid to members of the Board of Directors or employees of the Company if they resign or are wrongfully dismissed or if their employment contract is terminated as a result of a public offer

The Group has agreements in place that provide for a severance payment to be made to the Chief Executive Officer in the event that he or she is removed from office. Detailed information is provided in Section 3.3.1. of this Universal Registration Document.

7.3.6.9. Summary statement of the transactions referred to in Article L.621-18-2 of the French Monetary and Financial Code carried out during financial year 2023

The table below summarises (pursuant to Article 223-26 of the General Regulation of the French Financial Markets Authority) the transactions referred to in Article L. 621-18-2 of the French Monetary and Financial Code carried out during financial year 2023:

Interested person	Financial instrument	Type of transaction	Transaction date	Transaction venue	Unit price (€)	Transaction amount (€)
Pierre Vareille	Shares	Disposal	16 February 2023	Euronext Paris	36.346	363,458
Michel Giannuzzi	Shares	Free acquisition of shares	1 March 2023	Euronext Paris	NA	60,500 shares
BW Gestão de Investimentos Ltda.	Shares	Pledge	27 April 2023	Over-the-counter	N/A	N/A
Brasil Warrant Administração de Bens e Empresas S.A	Shares	Pledge	27 April 2023	Over-the-counter	N/A	N/A
Didier Debrosse	Shares	Acquisition	2 May 2023	Euronext Paris	36.82	36,820
Michel Giannuzzi	Shares	Disposal	25 August 2023	Euronext Paris	40.5	992,250
Brasil Warrant Administração de Bens e Empresas S.A	Shares	Acquisition	26 October 2023	Euronext Paris	29.976	2,997,600
BW Gestão de Investimentos Ltda.	Shares	Acquisition	26 October 2023	Euronext Paris	29.976	2,997,600
Brasil Warrant Administração de Bens e Empresas S.A	Shares	Acquisition	27 October 2023	Euronext Paris	30.53	3,052,830
BW Gestão de Investimentos Ltda.	Shares	Acquisition	27 October 2023	Euronext Paris	30.53	3,052,830
Michel Giannuzzi	Shares	Donation	8 December 2023	Over-the-counter	N/A	1,350 shares

7.4. The security market

7.4.1. Listing venue and indices

The Verallia SA shares are listed on Paris Euronext, Segment A, and are eligible for the deferred settlement service (SRD).

Fact sheet for the Verallia SA shares

VRLA
LISTED
EURONEXT

ISIN code	FR0013447729
Listing venue	Continuously traded on Euronext Paris, compartment A
Ticker	Bloomberg: VRLA FP/Reuters: VRLA.PA
Indices	SBF 120/CAC Mid 60/CAC All shares/MSCI Global Small Cap/CAC Industries/ CAC SBT 1.5°C
Eligibility of the shares	SRD (deferred settlement service) and PEA (share savings plans)
Nominal value	€3.38
Number of shares outstanding as at 31 December 2023	122,289,183
Share price as at 29 December 2023	€34.86
Market capitalisation as at 29 December 2023 (€)	4,263,000,919

Credit rating (long-term/outlook)

As at 31 December	2023	2022
Moody's	Baa3/Stable	Ba1/Positive
Standard & Poor's	BBB-/Positive	BB+/Positive

In 2023, Moody's upgraded the Company's long-term credit rating from Ba1/Positive to Baa3/Stable.

In 2023, Standard & Poor's upgraded the Company's long-term credit rating from BB+/Positive to BBB-/Positive.

7.4.2. Stock-market price of the Verallia shares and transaction volumes

Change in restated value

Month	Average price (closing price)	Highest	Lowest	Monthly volumes	Market capitalisation (€)
January 2023	32.99	33.96	31.94	3,169,375	104,610,700
February 2023	35.72	38.64	33.74	3,223,129	116,736,500
March 2023	37.87	39.38	36.36	3,755,404	141,820,700
April 2023	37.84	39.64	36.76	2,618,751	98,620,170
May 2023	35.36	37.04	32.48	3,374,020	118,511,600
June 2023	33.80	35.84	32.76	3,147,988	106,177,300
July 2023	35.69	40.32	33.50	2,807,512	102,413,200
August 2023	40.67	44.12	39.22	2,593,580	106,411,500
September 2023	40.47	44.44	36.82	3,616,824	146,007,000
October 2023	33.84	36.72	30.04	3,920,369	130,700,200
November 2023	32.04	33.10	31.04	3,089,095	99,029,870
December 2023	34.16	35.92	32.7	2,464,106	83,961,640
Extremes and averages		44.44	30.04	3,148,346	112,916,698
Total				**37,780,153**	**1,355,000,380**

Source: Euronext Paris (monthly information, extremes and averages over the period).

Management of the share register

The register of pure registered securities is managed by:

Société Générale Securities Services

32, rue du Champ de Tir - CS 30812 - 44312 Nantes Cedex 3

Management of the liquidity agreement

The liquidity agreement is managed by Rothschild Martin Maurel.

Monitoring by analysts

COMPANY	ANALYST
Berenberg	Fraser Donlon
Citi	Ephrem Ravi and James Perry
CM-CIC	Francis Prêtre
Deutsche Bank	Mengxian Sun
Exane	Francisco Ruiz
Kepler Cheuvreux	Inigo Egusquiza
ODDO BHF	Jean-François Granjon
Santander	Manuel Lorente
Société Générale	Patrick Jousseaume
IDMidcaps	Gauthier Peroueme

7.4.3. Policy on the disclosure of information to shareholders

7.4.3.1. 2023 financial communications calendar

14 February 2024: Annual results for 2023.

24 April 2024: Financial results for Q1 2024.

26 April 2024: Annual general shareholders' meeting.

24 July 2024: Results for H1 2024.

22 October 2024: Financial results for Q3 2024.

For the publication of financial results, press releases will be issued after the Euronext Paris market closes. A conference call/ presentation will be held the following day at 9.00 am CET, via an audio webcast service (live and later as a recording).

This timetable is indicative and may be altered if necessary.

7.4.3.2. Information to individual shareholders and institutional investors

Since its initial public offering, the Company has maintained a relationship of trust with its individual and institutional shareholders based on dialogue and transparency.

The Company is committed to keeping its shareholders informed about its activities, strategy and growth prospects in a transparent and accurate manner and on an ongoing basis.

Information documents

To that end, the Company makes all published financial information (press releases, Universal Registration Document, financial presentations etc.) available to the public on its website (www.verallia.com), which is accessible in both French and English.

Universal Registration Document and annual financial report

These documents are available and may be downloaded from the Verallia website.

Meetings with shareholders

With a view to establishing an ongoing dialogue with its individual and institutional shareholders, the Company takes part in numerous presentations and meetings throughout the year:

Annual general meeting

An occasion for listening and for dialogue with the Board of Directors, the Company's general meeting is an important and recurring event in the relationship between the Company and its shareholders. In particular, it provides an opportunity to review the highlights of, and the strategy implemented in, the past financial year. It gives all shareholders an opportunity to participate in important decisions affecting the Company by expressing their opinions through resolutions put to a vote.

Meetings with investors

The Company takes part in numerous meetings and conference calls with investors in the form of one-on-ones, segment-specific conferences and roadshows, in both France and abroad (London, Frankfurt, Madrid, Nordic countries, the United States).

Before the annual general meeting above-mentioned, the Company organise since 2022 a specific roadshow about its governance. This time of exchanges allows the Company to present to its main shareholders and the proxies the resolutions which will be submitted to their approval during the general meeting and to take note of their comments and answer to their question about any topic linked to governance.

Moreover, ad hoc conference calls with investors are organised on a regular basis regarding the Group CSR strategy.

At the beginning of November 2023, the Company also arranged a specific presentation on its CSR strategy for investors, analysts, bankers and journalists, together with a visit of the Azuqueca plant in Spain. This event allowed the Company to illustrate the actions carried out locally.

Information meetings

The financial results are presented to the financial community (investors, analysts and financial media) via conference calls/ audio webcasts organised every quarter. By way of example, the 2024 financial communications calendar is set out above.

Each meeting or conference call is also conducted using an audio webcast service (live and later as a recording), and the presentation of results is made available in the "Investors" section of www.verallia.com.

7.5. Summary table of the Board of Directors' delegations of authority and power

7.5.1. Subscribed share capital

At the date of this Universal Registration Document, the Company's share capital is €408,321,248.14, divided into 120,805,103 ordinary shares, with a nominal value of three euros and thirty-eight euro cents (€3.38), fully paid up and all of the same class.

7.5.2. Shares held in treasury by the Company or for its own account

At 31 December 2023, the Company held 5,384,950 treasury shares.

At 31 December 2023, the Company held no treasury shares under its liquidity agreement.

7.5.3. Delegations and authorisations granted by the shareholders' general meeting in respect of capital increases

The shareholders at the Company's general meeting held on 25 April 2023 approved the following financial delegations:

Type of delegated authority	Resolution	Maximum duration	Maximum nominal amount
Delegation of authority to the Board of Directors to increase the share capital by capitalisation of reserves, profits or premiums or any other amount for which capitalisation is allowed	23rd	26 months	€82 million (approximately 20% of the share capital)
Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, with preferential subscription rights preserved	24th	26 months	€206 million (1) (approximately 50% of the share capital) €750 million for debt securities (4)
Delegation of authority granted to the Board of Directors to decide to increase the share capital by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, with a compulsory priority period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, without shareholders' preferential subscription rights	25th	26 months	€82 million (1) (2) (approximately 20% of the share capital) €750 million for debt securities (4)
Delegation of authority granted to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued, with an optional priority period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code(6)	26th	26 months	€40 million (1) (2) (3) (approximately 10% of the share capital) €750 million for debt securities (4)
Delegation of authority granted to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, as part of public offerings referred to in sub-section 1 of Article L. 411-2 of the French Monetary and Financial Code	27th	26 months	€40 million (1) (2) (3) (approximately 10% of the share capital) €750 million for debt securities (4)
Authorisation to the Board of Directors, in the event of an issue without shareholders' preferential subscription rights, through a public offering, to set the issue price in accordance with the terms and conditions set by the shareholders at the general meeting	28th	26 months	10% of the share capital per year (1) (2) (3) €750 million for debt securities(4)
Authorisation granted to the Board of Directors to increase the amount of an issue, with or without shareholders' preferential subscription rights	29th	26 months	Regulatory limit (currently 15% of the original issue) (1) €750 million for debt securities(4)

Type of delegated authority	Resolution	Maximum duration	Maximum nominal amount
Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, in consideration for contributions in kind	30th	26 months	10% of the share capital (1) (2) (3) €750 million for debt securities (4)
Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares reserved for members of a company savings plan, without shareholders' preferential subscription rights in favour of such members	31st	26 months	€12 million (1) (5) (approximately 3% of the share capital)
Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares to a specific category of beneficiaries	32nd	18 months	€12 million (1) (5) (approximately 3% of the share capital)
Authorisation to the Board of Directors to carry out bonus allotments of existing shares or shares to be issued, without shareholders' preferential subscription rights, to certain employees and corporate officers of the Company and related companies	33rd	18 months	0.5% of the share capital (1)

(1) The overall maximum nominal amount of the capital increases that may be carried out pursuant to this delegation of authority shall count towards the overall limit of €206 million applicable to immediate and/or future capital increases.
(2) The overall maximum nominal amount of the share capital increases that may be carried out pursuant to this delegation of authority shall count towards the sub-limit set at €82 million applicable to share increases without shareholders' preferential subscription rights by way of public offering (with a priority period).
(3) The overall maximum nominal amount of the share capital increases that may be carried out pursuant to this delegation of authority shall count towards the sub-limit set at €40 million applicable to share increases without shareholders' preferential subscription rights by way of public offering (with or without a priority period).
(4) The overall maximum nominal amount of debt securities that may be issued pursuant to this delegation of authority shall count towards the overall limit of €750 million applicable to the issue of debt securities.
(5) Overall limit of €12 million common to the capital increases that may be carried out pursuant to the 31st and 32nd resolutions.
(6) Including as part of a public exchange offer initiated by the Company (Article L.22-10-54 of the French Commercial Code).

At its meeting held on 25 July 2023, the Board of Directors adopted its additional report, drawn up in accordance with the provisions of Articles L. 225-129-5 and R. 225-116 of the French Commercial Code, relating to the share capital increase of the Company, without shareholders' preferential subscription rights, by way of an issue of shares reserved for employees of the Group, for a total nominal amount of €2,066,684.10, with a share premium of €16,551,816.15, completed on 22 June 2023 under the delegation of authority granted pursuant to the 26th and 27th resolutions of the combined general shareholders' meeting held on 11 May 2022.

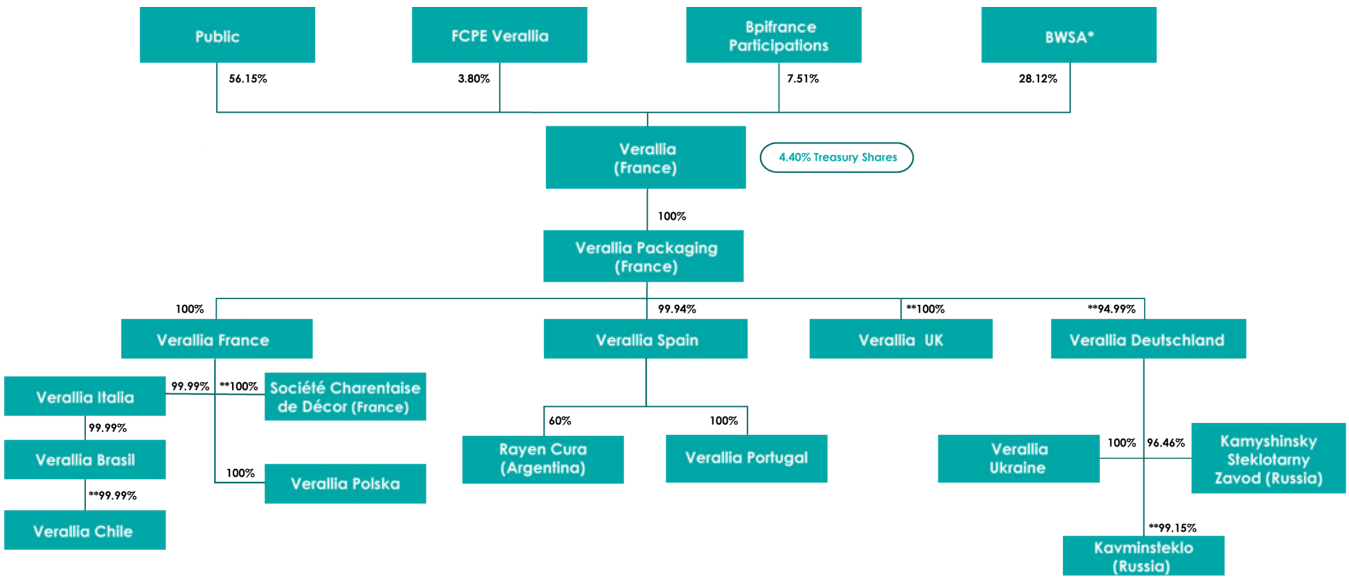
At its meeting held on 19 October 2023, the Board of Directors exercised its rights under the delegation granted to the Board of Directors in the 31st and 32nd resolutions of the Company's combined general shareholders' meeting held on 25 April 2023, in respect of the continuation of the Group's employee share ownership programme. In the second quarter of 2024, the Company intends to offer the Group's employees the option of subscribing for another capital increase through the issue of new shares reserved for eligible employees and corporate officers of the Company and/or companies related to the Company (within the meaning of Articles L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labour Code), who are members of a Verallia group/corporate savings plan for a nominal maximum amount equal to 0.5% of the Company's share capital. The terms of such transaction (timetable, amount of the Company's matching contribution, etc.) have been set by the Board of Directors: in particular, eligible employees may subscribe for shares at a subscription price equal to the reference price (the average of the share prices quoted during the 20 trading days preceding the date of the decision setting the opening date for subscriptions), less a maximum discount of 15%.

7.6. Subsidiaries and equity interests

7.6.1. Information on equity interests

Information on equity interests is contained in Note 3 of the Group's consolidated financial statements for the year ended 31 December 2023.

7.6.2. Simplified Group structure chart as at 31 December 2023



* BWSA, which is controlled by the Moreira Salles family, holds 99.965% of BW Gestão de Investimentos Ltda. (BWGI), which itself controls Kaon V, the investment vehicle which holds the Verallia shares. BWSA directly holds 1,000 Verallia shares, and BWGI also directly holds 1,000 Verallia shares.

** Indirect ownership

7.6.3. Subsidiaries and equity interests

i. Principal subsidiaries

The principal direct or indirect subsidiaries of the Company as at 31 December 2023 are listed in Section 7.6.2 of this Universal Registration Document.

ii. Recent acquisitions and disposals

The Group's recent acquisitions and disposals are described in Section 6.1, note 3.1.1 of this Universal Registration Document.

8

GENERAL MEETING OF 26 APRIL 2024

8.1. Agenda

The Company's next Combined (Ordinary and Extraordinary) General Meeting will take place:

on Friday 26 April 2024 at 9:30 a.m.,

31, Place des Corolles, Tour Carpe Diem at l'Auditorium, Esplanade Nord, 92400 Courbevoie, France;

To consider the agenda described herein-below.

The audio will be broadcast live and will be available on the Company's website (www.verallia.com) for a year.

Ordinary resolutions:

1. Approval of the Company's statutory financial statements for the financial year ended on 31 December 2023;
2. Approval of the Company's consolidated financial statements for the financial year ended on 31 December 2023;
3. Allocation of the profit for the financial year ended on 31 December 2023 and setting the dividend at €2.15 per share;
4. Statutory Auditors' special report on related-party agreements and commitments and observation that no new agreements have been entered into;
5. Renewal of Marie-José Donsion's term of office as Director;
6. Renewal of Pierre Vareille's term of office as Director;
7. Appointment of PricewaterhouseCoopers Audit as auditor responsible for the verification of the information related to sustainability;
8. Appointment of BM&A as auditor responsible for the verification of the information related to sustainability;
9. Approval of the compensation policy for the Chairman of the Board of Directors;
10. Approval of the compensation policy for the Chief Executive Officer;
11. Approval of the compensation policy for the Directors;
12. Approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Michel Giannuzzi, Chairman of the Company's Board of Directors;
13. Approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Patrice Lucas, Chief Executive Officer of the Company;
14. Approval of the information required in respect of Article L. 22-10-9 I. of the French Commercial Code relating to the compensation of corporate officers;
15. Authorisation granted to the Board of Directors to trade in the Company's shares;

Extraordinary resolutions

16. Authorisation granted to the Board of Directors to reduce the Company's share capital by cancelling treasury shares;
17. Delegation of authority to the Board of Directors to increase the share capital by capitalisation of reserves, profits or premiums or any other amount for which capitalisation is allowed;
18. Delegation of authority to the Board of Directors to increase the share capital, with shareholders' preferential subscription rights, by issuing shares and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued;
19. Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, with a compulsory priority period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code;
20. Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued, with an optional priority period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code;
21. Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, as part of public offerings referred to in sub-section 1 of Article L. 411-2 of the French Monetary and Financial Code;
22. Authorisation granted to the Board of Directors, in the event of an issue without shareholders' preferential subscription rights, through public offerings, to set the issue price in accordance with the procedure decided by the General Meeting, up to a limit of 10% of the capital per annum;
23. Authorisation granted to the Board of Directors to increase the amount of an issue, with or without shareholders' preferential subscription rights;
24. Delegation of authority to the Board of Directors to increase the share capital by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, in consideration for contributions in kind;
25. Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing Company shares restricted to members of a company savings plan;
26. Delegation of authority to the Board of Directors to increase the share capital by issuing shares, without shareholders' preferential subscription rights, to a specific category of beneficiaries;
27. Authorisation to the Board of Directors to carry out bonus allotments of existing shares or shares to be issued, without shareholders' preferential subscription rights, to certain employees and corporate officers of the Company and related companies; and
28. Powers to carry out legal formalities.

8.2. Presentation of proposed resolutions

Report of the Board of Directors dated 14 February 2024 to the General Meeting of 26 April 2024

Approval of the Company's statutory financial statements and consolidated financial statements for the year ended on 31 December 2023 and allocation of the profit/loss for the financial year (1st to 3rd ordinary resolutions)

The shareholders at the General Meeting are first asked to approve the Company's statutory financial statements (1st resolution) and consolidated financial statements (2nd resolution) for the year ended on 31 December 2023 and to approve the distribution of dividends for the financial year as proposed by the Board of Directors (3rd resolution).

The Company's statutory financial statements for the year ended on 31 December 2023 show a profit of €254,637,513.52 and a profit carried forward of €156,900,409.56. It is proposed that €5,068,126.33 of this profit be allocated to the legal reserve, €262,921,743.45 to the payment of dividends and €143,548,053.29 to the retained earnings account. The Board of Directors proposes to set the amount of the dividend at €2.15 per share.

The dividend to be distributed will be detached from the shares on 14 May 2024 and paid on 16 May 2024.

Approval of the statutory auditors' special report on the agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code and observation that no new agreements have been entered into (4th ordinary resolution)

You are reminded that only new agreements entered into during the previous financial year are required to be approved by the shareholders at the General Meeting.

You are asked to note that no new agreements were entered into during the financial year ended on 31 December 2023.

An agreement was previously entered into on 16 December 2021 with Bpifrance, an affiliate of Bpifrance Participations, a shareholder in the Company, and Bpifrance Investissement, a member of the Board of Directors, and remains in force.

This agreement relates to an instalment loan of a total principal amount of €30 million, which is described in section 5.6 of this Universal Registration Document.

Renewals of terms of office of Directors (5th and 6th ordinary resolutions)

The directorships of Marie-José Donsion and Pierre Vareille will expire at the end of the General Meeting to be held on 26 April 2024.

The shareholders at the General Meeting are therefore asked, on the recommendation of the Board of Directors, to renew the terms of office of Marie-José Donsion and Pierre Vareille for a period of four years, i.e. until the end of the General Meeting due to be held in 2028 to vote on the financial statements for the year ended on 31 December 2027.

The biographies of Marie-José Donsion and Pierre Vareille are available in Chapter 3 of the Company's Universal Registration Document.

Appointment of PricewaterhouseCoopers Audit and BM&A as auditors in charge of the verification of information related to sustainability (7th and 8th ordinary resolutions)

Pursuant to Directive 2022/2464 of the European Parliament and of the Council of 14 December 2022 (known as the "CSRD"), the sustainability information provided by the Company is now required to be audited.

As such, pursuant to Articles L. 821-40 *et seq.* of the French Commercial Code, you are asked to appoint PricewaterhouseCoopers Audit and BM&A as auditors in charge of the verification of information related to sustainability until the end of their respective terms of office relating to the certification of annual and consolidated financial statements as statutory auditors of the Company, i.e. until the end of the general shareholders' meeting to be held in 2026 to vote on the financial statements for the year ended on 31 December 2025 for PricewaterhouseCoopers Audit and until the end of the general shareholders' meeting to be held in 2025 to vote on the financial statements for the year ended on 31 December 2024 for BM&A.

The appointment of PricewaterhouseCoopers Audit and BM&A as statutory auditors in charge of the verification of information related to sustainability should enable the Company to benefit from the complementarity inherent to a co-auditorship, and from greater consistency in the review of financial and non-financial information.

The Company has chosen to appoint PricewaterhouseCoopers Audit and BM&A, notably in view of the short remaining terms of their mandates as statutory auditors for the certification of the Company's annual and consolidated financial statements, of 2 years and 1 year respectively, which will give the Company the opportunity to analyze the relevance of this choice over a short period.

Approval of the compensation policy for the Chairman of the Board of Directors (9th ordinary resolution)

Pursuant to Article L. 22-10-8 II of the French Commercial Code, the shareholders at the General Meeting are asked to approve the compensation policy for the Chairman of the Company's Board of Directors, as presented in the corporate governance report included in section 3.3 of the Company's 2023 Universal Registration Document.

Approval of the compensation policy for the Chief Executive Officer (10th ordinary resolution)

Pursuant to Article L. 22-10-8 II of the French Commercial Code, the shareholders at the General Meeting are asked to approve the compensation policy for the Company's Chief Executive Officer, as presented in the corporate governance report included in section 3.3 of the Company's 2023 Universal Registration Document.

Approval of the compensation policy for the Directors (11th ordinary resolution)

Pursuant to Article L. 22-10-8 II of the French Commercial Code, the shareholders at the General Meeting are asked to approve the compensation policy for the Company's Directors, as presented in the corporate governance report included in section 3.3 of the Company's 2023 Universal Registration Document.

Approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Michel Giannuzzi, Chairman of the Company's Board of Directors (12th ordinary resolution)

The shareholders at the General Meeting are asked to approve the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Michel Giannuzzi, Chairman of the Company's Board of Directors, as presented in the corporate governance report included in section 3.3 of the Company's 2023 Universal Registration Document.

Approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Patrice Lucas, Chief Executive Officer of the Company (13th ordinary resolution)

The shareholders at the General Meeting are asked to approve the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Patrice Lucas, Chief Executive Officer of the Company, as presented in the corporate governance report included in section 3.3 of the Company's 2023 Universal Registration Document.

Approval of the information required in respect of Article L. 22-10-9 I. of the French Commercial Code relating to the compensation of corporate officers (14th ordinary resolution)

The shareholders at the General Meeting are asked to approve the information referred to in Article L. 22-10-9 I. of the French Commercial Code, as presented in the corporate governance report included in section 3.3 of the Company's 2023 Universal Registration Document.

Authorisation for the Company to buy back its own shares (share buyback programme) – (15th ordinary resolution and 16th extraordinary resolution)

Pursuant to the 15th resolution, the Board of Directors asks the shareholders at the General Meeting to authorise it to buy back a number of Company shares not exceeding (i) 10% of the total number of shares comprising the share capital or (ii) 5% of the total number of shares comprising the share capital in the case of shares acquired by the Company with a view to keeping them and handing them over in payment or exchange as part of a merger, demerger or contribution, it being stipulated that acquisitions made by the Company may not in any event cause the Company to hold more than 10% of the shares comprising its share capital at any time whatsoever.

Shares may be purchased in order to: a) provide liquidity and stimulate the market in the Company's shares via an investment service provider acting independently under a liquidity agreement that complies with the market practices recognised by the French Financial Markets Authority on 22 June 2021, b) allot shares to the corporate officers and employees of the Company and of other Group entities, c) deliver the shares in the Company upon the exercise of the rights attached to transferable securities granting the right, directly or indirectly, by redemption, conversion, exchange, presentation of a warrant or otherwise to be allotted shares in the Company, d) keep the shares in the Company and transfer them subsequently in payment or exchange as part of possible acquisitions, mergers, demergers or contributions, e) cancel all or some of the securities thus bought, f) implement any market practice permitted by the French Financial Markets Authority and, more generally, carry out any transaction that complies with the regulations in force.

The maximum unit purchase price may not exceed fifty-four (54) euros per share, excluding costs.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted pursuant to the twenty-first resolution of the shareholders' general meeting of 25 April 2023, be granted for a period of eighteen (18) months as from the date of the General Meeting.

Pursuant to the 16th resolution, the Board of Directors also asks the shareholders at the General Meeting to authorise it, for a period of 26 months, with the right to sub-delegate, to reduce the share capital by cancelling, on one or more occasions, all or some of the shares in the Company acquired through a share buyback programme authorised by the shareholders at the General Meeting, capped at 10% of the share capital in any 24-month period.

The Board of Directors proposes that this authorization, which would supersede the authorization granted pursuant to the 22nd resolution of the shareholders' general meeting of 25 April 2023, be granted for a period of twenty-six (26) months as from the date of the General Meeting.

Delegations of authority granted to the Board of Directors with a view to carrying out transactions involving the Company's share capital – (17th to 27th extraordinary resolutions)

Pursuant to the 17th to 27th resolutions, the Board of Directors asks the shareholders at the General Meeting to renew certain financial authorisations granted by the shareholders at the shareholders' general meeting held on 25 April 2023.

It is specified that the Board of Directors may not, without the prior authorisation of the shareholders at the General Meeting, exercise its rights under the authorisations set out below between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period.

The table below summarises the financial delegations that the shareholders at the General Meeting are asked to approve:

Resolution	Type of delegated authority	Maximum duration	Maximum nominal amount
17th	Delegation of authority to the Board of Directors to increase the share capital by capitalisation of reserves, profits or premiums or any other amount for which capitalisation is allowed	26 months	€82 million (approximately 20% of the share capital)
18th	Delegation of authority to the Board of Directors to increase the share capital, with shareholders' preferential subscription rights, by issuing shares and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued	26 months	€206 million(1) (approximately 50% of the share capital) €750 million for debt securities(4)
19th	Delegation of authority to the Board of Directors to decide to increase the share capital by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, with a compulsory priority period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, without shareholders' preferential subscription rights	26 months	€82 million(1)(2) (approximately 20% of the share capital) €750 million for debt securities(4)
20th	Delegation of authority to the Board of Directors to decide to increase the share capital by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, with an optional priority period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, without shareholders' preferential subscription rights(6)	26 months	€40 million(1)(2)(3) (approximately 10% of the share capital) €750 million for debt securities(4)
21st	Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, as part of public offerings referred to in sub-section 1 of Article L. 411-2 of the French Monetary and Financial Code	26 months	€40 million(1)(2)(3) (approximately 10% of the share capital) €750 million for debt securities(4)
22nd	Authorisation to the Board of Directors, in the event of an issue without shareholders' preferential subscription rights, through a public offering, to set the issue price in accordance with the terms and conditions set by the shareholders at the General Meeting	26 months	10% of the share capital per year (1)(2)(3) €750 million for debt securities(4)
23rd	Authorisation to the Board of Directors to increase the amount of an issue, with or without shareholders' preferential subscription rights	26 months	Regulatory limit (currently 15% of the original issue)(1) €750 million for debt securities(4)
24th	Delegation of authority to the Board of Directors to increase the share capital by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, without shareholders' preferential subscription rights, in consideration for contributions in kind	26 months	10% of the share capital(1)(2)(3) €750 million for debt securities(4)

Resolution	Type of delegated authority	Maximum duration	Maximum nominal amount
25th	Delegation of authority to the Board of Directors to increase the share capital by issuing shares reserved for members of a company savings plan, without shareholders' preferential subscription rights in favour of such members	26 months	12 million(1) (5) (approximately 3% of the share capital)
26th	Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares to a specific category of beneficiaries	18 months	€12 million(1) (5) (approximately 3% of the share capital)
27th	Authorisation to the Board of Directors to carry out bonus allotments of existing shares or shares to be issued, without shareholders' preferential subscription rights, to certain employees and corporate officers of the Company and related companies	18 months	0.5% of the share capital(1)

(1) The overall maximum nominal amount of the capital increases that may be carried out pursuant to this delegation of authority shall count towards the overall limit of €206 million applicable to immediate and/or future capital increases.

(2) The overall maximum nominal amount of the share capital increases that may be carried out pursuant to this delegation of authority shall count towards the sub-limit set at €82 million applicable to share increases without shareholders' preferential subscription rights by way of public offering (with a priority period).

(3) The overall maximum nominal amount of the share capital increases that may be carried out pursuant to this delegation of authority shall count towards the sub-limit set at €40 million applicable to share increases without shareholders' preferential subscription rights by way of public offering (with or without a priority period.

(4) The overall maximum nominal amount of debt securities that may be issued pursuant to this delegation of authority shall count towards the overall limit of €750 million applicable to the issue of debt securities.

(5) Limit of €12 million common to the capital increases that may be carried out pursuant to the 25th and 26th resolutions.

(6) Including as part of a public exchange offer initiated by the Company (Article L. 22-10-54 of the French Commercial Code).

The corresponding proposed delegations are detailed below:

Capital increase by capitalising reserves, profits or premiums (17th extraordinary resolution)

Pursuant to the 17th resolution, the Board of Directors asks the shareholders at the General Meeting to delegate to it the authority to increase the share capital by capitalising reserves, profits or premiums, up to a maximum nominal amount of eighty-two million euros (€82,000,000), an independent limit separate from the limit applicable to the other resolutions put to the vote of the shareholders at the General Meeting. The capital increases pursuant to this resolution may be carried out, at the discretion of the Board of Directors, either by allotting new shares for no consideration or by increasing the nominal value of the existing shares or by using a combination of these two methods, on the terms that it shall determine.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted pursuant to the 23rd resolution of the shareholders at the General Meeting of 25 April 2023, be granted for a period of twenty-six (26) months as from this General Meeting.

Issue of shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, with shareholders' preferential subscription rights (18th extraordinary resolution)

Pursuant to the 18th resolution, the Board of Directors asks the shareholders at the General Meeting to delegate to it the authority to issue shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, with shareholders' preferential subscription rights, up to a maximum nominal amount of two hundred and six million euros (€206,000,000), it being specified that the nominal amount of the capital increases carried out pursuant to this resolution as well as the 19th to the 27th resolutions put to the shareholders at this General Meeting shall count towards this limit.

The shares and/or equity securities granting access to other equity securities and/or granting the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued pursuant to this delegation may include debt securities or be associated with the issue of such securities, or allow the issue thereof, such as intermediate securities. The nominal amount of the debt securities that may be issued pursuant to this delegation may not exceed seven hundred and fifty million euros (€750,000,000) at the date of the decision to issue those securities.

The shareholders may exercise their preferential subscription rights, in accordance with the law, in proportion to their existing shareholdings and, where applicable, for excess shares or transferable securities, if the Board of Directors so permits.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted pursuant to the 24th resolution of the shareholders at the General Meeting of 25 April 2023, be granted for a period of twenty-six (26) months as from this General Meeting.

Issue of shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, without shareholders' preferential subscription rights, through public offerings (19th, 20th, 21st and 22nd extraordinary resolutions)

The Board of Directors asks the shareholders to delegate the authority to issue shares and/or equity securities granting access to other equity securities and/or transferable securities granting access to equity securities to be issued, without shareholders' preferential subscription rights over the shares or transferable securities thus issued. These issues could be carried out through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code (19th and 20th resolutions) or through public offerings restricted to a limited group of investors acting for their own account or to qualified investors (21st resolution).

To be able to take advantage of opportunities on the market, the Board of Directors considers that it would be useful to have the option to carry out capital increases on which shareholders' preferential subscription rights are disapplied, while nevertheless setting more restrictive limits thereon than for capital increases on which shareholders' preferential subscription rights are preserved.

Pursuant to the 19th resolution on the issue of shares, without shareholders' preferential subscription rights, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, the Board of Directors will be obliged to grant shareholders a priority subscription period to acquire shares in proportion to their existing shareholdings and/or to acquire excess shares, in accordance with applicable regulations.

Pursuant to the 20th resolution on the issue of shares, without shareholders' preferential subscription rights, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, the Board of Directors will have the option of granting shareholders a priority subscription period to acquire shares in proportion to their existing shareholdings and/or to acquire excess shares, in accordance with applicable regulations.

The nominal amount of capital increases without shareholders' preferential subscription rights and with a compulsory priority subscription period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, which may be carried out pursuant to the 19th resolution, may not exceed eighty-two million euros (€82,000,000), it being specified that (i) the nominal amount of capital increases carried out pursuant to the 19th resolution, as well as the 20th, 21st, 22nd, 23rd and 24th resolutions put before this General Meeting, shall count towards this limit, which is a sub-limit common to all capital increases without shareholders' preferential subscription rights, through public offerings with and without a priority subscription period and (ii) the nominal amount of any capital increase carried out pursuant to the 19th resolution shall count towards the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the 18th resolution of the General Meeting of 26 April 2024.

The total nominal amount of capital increases without shareholders' preferential subscription rights and with an optional priority subscription period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, which may be carried out pursuant to the 20th resolution, may not exceed forty million euros (€40,000,000), it being specified that (i) the nominal amount of capital increases carried out pursuant to the 19th resolution, as well as the 21st, 22nd, 23rd and 24th resolutions put before this General Meeting shall count towards this limit, which is a sub-limit common to all capital increases without shareholders' preferential subscription rights, through public offerings without a priority subscription period and (ii) the nominal amount of any capital increase carried out pursuant to this delegation shall count towards (x) the nominal limit of eighty-two million euros (€82,000,000) applicable to capital increases without shareholders' preferential subscription rights, through public offerings (with a priority subscription period) as referred to in paragraph 2 of the 19th resolution of this General Meeting and (y) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the 18th resolution of this General Meeting.

The total nominal amount of capital increases without shareholders' preferential subscription rights, through public offerings restricted to a limited group of investors acting for their own account or to qualified investors, which may be carried out pursuant to the 21st resolution, may not exceed forty million euros (€40,000,000), it being specified that the nominal amount of capital increases carried out pursuant to the 21st resolution shall count towards: (i) the nominal limit of forty million euros (€40,000,000) applicable to capital increases without shareholders' preferential subscription rights, through public offerings (with or without a priority subscription period) as referred to in paragraph 2 of the 20th resolution of this General Meeting, (ii) the nominal limit of eighty-two million euros (€82,000,000) applicable to capital increases without shareholders' preferential subscription rights, through public offerings (with a priority subscription period) as referred to in paragraph 2 of the 19th resolution of this General Meeting and (iii) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the 18th resolution of this General Meeting.

The Board of Directors shall be entitled to issue, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code (19th and 20th resolutions) and/or through public offerings restricted to a limited group of investors acting for their own account and to qualified investors (21st resolution), shares and/or equity securities giving access to other equity securities and/or transferable securities giving access to equity securities to be issued, which may comprise, or be related to the issue of, debt securities, or enable them to be issued as intermediate securities. The nominal amount of the debt securities that may be issued pursuant to the 19th, 20th and 21st resolutions may not exceed seven hundred and fifty million euros (€750,000,000) at the date of the decision to issue such shares and shall count towards the overall limit of seven hundred and fifty million euros (€750,000,000) set by the 18th resolution.

The issue price of the shares issued pursuant to the 19th, 20th and 21st resolutions will be fixed in accordance with the laws and regulations in force at the time of issue, which currently provide for a price at least equal to the weighted average price of the Company’s shares over the last three trading sessions on the Euronext Paris regulated market preceding the launch of the offer, less a discount of up to 10%.

In accordance with the provisions of Articles L. 225-136 and L. 22-10-52 of the French Commercial Code, you are, however, asked under the 22nd resolution to authorise the Board of Directors, limited to 10% of the share capital in any 12-month period, to set the issue price at the volume-weighted average price of the Company's shares on the Euronext Paris regulated market during the final trading session before the issue price is set, less a discount of up to 10%.

The purpose of exercising the right described above would be to allow the Company, given the volatility of the markets, to benefit from the opportunity to issue securities when the market conditions prevented it from carrying out an issue under the price conditions set by the 19th, 20th and 21st resolutions.

The Board of Directors proposes that these delegations, which would supersede the authorisations granted by the 25th, 26th, 27th and 28th resolutions of the General Meeting of 25 April 2023, be granted for a period of twenty-six (26) months as from the General Meeting.

Authorisation for the Board of Directors to increase the amount of issues with or without shareholders' preferential subscription rights (23rd extraordinary resolution)

Subject to the adoption of the 18th, 19th, 20th and 21st resolutions on capital increases with or without shareholders’ preferential subscription rights, the shareholders are asked under the 23rd resolution to authorise the Board of Directors, for a period of 26 months and with the right to sub-delegate in accordance with applicable laws and regulations, to approve increases in the number of securities to be issued as part of any issue approved pursuant to the 18th, 19th, 20th and 21st resolutions of the General Meeting under the conditions provided for by the laws and regulations in force on the date of issue (i.e. currently, within 30 days of subscriptions being closed, limited to 15% of each issue and at the same price used on the initial issue). It is specified that the total nominal amount of the capital increases that may be carried out pursuant to the 23rd resolution shall count towards the limit stipulated in the resolution pursuant to which the issue is approved and the overall nominal limit stipulated for capital increases in the 18th resolution.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted pursuant to the 29th resolution of the shareholders at the General Meeting of 25 April 2023, be granted for a period of twenty-six (26) months as from the General Meeting.

Issue of shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, in consideration for contributions in kind (24th extraordinary resolution)

Pursuant to the 24th resolution, the shareholders are asked to delegate authority to the Board of Directors to issue shares and/or equity securities giving access to other equity securities and/or transferable securities giving access to equity securities to be issued, in consideratin for contributions in kind made to the Company and consisting of equity securities or transferable securities giving access to the capital, limited to a nominal capital increase of 10% of the Company's share capital, which shall count towards (i) the nominal limit of forty million euros (€40,000,000) applicable to capital increases without shareholders' preferential subscription rights through public offerings (with or without a priority subscription period) as referred to in paragraph 2 of the 20th resolution of this General Meeting, (ii) the nominal limit of eighty-two million euros (€82,000,000) applicable to capital increases without shareholders' preferential subscription rights through public offerings (with a priority subscription period) as referred to in paragraph 2 of the 19th resolution of this General Meeting and (iii) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the 18th resolution of this General Meeting.

The nominal amount of debt securities that may be issued pursuant to this resolution shall count towards the overall limit of seven hundred and fifty million euros (€750,000,000) set by the 18th resolution.

This delegation would involve disapplying shareholders' preferential subscription rights over the shares or transferable securities thus issued in favour of the holders of the equity securities or transferable securities that are the subject of the contributions in kind.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted pursuant to the 30th resolution of the shareholders at the General Meeting of 25 April 2023, be granted for a period of twenty-six (26) months as from this General Meeting.

Capital increases restricted to employees (25th and 26th extraordinary resolutions)

Pursuant to the 25th resolution, we ask that you delegate to the Board of Directors, for a period of 26 months, with the right to sub-delegate, your authority to increase the share capital by issuing shares in the Company restricted to members of a company savings plan, up to a limit of a maximum nominal amount of twelve million euros (€12,000,000), it being specified that the nominal amount of any capital increase carried out pursuant to this delegation shall count towards the overall nominal limit stipulated for capital increases provided for in the 18th resolution of the General Meeting and that the limit under this delegation would be combined with the limit provided for in the 26th resolution.

The subscription price of the shares issued will be determined under the conditions set out in Article L. 3332-19 of the French Labour Code, it being specified that the maximum discount on the average share price quoted over the 20 trading sessions preceding the decision fixing the opening date for subscriptions may not exceed 20%. The Board of Directors may reduce or cancel such discount, at its discretion, to take account of the legal, accounting, tax and social security systems applicable in the country of residence of certain beneficiaries. The Board of Directors may also decide to allocate shares, for no consideration, to subscribers for new shares, in substitution for the discount and/or the employer matching contribution.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted pursuant to the 31st resolution of the shareholders at the General Meeting of 25 April 2023, be granted for a period of twenty-six (26) months as from this General Meeting.

Following on from the 25th resolution, you are asked, in the 26th resolution, to delegate to the Board of Directors, for a period of 18 months, with the right to sub-delegate as permitted by law, the authority to carry out one or more capital increases restricted to (i) employees and/or corporate officers of the Company and/or companies related to the Company within the meaning of the provisions of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code whose registered office is outside France; (ii) one or more mutual investment funds or other entities governed by French or a foreign law, with or without legal personality, subscribing on behalf of persons referred to in section (i) above; and (iii) one or more financial institutions appointed by the Company to offer the persons referred to in section (i) above a shareholding plan comparable to those offered to employees of the Company in France.

Such a capital increase would enable employees, former employees and corporate officers of the Group who are resident in certain countries to benefit, subject to any local regulatory or tax restrictions, from plans that are as close as possible, in terms of economic profile, to those offered to the Group's other employees pursuant to the 25th resolution.

The nominal amount of the capital increases that may be carried out pursuant to this delegation will be limited to twelve million euros (€12,000,000), it being specified that the nominal amount of any capital increase carried out pursuant to this delegation shall count towards (i) the nominal limit of twelve million euros (€12,000,000) applicable to capital increases restricted to employees under the 25th resolution of this General Meeting and (ii) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to capital increases under the 18th resolution of this General Meeting.

The subscription price of the securities issued pursuant to this delegation may not be more than 20% lower than the average share price quoted over the 20 trading sessions preceding the decision fixing the opening date for subscriptions, or higher than this average, and the Board of Directors may reduce or cancel such discount, at its discretion, to take account of the legal, accounting, tax and social security systems applicable in the country of residence of certain beneficiaries. Moreover, where a transaction is carried out pursuant to this resolution concomitantly with a transaction carried out pursuant to the 25th resolution, the subscription price for the shares issued pursuant to this resolution may be identical to the subscription price for the shares issued pursuant to the 25th resolution.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted pursuant to the 32nd resolution of the shareholders at the General Meeting of 25 April 2023, be granted for a period of eighteen (18) months as from this General Meeting.

Allotment of free shares to employees and/or corporate officers of the Company or related companies (27th extraordinary resolution)

Pursuant to Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code, you are asked to authorise the Board of Directors, with the right to sub-delegate and for a period of 18 months beginning on the date of the General Meeting, to carry out bonus allotments of the Company's existing shares or shares to be issued, on one or more occasions, to certain employees and corporate officers of the Company and companies related to it within the meaning of Article L. 225-197-2 of the French Commercial Code. The definitive allotment of such shares will be subject, in whole or in part, to performance conditions.

The total number of shares allotted under this authorisation may not exceed zero point five per cent (0.5%) of the number of shares comprising the Company's share capital on the date on which the Board of Directors resolves to allot such shares, and shall count towards the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to capital increases in the 18th resolution of this General Meeting. In addition, the maximum total number of bonus shares that may be allotted to the Company's corporate officers under this authorisation may not represent more than twenty per cent (20%) of all the shares allotted by the Board of Directors under this authorisation.

Any allotments of performance shares made pursuant to this proposed resolution would become definitive at the end of a vesting period the length of which will be set by the Board of Directors, such period not being less than three years for corporate officers and two years for recipients other than corporate officers. The minimum period over which the recipients will be required to hold the shares in the Company will also be set by the Board of Directors, such period lasting at least one year from the date on which the shares are definitively allotted (where shares are allotted with a vesting period of three years or more, the holding period for the shares may be reduced or cancelled). The shares will, however, be definitively allotted to the recipient together with the right to transfer them on an unrestricted basis, if the recipient suffers a disability that falls within the second or third categories provided for in Article L. 341-1 of the French Social Security Code.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted pursuant to the 33rd resolution of the General Meeting of 25 April 2023, be granted for a period of eighteen (18) months as from the General Meeting.

8.3. Proposed resolutions

Ordinary resolutions

FIRST RESOLUTION

(Approval of the Company's statutory financial statements for the financial year ended on 31 December 2023)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the reports of the Board of Directors and of the statutory auditors, approve the Company's statutory financial statements for the financial year ended on 31 December 2023, including the statement of financial position, the income statement and the notes, as presented to them, which show a net book profit of €254,637,513.52, as well as the transactions reflected in those statements and summarised in those reports.

SECOND RESOLUTION

(Approval of the Company's consolidated financial statements for the financial year ended on 31 December 2023)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the reports of the Board of Directors and of the statutory auditors, approve the Company's consolidated financial statements for the financial year ended on 31 December 2023, including the statement of financial position, the income statement and the notes, as presented to them, which show a profit of €475,3 million (Group share) as well as the transactions reflected in those statements and summarised in those reports.

THIRD RESOLUTION

(Allocation of the profit/loss for the financial year ended on 31 December 2023 and setting the dividend at €2.15 per share)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the reports of the Board of Directors and of the statutory auditors:

- note that the profit for the financial year amounts to €254,637,513.52;
- note that the amount carried forward is €156,900,409.56; i.e. a profit/loss available to be allocated of €411,537,923.08;

resolves to allocate that profit/loss as follows:

- €5,068,126.33 to the legal reserve (5% of the profit);
- €262,921,743.45 to be distributed as dividends;
- €143,548,053.29 to retained earnings.

The dividends paid in respect of the treasury shares held by the Company on the date of payment will be allocated to retained earnings. In the event of a change in the number of shares carrying dividend rights prior to distribution, the total amount of the dividend will be adjusted accordingly, and the balance allocated to retained earnings will be determined on the basis of the dividend actually paid.

The shareholders at the General Meeting consequently resolve to pay a dividend of €2.15 per share.

The dividend to be distributed will be detached from the shares on 14 May 2024 and will be paid on 16 May 2024.

For individuals who are French tax residents who have not expressly and irrevocably opted to be taxed on all their income at the progressive income tax rates, the dividend is subject in principle to the 30% *prélèvement forfaitaire unique* (single fixed levy), made up of income tax (at 12.8%) and social security contributions (at 17.2%). For individuals who are French tax residents who have so opted, such dividends will be subject to personal income tax at the progressive income tax rates and entitle them to the 40% allowance provided for by Article 158-3, 2° of the French General Tax Code.

Pursuant to Article 243 bis of the French General Tax Code, the shareholders at the General Meeting note that they have been informed that, in respect of the past three financial years, the following dividends and income have been distributed:

Financial year	Income eligible for relief		Income not eligible for relief
	Dividends	Other income distributed	
2022	€171,204,856.20 i.e. €1.40 per share	Nil	Nil
2021	€128,403,642.15 i.e. €1.05 per share	Nil	Nil
2020	€117,109,178 i.e. €0.95 per share	Nil	Nil

FOURTH RESOLUTION

(Statutory auditors' special report on related-party agreements and commitments and observation that no new agreements have been entered into)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report presented pursuant to Article L. 225-40 of the French Commercial Code, note that no new agreement of the type referred to in Article L. 225-38 of that Code has been entered into.

FIFTH RESOLUTION

(Renewal of Marie-José Donsion's term of office as Director)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, on the recommendation of the Board of Directors, approve the renewal of the term of office of Marie-José Donsion as Director for a period of four years expiring at the end of the general shareholders' meeting to be held in 2028 to vote on the financial statements for the year ended on 31 December 2027.

SIXTH RESOLUTION

(Renewal of Pierre Vareille's term of office as Director)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, on the recommendation of the Board of Directors, approve the renewal of the term of office of Pierre Vareille as Director for a period of four years expiring at the end of the general shareholders' meeting to be held in 2028 to vote on the financial statements for the year ended on 31 December 2027.

SEVENTH RESOLUTION

(Appointment of PricewaterhouseCoopers Audit as auditor in charge of the verification of information related to sustainability)

On the recommendation of the Board of Directors, the shareholders at the General Meeting approve the appointment of PricewaterhouseCoopers Audit as auditor in charge of the verification of information related to sustainability until the end of its term of office relating to the certification of annual and consolidated financial statements as statutory auditor of the Company, i.e. until the end of the general shareholders' meeting to be held in 2026 to vote on the financial statements for the year ended on 31 December 2025.

EIGHTH RESOLUTION

(Appointment of BM&A as auditor in charge of the verification of information related to sustainability)

On the recommendation of the Board of Directors, the shareholders at the General Meeting approve the appointment of BM&A as auditors in charge of the verification of information related to sustainability until the end of its term of office relating to the certification of annual and consolidated financial statements as statutory auditors of the Company, i.e. until the end of the general shareholders' meeting to be held in 2025 to vote on the financial statements for the year ended on 31 December 2024.

NINTH RESOLUTION

(Approval of the compensation policy for the Chairman of the Board of Directors)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the compensation policy for the Chairman of the Company's Board of Directors not acting as Chief Executive Officer, as presented in the aforementioned report.

TENTH RESOLUTION

(Approval of the compensation policy for the Chief Executive Officer)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the compensation policy for the Company's Chief Executive Officer, as presented in the aforementioned report.

ELEVENTH RESOLUTION

(Approval of the compensation policy for the Directors)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the compensation policy for the Directors, as presented in the aforementioned report.

TWELFTH RESOLUTION

(Approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Michel Giannuzzi, Chairman of the Company's Board of Directors)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the fixed, variable and exceptional items comprising the total compensation and benefits in kind paid in the previous financial year or awarded in respect of the same financial year to Michel Giannuzzi, Chairman of the Board of Directors, as presented in the aforementioned report.

THIRTEENTH RESOLUTION

(Approval of the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid or awarded in respect of the financial year ended on 31 December 2023 to Patrice Lucas, Chief Executive Officer of the Company)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the fixed, variable and exceptional items comprising the total compensation and benefits in kind paid in the previous financial year or awarded in respect of the same financial year to Patrice Lucas, Chief Executive Officer of the Company, as presented in the aforementioned report.

FOURTEENTH RESOLUTION

(Approval of the information required under Article L. 22-10-9 I. of the French Commercial Code relating to the compensation of corporate officers)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the corporate governance report referred to in Article L. 225-37 of the French Commercial Code and included in section 3.3 of the Company's 2023 Universal Registration Document, approve the information referred to in Article L. 22-10-9 I. of the French Commercial Code, as presented in the aforementioned report.

FIFTEENTH RESOLUTION

(Authorisation granted to the Board of Directors to trade in the Company's shares)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the Board of Directors' report:

1. authorise the Board of Directors, with the right to sub-delegate as permitted by law, pursuant to Articles L. 22-10-62 *et seq.* of the French Commercial Code, to purchase, on one or more occasions and at such times as it shall determine, a number of shares in the Company not exceeding:
   i. 10% of the total number of shares comprising the share capital, at any time whatsoever; or
   ii. 5% of the total number of shares comprising the share capital in the case of shares acquired by the Company with a view to holding them and subsequently transferring them in payment or exchange as part of a merger, demerger or contribution.

   Such transactions may be effected at any time, in accordance with applicable regulations, other than during periods of public offerings over the Company's securities.

   Such percentages shall apply to a number of shares adjusted by reference to any transactions that may affect the share capital after this General Meeting.

   The acquisitions made by the Company may not, under any circumstances, cause the Company to hold more than 10% of the shares comprising its share capital at any time whatsoever.

2. resolve that such authorisation may be used to:
   i. ensure liquidity and make a market in the Company's securities through an investment service provider acting independently under a liquidity agreement in accordance with the market practice adopted by the French Financial Markets Authority on 22 June 2021;
   ii. allot shares to corporate officers and employees of the Company and other Group entities, particularly within the scope of (i) profit-sharing arrangements; (ii) any Company stock option plan pursuant to Articles L. 225-177 *et seq*. and L. 22-10-56 of the French Commercial Code; (c) any savings plan pursuant to Articles L. 3331-1 *et seq*. of the French Labour Code; or (d) any award of bonus shares pursuant to Articles L. 225-197-1 *et seq*. and L. 22-10-59 of the French Commercial Code, and to carry out any hedging in relation to such transactions, under the conditions set out by the market authorities and at such times as the Board of Directors or the person acting on behalf of the Board of Directors may determine;
   iii. deliver shares in the Company when exercising rights attached to transferable securities conferring entitlement, directly or indirectly by way of redemption, conversion, exchange, presentation of a warrant or otherwise to be allotted shares in the Company under applicable regulations, and to carry out any hedging in relation to such transactions, under the conditions set out by the market authorities and at such times as the Board of Directors or the person acting on behalf of the Board of Directors may determine;
   iv. hold the Company's shares and subsequently deliver them in payment or exchange in connection with any acquisition, merger, demerger or contribution transaction;
   v. cancel all or some of the securities thus purchased, subject to the adoption of the sixteenth resolution of this General Meeting or any resolution of the same nature;
   vi. implement any market practice accepted by the French Financial Markets Authority and in general carry out any transaction in compliance with applicable regulations.
3. resolve that the maximum unit purchase price may not exceed fifty-four euros (€54) per share, excluding costs. However, the Board of Directors may, in the event that transactions are carried out that affect the Company's share capital, including alterations to the nominal value of the shares, capital increases through the capitalisation of reserves followed by the creation and allotment of bonus shares, stock splits or reverse stock splits, adjust the above-mentioned maximum purchase price to reflect the impact of such transactions on the value of the Company's shares;
4. resolve that the purchase, sale or transfer of such shares may be effected and paid for by any means permitted under applicable regulations, on a regulated market, on a multilateral trading facility, with a systematic internaliser or over the counter, in particular through block purchases or sales, through the use of options or other financial derivatives, warrants or, more generally, transferable securities conferring entitlement to shares in the Company, at such times as the Board of Directors may determine;
5. resolve that the Board of Directors has full authority, with the right to sub-delegate as permitted by law, to allocate and, where appropriate, reallocate, to the extent permitted by relevant laws and regulations, shares bought back for one of the programme's objectives to one or more of its other objectives, or to sell them on- or off-market;

   All powers shall consequently be conferred on the Board of Directors, with the right to sub-delegate as permitted by law, to implement this authorisation, to clarify the terms thereof where necessary and to establish the procedures therefor under the conditions imposed by law and this resolution, and in particular to place all trading orders, enter into all agreements, particularly for keeping records of purchases and sales of shares, make all declarations to the French Financial Markets Authority or any other competent authority, produce any information document, carry out any formalities and, in general, take all necessary measures.

   The Board of Directors shall inform the shareholders at the General Meeting, in the manner required by law and regulations, of the transactions carried out pursuant to this authorisation.
6. resolve that this authorisation, which supersedes the authorisation granted pursuant to the twenty-first resolution of the General Meeting of 25 April 2023, is granted for a period of eighteen (18) months as from this General Meeting.

Extraordinary resolutions

SIXTEENTH RESOLUTION

(Authorisation granted to the Board of Directors to reduce the Company's share capital by cancelling treasury shares)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report:

1. authorise the Board of Directors, with the right to sub-delegate as permitted by law, to:
   i. cancel, at its sole discretion, on one or more occasions, capped at 10% of the amount of the share capital in existence on the date of cancellation (i.e. adjusted by reference to the transactions involving the Company's share capital after the adoption of this resolution) over a 24-month period, all or some of the shares acquired by the Company under a share buyback programme authorised by the shareholders;
   ii. correlatively reduce the share capital and allocate the difference between the buy-back price of the cancelled shares and their nominal value to the available premiums and reserves of its choice, including to the legal reserve, capped at 10% of the share capital decrease effected.
2. confer all powers on the Board of Directors, with the right to sub-delegate as permitted by law, to establish the final amount of the share capital decrease subject to the limits provided for by law and this resolution, to set the terms and conditions thereof, to certify the completion thereof, and to take any action, perform any formalities or make any declarations with a view to finalising any share capital decreases that may be carried out pursuant to this authorisation and to amend the Articles of Association accordingly;
3. resolve that this authorisation, which supersedes the authorisation granted pursuant to the twenty-second resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

SEVENTEENTH RESOLUTION

(Delegation of authority to the Board of Directors to increase the share capital by capitalisation of reserves, profits or premiums or any other amount for which capitalisation is allowed)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129, L. 225-129-2, L. 225-130 and L. 22-10-50 thereof:

1. delegate to the Board of Directors, with the right to sub-delegate as permitted by law, their authority to increase the Company's share capital, on one or more occasions, in the proportions and at the times determined by it, by capitalising reserves, profits or issue premiums resulting from mergers or contributions, or any other sum that may be capitalised by law and under the Articles of Association, to be effected by issuing new shares or by increasing the nominal amount of existing shares or by a combination of these two methods on the terms that it shall determine;
2. resolve that the nominal amount of the capital increases that may be approved by the Board of Directors and carried out, immediately and/or in the future, pursuant to this delegation may not exceed eighty-two million euros (€82,000,000), this limit being separate from the limit provided for in paragraph 2 of the eighteenth resolution below. This limit shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;
3. state that, in the event of a capital increase giving rise to bonus allotments of new shares, the Board of Directors may resolve that rights to fractions of shares shall not be negotiable and that the corresponding shares shall be sold, in accordance with the provisions of Articles L. 225-130 and L. 22-10-50 of the French Commercial Code, with the proceeds from the sale being paid to the holders of the rights within the timeframe provided for by applicable regulations;

4. resolve that the Board of Directors shall have all powers, with the right to sub-delegate as permitted by law, to implement this delegation, and in particular:
   i. to determine the terms and conditions of the transactions authorised and in particular to set the amount and the nature of the reserves, profits, premiums or other sums to be capitalised, to set the number of new shares to be issued or the amount by which the nominal amount of the existing shares comprising the share capital shall be increased, to determine the date, which may be retroactive, from which the new shares shall carry the right to receive dividends or the date on which the increase in the nominal amount shall take effect and to make any deductions from the issue premium or premiums, including for costs incurred in relation with the issues and, at its discretion, to deduct from the amount of the capital increase the sums necessary to increase the legal reserve to one tenth of the new share capital;
   ii. to take any measures designed to protect the rights of holders of transferable securities or other rights granting access to the capital, in existence on the date of the capital increase;
   iii. to record the completion of the capital increase, to take all useful measures and to enter into all agreements to ensure that the proposed transaction or transactions complete and, in general, to take any action and perform any formalities to complete the capital increase or increases carried out pursuant to this delegation and to amend the Company's articles of association accordingly;
   iv. to take all measures and carry out all formalities required for the newly issued securities to be admitted to trading on the regulated market of Euronext Paris;
5. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;
6. resolve that this delegation, which supersedes the delegation granted pursuant to the twenty-third resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

EIGHTEENTH RESOLUTION

(Delegation of authority to the Board of Directors to increase the share capital, with shareholders' preferential subscription rights, by issuing shares and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report and in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129 *et seq*., L. 22-10-49, L. 225-132, L. 225-133 and L. 228-91 *et seq*. thereof:

1. delegate to the Board of Directors, with the right to sub-delegate as permitted by law, the authority to resolve to issue, on one or more occasions, in the proportions and at the times it considers appropriate, both in France and abroad, in euros or in foreign currencies, with shareholders' preferential subscription rights, shares in the Company and/or equity securities granting access to other equity securities and/or granting the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued, which may be subscribed for in cash or by the amount payable being offset against amounts owed that are certain, liquid and payable, or, in full or in part, by capitalising reserves, profits or premiums;
2. resolve that the total nominal amount of the capital increases that may be carried out immediately and/or in the future under this delegation may not exceed two hundred and six million euros (€206,000,000) or the equivalent in any other currency, it being stipulated that the nominal amount of the capital increases carried out pursuant to this resolution as well as the nineteenth to twenty-seventh resolutions submitted to the shareholders at this General Meeting shall count towards this limit. This limit shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;
3. resolve that the transferable securities granting access to the Company's share capital may comprise debt securities or be associated with the issue of such securities, or even allow the issue thereof, as intermediate securities. The total maximum nominal amount of the debt securities that may be issued pursuant to this delegation may not exceed seven hundred and fifty million euros (€750,000,000) or its equivalent value in foreign currencies, it being specified that the nominal amount of the debt securities that may be issued pursuant to this resolution as well as the nineteenth to twenty-fourth resolutions put to the shareholders at this General Meeting shall count towards this limit;

4. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;
5. note that this delegation shall require the shareholders to waive their preferential subscription rights over the Company's equity securities to which they may be entitled as a result of the transferable securities issued pursuant to this delegation, either immediately or in the future;
6. resolve that the shareholders may exercise, under the conditions provided for by law, their preferential subscription rights to subscribe for equity securities and/or for the transferable securities whose issue shall be approved by the Board of Directors pursuant to this delegation of authority in proportion to their existing shareholdings. The Board of Directors shall have the option of granting the shareholders the right to subscribe for a number of transferable securities in excess of the number for which they may subscribe on a proportional basis, pro rata to the subscription rights they hold and, in any event, they shall not be issued with a number of shares that exceeds the number for which they applied;

   If subscriptions in proportion to existing holdings and, where applicable, for excess shares are insufficient to absorb all the equity securities and/or transferable securities issued, the Board of Directors shall have the option, in the order determined by it, either to limit the issue, in accordance with the law, to the amount of subscriptions received, provided that the number of securities issued amounts to at least three-quarters of the issue that was initially approved, or to freely distribute some or all of the securities not subscribed for among the persons of its choice, or to carry out a public offering in the same way, on the French or international market, over some or all of the unsubscribed securities, the Board of Directors being able to exercise any or all of the options described above;
7. further state that the Board of Directors, with the right to sub-delegate as permitted by law, may:
   i. resolve on and set the characteristics of the issues of shares and transferable securities to be issued and, in particular, their issue price (with or without an issue premium), the subscription and payment procedure and the date on which they shall carry the right to receive dividends (which may be retroactive);
   ii. in the event of the issue of share warrants, determine the number and characteristics thereof and resolve, at its discretion, subject to the conditions and in accordance with the procedures set by it, that the warrants may be redeemed or bought back, or even allotted to the shareholders for no consideration in proportion to their rights to the share capital;
   iii. more generally, determine the characteristics of all transferable securities and, in particular, the conditions and procedure for the allotment of shares, the term of any borrowings in the form of bonds, whether or not they are subordinated, the currency of issue, the terms of repayment of the principal, with or without a premium, the conditions and procedure for amortisation and, where appropriate, for purchase, exchange or early redemption, the interest rates, whether fixed or variable, and the payment date; the interest rate may include a variable portion calculated by reference to the Company's business activities and income and deferred payment in the absence of distributable profits;
   iv. resolve to use the shares acquired under a share buyback programme authorised by the shareholders for allotment purposes as a result of the issue of transferable securities issued on the basis of this delegation;
   v. take any measures designed to protect the rights of holders of transferable securities or other rights granting access to the Company's capital required by laws or regulations and by applicable contractual provisions;
   vi. if necessary, suspend the exercise of the rights attached to such transferable securities for a fixed period in accordance with laws and regulations and applicable contractual provisions;
   vii. record the completion of any capital increases and issues of transferable securities, amend the articles of association accordingly, deduct the issue costs from the premiums and, at its discretion, deduct from the amount of the capital increases the sums necessary to increase the legal reserve to one tenth of the new share capital;
   viii. take all measures and carry out all formalities required for the newly issued securities to be admitted to trading on a regulated market;
8. resolve that this delegation, which supersedes the delegation granted pursuant to the twenty-fourth resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

NINETEENTH RESOLUTION

(Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, with a compulsory priority period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report, and in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129 *et seq.*, L. 225-135, L. 22-10-51, L. 225-136, L. 22-10-52, L. 22-10-54 and L. 228-92 thereof:

1. delegate to the Board of Directors, with the right to sub-delegate as permitted by law, the authority to resolve to issue, through public offerings, other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, on one or more occasions, in the proportions and at the times it considers appropriate, both in France and abroad, in euros or in foreign currencies, without preferential subscription rights, shares in the Company and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued, which may be subscribed for in cash or by the amount payable being offset against amounts owed that are certain, liquid and payable;

2. resolve that the total nominal amount of the capital increases that may be carried out immediately and/or in the future pursuant to this delegation may not exceed eighty-two million euros (€82,000,000) or the equivalent in any other currency, it being specified that (i) the nominal amount of the capital increases carried out pursuant to this resolution as well as to the twentieth, twenty-first, twenty-second, twenty-third and twenty-fourth resolutions submitted to the shareholders at this General Meeting shall count towards this limit; and (ii) the nominal amount of any capital increase carried out pursuant to this delegation shall count towards the overall nominal limit of two hundred and six million euros (€206,000,000) provided for capital increases in paragraph 2 of the eighteenth resolution of this General Meeting;

   These limits shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;

3. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;

4. resolve to disapply shareholders' preferential subscription rights over the shares and over any other transferable securities to be issued pursuant to this resolution;

5. resolve to grant shareholders a priority subscription period not giving rise to negotiable rights, which must be exercised in proportion to the number of shares held by each shareholder and, where applicable, in respect of excess shares, and consequently delegate to the Board of Directors, with the right to sub-delegate, the authority to set the duration of and the terms and conditions applicable to this period in compliance with applicable laws and regulations;

6. resolve that the transferable securities granting access to the Company's share capital may comprise debt securities or be associated with the issue of such securities, or even allow the issue thereof, as intermediate securities. The overall maximum nominal amount of the debt securities that may be issued immediately or in the future pursuant to this delegation may not exceed seven hundred and fifty million euros (€750,000,000) or its equivalent value in foreign currencies, it being specified that this amount shall count towards the overall nominal limit for issues of debt securities provided for in paragraph 3 of the eighteenth resolution;

7. note that this delegation shall require the shareholders to waive their preferential subscription rights over the Company's equity securities to which they may be entitled as a result of the transferable securities issued pursuant to this delegation, either immediately or in the future;

8. resolve that, if the subscriptions are insufficient to absorb all the equity securities and/or transferable securities issued, the Board of Directors shall have the option, in the order determined by it, either to limit the issue to the amount of subscriptions received, provided that the number of securities issued amounts to at least three-quarters of the issue that was approved, or to freely distribute some or all of the securities not subscribed for among the persons of its choice, or to carry out a public offering in the same way, the Board of Directors being able to use some or all of the above powers;

9. further state that the Board of Directors, with the right to sub-delegate as permitted by law, may:
   i. resolve on and set the characteristics of the issues of shares and transferable securities to be issued and, in particular, their issue price (with or without an issue premium), the subscription and payment procedure and the date on which they shall carry the right to receive dividends;
   ii. in the event of the issue of share warrants, determine the number and characteristics thereof and resolve, at its discretion, subject to the conditions and in accordance with the procedures set by it, that the warrants may be redeemed or bought back, or even allotted to the shareholders for no consideration in proportion to their rights to the share capital;
   iii. more generally, determine the characteristics of all transferable securities and, in particular, the conditions and procedure for the allotment of shares, the term of any borrowings in the form of bonds, whether or not they are subordinated, the currency of issue, the terms of repayment of the principal, with or without a premium, the conditions and procedure for amortisation and, where appropriate, for purchase, exchange or early redemption, the interest rates, whether fixed or variable, and the payment date; the interest rate may include a variable portion calculated by reference to the Company's business activities and income and deferred payment in the absence of distributable profits;
   iv. set the issue price of the shares or transferable securities that may be created pursuant to the sub-sections above so that the Company receives, for each share created or allotted irrespective of any financial consideration, regardless of the form thereof (for example, interest, issue or redemption premium), a sum at least equal to the minimum price stipulated by laws or regulations in force on the date of issue (i.e. at this date, the weighted average price of the Company's shares over the last three trading sessions on the Euronext Paris regulated market preceding the launch of the public offering within the meaning of Regulation (EU) No 2017/1129 of 14 June 2017, less a discount of up to 10%);
   v. resolve to use the shares acquired under a share buyback programme authorised by the shareholders for allotment purposes as a result of the issue of transferable securities issued on the basis of this delegation;
   vi. take any measures designed to protect the rights of holders of transferable securities or other rights granting access to the Company's capital required by laws or regulations and by applicable contractual provisions;
   vii. if necessary, suspend the exercise of the rights attached to such transferable securities for a fixed period in accordance with laws and regulations and applicable contractual provisions;
   viii. record the completion of any capital increases and issues of transferable securities, amend the articles of association accordingly, deduct the issue costs from the premiums and, at its discretion, deduct from the amount of the capital increases the sums necessary to increase the legal reserve to one tenth of the new share capital;
   ix. take all measures and carry out all formalities required for the newly issued securities to be admitted to trading on a regulated market;
10. resolve that this delegation, which supersedes the delegation granted pursuant to the twenty-fifth resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

TWENTIETH RESOLUTION

(Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued, with an optional priority period, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report, and in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129 *et seq.*, L. 225-135, L. 22-10-51, L. 225-136, L. 22-10-52, L. 22-10-54 and L. 228-92 thereof:

1. delegate to the Board of Directors, with the right to sub-delegate as permitted by law, the authority to resolve to issue, via public offerings, other than those referred to in Article L. 411-2 of the French Monetary and Financial Code, on one or more occasions, in the proportions and at the times it considers appropriate, both in France and abroad, in euros or in foreign currencies, without preferential subscription rights, shares in the Company and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued, which may be subscribed for in cash or by the amount payable being offset against amounts owed that are certain, liquid and payable;

2. resolve that the total nominal amount of the capital increases that may be carried out immediately and/or in the future pursuant to this delegation may not exceed forty million euros (€40,000,000) or the equivalent in any other currency, it being specified that: (i) the nominal amount of capital increases without shareholders' preferential subscription rights carried out pursuant to this delegation and the delegation granted under the twenty-first, twenty-second, twenty-third and twenty-fourth resolutions of this General Meeting shall count towards such limit and (ii) the nominal amount of any capital increase carried out pursuant to this delegation shall count towards: (x) the nominal limit of eighty-two million euros (€82,000,000) applicable to capital increases through public offerings without preferential subscription rights (with a priority subscription period) as referred to in paragraph 2 of the nineteenth resolution of this General Meeting; and (y) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to capital increases in paragraph 2 of the eighteenth resolution of this General Meeting;

   These limits shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;
3. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;
4. resolve to disapply shareholders' preferential subscription rights over the shares and over any other transferable securities to be issued pursuant to this resolution;
5. resolve that the Board of Directors may grant shareholders a priority subscription period not giving rise to negotiable rights, which must be exercised in proportion to the number of shares held by each shareholder and, where applicable, in respect of excess shares, and consequently delegate to the Board of Directors the authority to set the duration of and the terms and conditions applicable to this period in compliance with applicable laws and regulations;
6. resolve that the transferable securities granting access to the Company's share capital may comprise debt securities or be associated with the issue of such securities, or even allow the issue thereof, as intermediate securities. The overall maximum nominal amount of the issues of debt securities that may be carried out immediately or in the future pursuant to this delegation may not exceed seven hundred and fifty million euros (€750,000,000) or its equivalent value in foreign currencies, it being specified that this amount shall count towards the overall nominal limit for issues of debt securities provided for in paragraph 3 of the eighteenth resolution;
7. note that this delegation shall require the shareholders to waive their preferential subscription rights over the Company's equity securities to which they may be entitled as a result of the transferable securities issued pursuant to this delegation, either immediately or in the future;
8. resolve that, if the subscriptions are insufficient to absorb all the equity securities and/or transferable securities issued, the Board of Directors shall have the option, in the order determined by it, either to limit the issue to the amount of subscriptions received, provided that the number of securities issued amounts to at least three-quarters of the issue that was approved, or to freely distribute some or all of the securities not subscribed for among the persons of its choice, or to carry out a public offering in the same way, the Board of Directors being able to use all the powers indicated above or just some of them;
9. further state that the Board of Directors, with the right to sub-delegate as permitted by law, may:
   i. resolve on and set the characteristics of the issues of shares and transferable securities to be issued and, in particular, their issue price (with or without an issue premium), the subscription and payment procedure and the date on which they shall carry the right to receive dividends;
   ii. in the event of the issue of share warrants, determine the number and characteristics thereof and resolve, at its discretion, subject to the conditions and in accordance with the procedures set by it, that the warrants may be redeemed or bought back, or even allotted to the shareholders for no consideration in proportion to their rights to the share capital;
   iii. more generally, determine the characteristics of all transferable securities and, in particular, the conditions and procedure for the allotment of shares, the term of any borrowings in the form of bonds, whether or not they are subordinated, the currency of issue, the terms of repayment of the principal, with or without a premium, the conditions and procedure for amortisation and, where appropriate, for purchase, exchange or early redemption, the interest rates, whether fixed or variable, and the payment date; the interest rate may include a variable portion calculated by reference to the Company's business activities and income and deferred payment in the absence of distributable profits;

iv. set the issue price of the shares or transferable securities that may be created pursuant to the sub-sections above so that the Company receives, for each share created or allotted irrespective of any financial consideration, regardless of the form thereof (for example, interest, issue or redemption premium), a sum at least equal to the minimum price stipulated by laws or regulations in force on the date of issue (i.e. at this date, the weighted average price of the Company's shares over the last three trading sessions on the Euronext Paris regulated market preceding the launch of the public offering within the meaning of Regulation (EU) No 2017/1129 of 14 June 2017, less a discount of up to 10%);
v. in the event that securities are issued as consideration for securities that are contributed as part of a public exchange offer (or a mixed public offer or alternative purchase or exchange offer or any other offer with an exchange component), set the exchange ratio as well as any balancing cash payment to be made, disapplying the price calculation methods set out in paragraph 9.iv, record the number of securities contributed to the exchange and set the terms of issue;
vi. resolve to use the shares acquired under a share buyback programme authorised by the shareholders for allotment purposes as a result of the issue of transferable securities issued on the basis of this delegation;
vii. take any measures designed to protect the rights of holders of transferable securities or other rights granting access to the Company's capital required by laws or regulations and by applicable contractual provisions;
viii. if necessary, suspend the exercise of the rights attached to such transferable securities for a fixed period in accordance with laws and regulations and applicable contractual provisions;
ix. record the completion of any capital increases and issues of transferable securities, amend the articles of association accordingly, deduct the issue costs from the premiums and, at its discretion, deduct from the amount of the capital increases the sums necessary to increase the legal reserve to one tenth of the new share capital;
x. take all measures and carry out all formalities required for the newly issued securities to be admitted to trading on a regulated market;

10. resolve that this delegation, which supersedes the delegation granted pursuant to the twenty-sixth resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

TWENTY-FIRST RESOLUTION

(Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, as part of public offerings referred to in sub-section 1 of Article L. 411-2 of the French Monetary and Financial Code)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report and in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129 *et seq.*, L. 225-135, L. 225-136, L. 22-10-49, L. 22-10-51, L. 22-10-52 and L. 228-91 *et seq.* thereof:

1. delegate to the Board of Directors, with the right to sub-delegate as permitted by law, the authority to resolve to issue, through public offerings referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, subject to the conditions and limits provided for by laws and regulations, on one or more occasions, in the proportions and at the times it shall choose, both in France and abroad, in euros or in foreign currencies, without shareholders' preferential subscription rights, shares in the Company and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued, which may be subscribed for in cash or by the amount payable being offset against amounts owed that are certain, liquid and payable;

2. resolve that the total nominal amount of the capital increases that may be carried out immediately and/or in the future pursuant to this delegation may not exceed forty million euros (€40,000,000) or the equivalent in any other currency, it being specified, however, that this amount may not exceed 20% of the share capital over any 12-month period and shall count towards (i) the nominal limit of forty million euros (€40,000,000) applicable to capital increases through public offerings without preferential subscription rights (with or without a priority subscription period) in paragraph 2 of the twentieth resolution submitted to this General Meeting, (ii) the nominal limit of eighty-two million euros (€82,000,000) applicable to capital increases through public offerings without preferential subscription rights (with a priority subscription period) in paragraph 2 of the nineteenth resolution submitted to this General Meeting and (iii) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the eighteenth resolution submitted to this General Meeting. These limits shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;
3. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;
4. resolve to disapply shareholders' preferential subscription rights over the shares and over any other transferable securities to be issued pursuant to this resolution;
5. resolve that the transferable securities granting access to the Company's share capital may comprise debt securities or be associated with the issue of such securities, or even allow the issue thereof, as intermediate securities. The overall maximum nominal amount of the issues of debt securities that may be made, immediately or in the future, based on this delegation may not exceed seven hundred and fifty million euros (€750,000,000) or its equivalent value in foreign currencies, it being specified that this amount shall count towards the overall nominal limit for issues of debt securities provided for in paragraph 3 of the eighteenth resolution submitted to this General Meeting;
6. note that this delegation shall require the shareholders to waive their preferential subscription rights over the Company's equity securities to which they may be entitled as a result of the transferable securities issued pursuant to this delegation, either immediately or in the future;
7. resolve that, if the subscriptions are insufficient to absorb all the equity securities and/or transferable securities issued, the Board of Directors shall have the option, in the order determined by it, either to limit, in accordance with the law, the issue to the amount of subscriptions received, provided that the number of securities issued amounts to at least three-quarters of the issue that was approved, or to freely distribute some or all of the securities not subscribed for among the persons of its choice, or to carry out a public offering in the same way, the Board of Directors being able to use all the powers indicated above or just some of them;
8. further state that the Board of Directors, with the right to sub-delegate as permitted by law, may:
   i. resolve on and set the characteristics of the issues of shares and transferable securities to be issued and, in particular, their issue price (with or without an issue premium), the subscription procedure and the date on which they shall carry the right to receive dividends;
   ii. in the event of the issue of share warrants, determine the number and characteristics thereof and resolve, at its discretion, subject to the conditions and in accordance with the procedures set by it, that the warrants may be redeemed or bought back;
   iii. more generally, determine the characteristics of all transferable securities and, in particular, the conditions and procedure for the allotment of shares, the term of any borrowings in the form of bonds, whether or not they are subordinated, the currency of issue, the terms of repayment of the principal, with or without a premium, the conditions and procedure for amortisation and, where appropriate, for purchase, exchange or early redemption, the interest rates, whether fixed or variable, and the payment date; the interest rate may include a variable portion calculated by reference to the Company's business activities and income and deferred payment in the absence of distributable profits;
   iv. set the issue price of the shares or transferable securities that may be created pursuant to the sub-sections above so that the Company receives, for each share created or allotted irrespective of any financial consideration, regardless of the form thereof (for example, interest, issue or redemption premium), a sum at least equal to the minimum price stipulated by laws or regulations in force on the date of issue (i.e. at this date, the weighted average price of the Company's shares over the last three trading sessions on the Euronext Paris regulated market preceding the launch of the public offering within the meaning of Regulation (EU) No 2017/1129 of 14 June 2017, less a discount of up to 10%);

   v. resolve to use the shares acquired under a share buyback programme authorised by the shareholders for allotment purposes as a result of the issue of transferable securities issued on the basis of this delegation;
   vi. take any measures designed to protect the rights of holders of transferable securities required by laws or regulations and by applicable contractual provisions;
   vii. if necessary, suspend the exercise of the rights attached to such transferable securities for a fixed period in accordance with laws and regulations and contractual provisions;
   viii. record the completion of any capital increases and issues of transferable securities, amend the articles of association accordingly, deduct the issue costs from the premiums and, at its discretion, deduct from the amount of the capital increases the sums necessary to increase the legal reserve to one tenth of the new share capital;
   ix. take all measures and carry out all formalities required for the newly issued securities to be admitted to trading on a regulated market;
9. resolve that this delegation, which supersedes the delegation granted pursuant to the twenty-seventh resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

TWENTY-SECOND RESOLUTION

(Authorisation granted to the Board of Directors, in the event of an issue without shareholders' preferential subscription rights, through public offerings, to set the issue price in accordance with the procedure decided by the General Meeting, up to a limit of 10% of the share capital per annum)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report, and in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-136 and L. 22-10-52 thereof:

1. authorise the Board of Directors, with the right to sub-delegate as permitted by law, in the event of the issue of shares and/or any other transferable securities granting access, either immediately or in the future, to the Company's share capital, without shareholders' preferential subscription rights, through public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code or public offerings referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, under the conditions, particularly regarding the amount, set out in the eighteenth, nineteenth and twentieth resolutions, to derogate from the price-setting conditions provided for in the resolutions referred to above and to determine the issue price in accordance with the following conditions:
   i. the issue price of the shares shall be at least equal to the average weighted price of the Company's shares on the Euronext Paris regulated market on the day before the issue price is set, less a discount of up to 10%;
   ii. the issue price of the transferable securities granting access to the share capital shall be such that the amount received immediately by the Company plus any amount that may subsequently be received by the Company is, for each share in the Company issued as a result of the issue of such transferable securities, at least equal to the amount referred to above;
2. resolve that the total nominal amount of the capital increases that may be carried out pursuant to this resolution may not exceed 10% of the share capital over a 12-month period (the share capital being calculated on the date of the decision to set the issue price), it being specified that this amount shall count towards (i) for the capital increases referred to in the twentieth and twenty-first resolutions, the nominal limit of forty million euros (€40,000,000) applicable to capital increases without preferential subscription rights through public offerings (with or without a priority period) referred to in paragraph 2 of the twentieth resolution submitted to this General Meeting, (ii) the nominal limit of eighty-two million euros (€82,000,000) applicable to capital increases through public offerings without preferential subscription rights (with a priority subscription period) in paragraph 2 of the nineteenth resolution submitted to this General Meeting and (iii) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the eighteenth resolution submitted to this General Meeting. These limits shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;

3. resolve that the transferable securities granting access to the Company's share capital may comprise debt securities or be associated with the issue of such securities, or even allow the issue thereof, as intermediate securities. The overall maximum nominal amount of the issues of debt securities that may be made, immediately or in the future, based on this delegation may not exceed seven hundred and fifty million euros (€750,000,000) or its equivalent value in foreign currencies, it being specified that this amount shall count towards the overall nominal limit for issues of debt securities provided for in paragraph 3 of the eighteenth resolution submitted to this General Meeting;
4. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;
5. resolve that the Board of Directors shall have the authority to implement this authorisation, and specifically to enter into all agreements to this effect, particularly with a view to the successful completion of any issue, to record the completion and amend the articles of association accordingly, and to carry out all formalities and make all declarations and request any authorisations required in order to successfully complete any issue;
6. resolve that this authorisation, which supersedes the authorisation granted pursuant to the twenty-eighth resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

TWENTY-THIRD RESOLUTION

(Authorisation granted to the Board of Directors to increase the amount of an issue, with or without shareholders' preferential subscription rights)

The shareholders at the General Meeting, voting under the conditions required for extraordinary general meetings, after reviewing the statutory auditors' special report and the Board of Directors' report, and subject to the adoption of the seventeenth, eighteenth, nineteenth and twentieth resolutions of this General Meeting, in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code:

1. authorise the Board of Directors, with the right to sub-delegate as permitted by law, to resolve to increase the number of securities to be issued as part of each issue, with or without shareholders' preferential subscription rights, approved pursuant to the eighteenth, nineteenth, twentieth and twenty-first resolutions of this general meeting under the conditions provided for by laws and regulations in force on the date of issue (i.e. currently, within thirty (30) days of subscriptions being closed, limited to 15% of each issue and at the same price used on the initial issue);
2. resolve that the total nominal amount of the capital increases that may be carried out pursuant to this delegation shall count towards the limit stipulated in the resolution pursuant to which the issue is approved and the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to capital increases in paragraph 2 of the eighteenth resolution submitted to this General Meeting. This limit shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;
3. resolve that the transferable securities granting access to the Company's share capital may comprise debt securities or be associated with the issue of such securities, or even allow the issue thereof, as intermediate securities. The overall maximum nominal amount of the issues of debt securities that may be made, immediately or in the future, based on this delegation may not exceed seven hundred and fifty million euros (€750,000,000) or its equivalent value in foreign currencies, it being specified that this amount shall count towards the overall nominal limit for issues of debt securities provided for in paragraph 3 of the eighteenth resolution submitted to this General Meeting;
4. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;
5. resolve that this authorisation, which supersedes the authorisation granted pursuant to the twenty-ninth resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

TWENTY-FOURTH RESOLUTION

(Delegation of authority to the Board of Directors to increase the share capital by issuing shares and/or equity securities giving access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities giving access to equity securities to be issued, in consideration for contributions in kind)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report and in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129 *et seq.*, L. 225-147, L. 22-10-49, L. 22-10-53 and L. 228-92 thereof:

1. delegate to the Board of Directors, with the right to sub-delegate as permitted by law, the authority to issue, based on the report of a capital contributions auditor or auditors, on one or more occasions, in the proportions and at the times it shall choose, both in France and abroad, in euros or in foreign currencies, shares in the Company and/or equity securities granting access to other equity securities and/or conferring the right to be allotted debt securities and/or transferable securities granting access to equity securities to be issued, in consideration for contributions in kind granted to the Company and consisting of equity securities or transferable securities granting access to the share capital, in circumstances in which the provisions of Article L. 22-10-54 of the French Commercial Code do not apply;
2. resolve that the total nominal amount of the capital increases that may be carried out pursuant to this delegation may not exceed 10% of the share capital (assessed at the date of the Board of Directors' resolution on the issue) or the equivalent in any other currency, it being specified that the nominal amount of any capital increase carried out pursuant to this delegation shall count towards (i) the nominal limit of forty million euros (€40,000,000) applicable to the capital increases without preferential subscription rights through public offerings (with or without a priority period) referred to in paragraph 2 of the twentieth resolution submitted to this General Meeting, (ii) the nominal limit of eighty-two million euros (€82,000,000) applicable to the capital increases without preferential subscription rights through public offerings (with a priority period) referred to in paragraph 2 of the nineteenth resolution submitted to this General Meeting, (iii) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the eighteenth resolution submitted to this General Meeting. This limit shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;
3. resolve that the transferable securities granting access to the Company's share capital or conferring the right to be allotted debt securities in the Company may comprise debt securities or be associated with the issue of such securities, or even allow the issue thereof, as intermediate securities. The overall maximum nominal amount of the issues of debt securities that may be made, immediately or in the future, based on this delegation may not exceed seven hundred and fifty million euros (€750,000,000) or its equivalent value in foreign currencies, it being specified that this amount shall count towards the overall nominal limit for issues of debt securities provided for in paragraph 3 of the eighteenth resolution submitted to this General Meeting;
4. resolve to disapply shareholders' preferential subscription rights to the shares and other transferable securities to be issued under this resolution in favour of the holders of the equity securities or transferable securities that are the subject of the contributions in kind;
5. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;
6. note that this delegation shall require the shareholders to waive their preferential subscription rights over the Company's equity securities to which they may be entitled as a result of the transferable securities issued pursuant to this delegation;
7. further state that the Board of Directors, with the right to sub-delegate as permitted by law, may:
   i. decide, based on the report of the capital contributions auditor or auditors, on the value of the capital contributions and the grant of any special benefits;
   ii. set the characteristics of the issues of shares and transferable securities to be issued and, in particular, their issue price (with or without an issue premium), the exchange ratio and the cash balance (if any), the subscription procedure and the date on which they shall carry the right to receive dividends;

iii. at its sole discretion, deduct the costs of the capital increase or increases from the premiums relating to such contributions and deduct from that amount the sums necessary to increase the legal reserve to one tenth of the new share capital following each increase;

iv. take any measures designed to protect the rights of holders of transferable securities or other rights granting access to the Company's capital required by laws or regulations and by applicable contractual provisions;

v. record the completion of any issues of shares and transferable securities, make any amendments to the articles of association required as a result of the completion of any capital increase, deduct the costs of issue from the premium, at its discretion, and carry out all formalities and make all declarations and request any authorisations required in order to complete such contributions;

vi. take all measures and carry out all formalities required for the newly issued securities to be admitted to trading on a regulated market.

8. resolve that this delegation, which supersedes the delegation granted pursuant to the thirtieth resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

TWENTY-FIFTH RESOLUTION

(Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing Company shares restricted to members of a company savings plan)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report, and in accordance with the provisions of Articles L. 225-129-2, L. 225-129-6, L. 225-138, L. 22-10-49 and L. 225-138-1 of the French Commercial Code and Articles L. 3332-18 *et seq.* of the French Labour Code:

1. delegate to the Board of Directors, with the right to sub-delegate as permitted by law, their authority to issue new shares, on one or more occasions, at its sole discretion, in the proportions and at the times it shall choose, both in France and abroad, such issue being restricted to eligible employees, former employees and corporate officers of the Company and/or of the companies related to the Company within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code, who are members of a company savings plan;

2. disapply, in favour of such members, shareholders' preferential subscription rights over the shares that may be issued pursuant to this authorisation and waive any rights to any bonus shares that may be allotted in respect of the discount and/or the employer matching contribution;

3. resolve that the nominal amount of the capital increases that may be carried out pursuant to this delegation of authority may not exceed twelve million euros (€12,000,000) or the equivalent in any other currency, it being specified that (i) the nominal amount of the capital increases carried out pursuant to this resolution and the twenty-sixth resolution submitted to this General Meeting shall count towards this limit; and (ii) the nominal amount of any capital increase carried out pursuant to this resolution shall count towards the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the eighteenth resolution submitted to this General Meeting. These limits shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;

4. resolve that the subscription price of the shares issued pursuant to this delegation shall be determined under the conditions set out in Article L. 3332-19 of the French Labour Code, it being specified that the maximum discount on the average share price quoted over the twenty (20) trading sessions preceding the decision fixing the opening date for subscriptions may not exceed 20%. At the time of implementation of this delegation, however, the Board of Directors may reduce the amount of the discount on a case-by-case basis, particularly as a result of tax, employment and social security or accounting restrictions applicable in the countries in which the Group's entities participating in the capital increases are established. The Board of Directors may also decide to allocate shares, for no consideration, to subscribers for new shares, in substitution for the discount and/or the employer matching contribution;

5. resolve that the Board of Directors shall have all powers, with the right to sub-delegate as permitted by law, to implement this delegation, within the limits and under the conditions set out above, to:
   i. approve the issue of new shares in the Company;
   ii. draw up a list of the companies whose eligible employees, former employees and corporate officers may benefit from the issue, set the conditions that the beneficiaries must meet to be able to subscribe, either directly or through a mutual investment fund, for the shares to be issued under this delegation of authority;
   iii. set the amount of such issues and establish the prices and the dates of subscription, the terms of each issue and the conditions of subscription and payment for and delivery of the shares issued under this delegation of authority, as well as the date, which may be retroactive, from which the new shares shall carry the right to receive dividends;
   iv. resolve, pursuant to Article L. 3332-21 of the French Labour Code, to allot new or existing shares, for no consideration, in respect of the employer matching contribution and/or, where appropriate, in respect of the discount, provided that their monetary value, assessed at the subscription price, does not cause the limits provided for in Article L. 3332-11 of the French Labour Code to be exceeded and, in the event that new shares are issued in respect of the discount and/or the employer matching contribution, to capitalise the necessary reserves, profits or issue premiums in order to pay up such shares;
   v. set the period granted to subscribers to pay for their securities;
   vi. record the completion of the capital increase at the amount of the shares that are actually subscribed for and amend the articles of association;
   vii. at its sole discretion, deduct the costs of the capital increase or increases from the premiums relating to such capital increases and deduct from that amount the sums necessary to increase the legal reserve to one tenth of the new share capital following each increase;
   viii. in general, take any measures and carry out any formalities relevant to the issue and listing of the shares issued as a result of the capital increases and any correlative amendments to the articles of association under this delegation.
6. resolve that this delegation, which supersedes the delegation granted pursuant to the thirty-first resolution of the General Meeting of 25 April 2023, is granted for a period of twenty-six (26) months as from this General Meeting.

TWENTY-SIXTH RESOLUTION

(Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares reserved to a specific category of beneficiaries)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report and in accordance with the provisions of Articles L. 225-129 *et seq.*, L. 22-10-49 and L. 225-138 of the French Commercial Code:

1. delegate to the Board of Directors, with the right to sub-delegate as permitted by law, their authority to issue new shares, on one or more occasions, at its sole discretion, in the proportions and at the times it shall choose, both in France and abroad, such issue being restricted to one or more categories of beneficiaries who meet the following conditions: (i) they are employees and/or corporate officers of the Company and/or companies related to the Company within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code whose registered office is outside France; (ii) the shares are subscribed for on behalf of persons referred to in sub-section (i) above by one or more mutual investment funds or other entities governed by French or foreign law, with or without legal personality; and (iii) one or more financial institutions are appointed by the Company to offer the persons referred to in sub-section (i) above a shareholding plan comparable to those offered to employees of the Company in France;
2. disapply, in favour of such beneficiaries, shareholders' preferential subscription rights over the shares that may be issued pursuant to this delegation of authority;
3. note that this delegation shall require the shareholders to waive their preferential subscription rights over the Company's equity securities to which they may be entitled as a result of the transferable securities issued pursuant to this delegation, either immediately or in the future;

4. resolve that the nominal amount of the capital increase that may be carried out pursuant to this delegation of authority may not exceed twelve million euros (€12,000,000) or the equivalent in any other currency, it being specified that the nominal amount of any capital increase carried out pursuant to this delegation shall count towards (i) the nominal limit of twelve million euros (€12,000,000) provided for in paragraph 3 of the twenty-fifth resolution of this General Meeting and (ii) the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to the capital increases referred to in paragraph 2 of the eighteenth resolution submitted to this General Meeting. These limits shall be increased by the nominal value of any shares to be issued to protect, in the manner required by law and regulations and any applicable contractual provisions, the rights of holders of transferable securities or other rights granting access to the Company's share capital;
5. resolve that the subscription price of the shares issued pursuant to this delegation may not be more than 20% lower than the average share price quoted over the twenty (20) trading sessions preceding the decision fixing the opening date for subscriptions, or higher than this average. At the time of implementation of this delegation, however, the Board of Directors may reduce the amount of the discount on a case-by-case basis, particularly as a result of tax, employment and social security or accounting restrictions applicable in any country in which the Group's entities participating in the capital increases are established. Moreover, where a transaction is carried out pursuant to this resolution concomitantly with a transaction carried out pursuant to the twenty-fourth resolution, the subscription price for the shares issued pursuant to this resolution may be identical to the subscription price for the shares issued pursuant to the twenty-fourth resolution.
6. resolve that the Board of Directors shall have all powers, with the right to sub-delegate as permitted by law, to implement this delegation, within the limits and under the conditions set out above, to:
   i. draw up a list of the beneficiaries of each issue, from the categories of beneficiaries defined above, and of the number of shares to be subscribed for by each beneficiary pursuant to this delegation of authority;
   ii. set the amount of such issues and establish the prices and the dates of subscription, the terms of each issue and the conditions of subscription and payment for and delivery of the shares issued under this delegation of authority, as well as the date, which may be retroactive, from which the new shares shall carry the right to receive dividends;
   iii. set the period granted to subscribers to pay for their securities;
   iv. record the completion of the capital increase at the amount of the shares that will be actually subscribed for and amend the articles of association;
   v. at its sole discretion, deduct the costs of the capital increase or increases from the premiums relating to such capital increases and deduct from that amount the sums necessary to increase the legal reserve to one tenth of the new share capital following each increase;
   vi. in general, take any measures and carry out any formalities relevant to the issue and listing of the shares issued as a result of the capital increases and any correlative amendments to the articles of association under this delegation.
7. resolve that this delegation, which supersedes the authorisation granted pursuant to the thirty-second resolution of the General Meeting of 25 April 2023, is granted for a period of eighteen (18) months as from this General Meeting.

TWENTY-SEVENTH RESOLUTION

(Authorisation to the Board of Directors to carry out bonus allotments of existing shares or shares to be issued, without shareholders' preferential subscription rights, to certain employees and corporate officers of the Company and related companies)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for ordinary general meetings, after reviewing the Board of Directors' report and the statutory auditors' special report and in accordance with the provisions of Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code:

1. authorise the Board of Directors, pursuant to Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code and subject to the conditions defined in this resolution, to make bonus allotments of shares in the Company, either in issue or to be issued, on one or more occasions, to recipients of its choice from among the employees (or certain categories of employee) and corporate officers (or certain categories of corporate officer) of the Company and/or the companies related to it within the meaning of Article L. 225-197-2 of the French Commercial Code;

2. resolve that the total number of bonus shares allotted under this authorisation may not exceed zero point five per cent (0.5%) of the number of shares comprising the Company's share capital on the date on which the Board of Directors resolves to allot such shares, and that the aggregate nominal amount of the capital increases that may result therefrom shall count towards the overall nominal limit of two hundred and six million euros (€206,000,000) applicable to capital increases in paragraph 2 of the eighteenth resolution submitted to this General Meeting. In all circumstances, the total number of bonus shares that are allotted may not exceed the limits set by Articles L. 225-197-1 *et seq.* of the French Commercial Code. This limit does not take account of any adjustments that may be made to protect any rights of the recipients of the bonus shares;
3. resolve that the maximum total number of bonus shares that may be allotted to the Company's corporate officers under this resolution may not represent more than twenty per cent (20%) of all the shares that may be allotted pursuant to this authorisation and that the vesting of the shares allotted under this authorisation will be subject to performance conditions;
4. resolve that the shares will be definitively allotted to their recipients at the end of a vesting period, the length of which will be set by the Board of Directors, such period not being less than three years for corporate officers and two years for recipients other than corporate officers and that the minimum period over which the recipients will be required to hold the shares in the Company will also be set by the Board of Directors, such period lasting at least one year from the date on which the shares are definitively allotted. However, where shares are allotted with a vesting period of three years or more, the holding period for the shares may be reduced or cancelled with the result that the shares may be transferred without restriction once definitively allotted;
5. resolve that, where a recipient suffers a disability that falls within the second or third categories provided for in Article L. 341-1 of the French Social Security Code, the shares may, exceptionally, be definitively allotted immediately and no holding period will apply to the shares, which will be immediately transferable;
6. resolve that the Board of Directors will determine the identity of the recipients and the number of bonus shares that may be allotted to each of them, together with the vesting conditions, including performance conditions for allotments of shares to the Company's corporate officers;
7. record that this authorisation automatically entails an express waiver by the shareholders, in favour of the recipients of the shares that are the subject of the bonus allotment, (i) of their preferential subscription rights over the shares that are issued and that are the subject of the bonus allotment, (ii) of the share of reserves, profits or premiums that will be capitalised in the event of a bonus allotment of shares that are issued and (iii) of any rights over existing shares that are the subject of a bonus allotment. The corresponding capital increase will be completed as a result of the shares being definitively allotted to their recipients;
8. grant all powers to the Board of Directors, subject to the limits set out above, with the right to sub-delegate as permitted by law, to implement this authorisation, and specifically to:
   i. determine whether the bonus shares are existing shares or shares to be issued;
   ii. determine the identity of the recipients of the share allotments and the number of shares to be allotted to each recipient;
   iii. determine all terms, conditions and procedures applicable to the bonus share plan(s);
   iv. adjust the number of shares to be allotted in the event of transactions involving the Company's share capital or equity that have the effect of altering the value of the shares comprising the share capital, in order to protect the rights of the recipients of the bonus shares;
   v. set the conditions and determine the criteria, dates and procedures for the allotment of shares, including the minimum vesting period and the length of any holding period applicable to each recipient, record the definitive allotment dates and, based on legal restrictions, the dates from which the shares may be freely transferred and, in general, take any necessary steps and enter into any agreements to complete the proposed allotments.
9. resolve that the Board of Directors shall also have the authority, with the right to sub-delegate as permitted by law and regulations, in the event that new shares are issued, to deduct the amounts required to pay up those shares from the reserves, profits or issue premiums, record the completion of the capital increases carried out pursuant to this authorisation, amend the articles of association accordingly and, in general, carry out all necessary actions and formalities;

10. resolve that the Board of Directors shall not be entitled, unless otherwise previously authorised by the General Meeting, to exercise its rights under this delegation of authority between the date on which a third party registers a public offer concerning the shares in the Company and the end of the offer period;
11. note that, each year, the Board of Directors will inform the shareholders at the ordinary general meeting, as required by laws and regulations, in particular paragraph 1 of Article L. 225-197-4 of the French Commercial Code, of the transactions carried out pursuant to this resolution;
12. resolve that this authorisation, which supersedes the authorisation granted pursuant to the thirty-third resolution of the General Meeting held on 25 April 2023, is granted for a period of eighteen (18) months as from this General Meeting.

TWENTY-EIGTH RESOLUTION

(Powers to carry out legal formalities)

The shareholders at the General Meeting, voting under the conditions of quorum and majority required for extraordinary general meetings, confer all powers on the bearer of copies or extracts of these minutes to carry out all legal formalities.

9

ADDITIONAL INFORMATION

9.1. Persons responsible

9.1.1. Person responsible for the Universal Registration Document

Patrice Lucas, Chief Executive Officer of Verallia.

9.1.2. Declaration by the person responsible

"I declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and makes no omission likely to affect its import.

I certify that, to the best of my knowledge, the financial statements are prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the Company and of all its consolidated entities, and the information included in this Universal Registration Document referring to the management report of the Board of Directors listed in the table of concordance provided in section 9.4.2 of this Universal Registration Document gives a true and fair view of the evolution of the business, results and financial position of the Company and of all its consolidated entities as well as a description of the main risks and uncertainties they face."

Courbevoie, 28 March 2024

Patrice Lucas,

Chief Executive Officer

9.1.3. Third-party information, experts' reports and declarations of interest

This Universal Registration Document contains information about the Group's markets and its positioning in these markets, including information on the size of these markets, their competitive environment and dynamics, and the outlook for growth in these markets. In addition to the estimates made by the Group, the elements on which the Group has based its statements herein come primarily from a market study conducted by Advancy at the Company's request in connection with the Company's initial public offering (a study that has since been updated by the Group), as well as from studies and statistics published by independent third parties and professional organisations and from data published by the Group's competitors, suppliers and customers.

To the Company's knowledge, the information taken from third-party sources has been faithfully reproduced in this Universal Registration Document, and no fact has been omitted that would make this information incorrect or misleading. The Company cannot, however, guarantee that a third party using different methods to collect, analyse or calculate the data on these markets would obtain the same results.

9.1.4. Persons responsible for auditing the financial statements

PricewaterhouseCoopers Audit

Member of the Compagnie régionale des Commissaires aux comptes de Versailles

Represented by Nicolas Brunetaud

63, rue de Villiers

92200 Neuilly-sur-Seine, France

Appointed by the General Meeting of the Company's Shareholders on 10 June 2020 for a term of six years, i.e. until the Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2025.

BM&A

Member of the Compagnie régionale des Commissaires aux comptes de Paris

Represented by Eric Seyvos

11, rue de Laborde

75008 Paris, France

Appointed by decision of the sole shareholder on 24 July 2019 for a term of six years, i.e. until the Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2024.

9.2. Glossary

Adjusted EBITDA	Corresponds to operating profit adjusted for depreciation, amortisation and impairment, restructuring costs, acquisition and M&A costs, hyperinflationary effects, costs related to management share ownership plans, impacts of subsidiary disposals and risks, site closure and carve-out costs, and other items.
Adjusted EBITDA margin	The adjusted EBITDA margin corresponds to the amount of adjusted EBITDA in relation to revenue.
Alpha index	The alpha coefficient is used by many glass manufacturers (see NF H35-077). It determines the level of lightweighting of an item independently of its capacity, and therefore allows several items to be compared with each other. Calculation formula: weight / volume^0.8 according to the NF H35-077 standard.
Bag-in-box	Means a supple pouch equipped with a tap and enclosed in a 3-to-10-litre box, used for selling and conserving wine.
Biodiversity corridor	Refers to all the habitats necessary for the realisation of a species' lifecycle that are functionally connected to each other.
Blank mould	Refers to the mould used in the production of hollow glass to transform the material into a hollow partially formed container.
CAGR	Stands for "compound annual growth rate".
Capex	Short for "capital expenditure", represents purchases of property, plant and equipment and intangible assets necessary to maintain the value of an asset and/or adapt to market demand or to environmental and health and safety constraints, or to increase the Group's capacity. It excludes the purchase of securities. Capex corresponds to the item "Purchases of property, plant and equipment and intangible assets" in the consolidated statement of cash flows.
Carbon leakage	A situation where a company avoids the costs of climate policies by moving its production to another country which has less stringent emission rules.
Cash conversion	Defined as the ratio between cash flows and adjusted EBITDA.
Cash flows	Defined as (i) operating profit adjusted for depreciation, amortisation and impairment, restructuring costs, acquisition and M&A costs, hyperinflationary effects, costs related to management share ownership plans, impacts of subsidiary disposals and risks, site closure and carve-out costs, and other items (i.e. adjusted EBITDA) less (ii) Capex.
Commercial teams	Functions identified in the sales and marketing segments.
Cullet	Means the crushed glass added to the raw materials used in the production of glass.
Deposit	An additional sum of money paid by the consumer for the packaging and refunded upon return of the packaging to the store.
ECOVA	Represents a range of bottles - "ECO" for eco-design and "VA" for the value added to the product.
ECOVADIS	A social and environmental performance rating platform for global supply chains.
EGO	Refers to a range of eco-designed products from Chile - "Enhanced Geometric Objects".
EHS	Refers to the "Environment, Hygiene and Safety" policy.
External cullet	Means glass collected from individuals and from CHRs "Cafés Hotels Restaurants".

Feeders	Fireproof conduits that take glass from a furnace to a forming machine. Feeders allow the glass to be conditioned at the right temperature corresponding to the viscosity level necessary to work with glass.
FEVE	The European Container Glass Federation (Fédération Européenne des Fabricants d'Emballages en Verre).
Finishing	Means the decoration of glass using various techniques.
Finishing mould	Refers to the mould used in the production of hollow glass to give the product its final shape.
Forming	Means the technique through which a compact mass of molten glass (gob) is moulded into a hollow glass shape using a metal plunger or blown air.
Glass sand	Refers to very small-sized raw glass (0-4mm fraction).
Gob	Means a compact mass of molten glass.
HoReCa	Hotels, restaurants and cafés.
Insetting	This involves identifying the Company's impacts (social, climate, water, biodiversity etc.) and committing to socio-economic and/or environmental projects that will offset these impacts.
Internal cullet	Means glass from manufacturing rejects.
IS machine	An industry standard hollow glass forming machine with "sections" working in parallel, generally about 6 to 16 in number. An IS machine can simultaneously form 1, 2, 3 or 4 items in each section – we then speak of "simple, double, triple or quadruple gob". A machine with 10 forming sections producing two gobs each is abbreviated as an IS 10 DG and has 10 x 2 = 20 finishing moulds.
ISO 22000	A standard which guarantees that food risk to consumers is managed and taken into account throughout the production process.
kT	Kilotonnes.
Latin America	Includes production sites located in Brazil, Argentina and Chile.
LCV	Lower Calorific Value.
Melting	Means the first step in the melting of glass in production furnaces.
Net external financial debt/ Adjusted EBITDA ratio	Refers to the ratio between (i) net financial debt as included in Note 17.1 to the Group's consolidated financial statements for the year ended 31 December 2023, taking into account only debt incurred with third parties, and (ii) adjusted EBITDA.
Net financial debt/Adjusted EBITDA ratio	Refers to the ratio between (i) net financial debt as included in Note 17.1 to the Group's consolidated financial statements for the year ended 31 December 2023, and (ii) adjusted EBITDA.
New products	Products that have been produced and marketed for a period of less than five years at the date of this Universal Registration Document.
Northern and Eastern Europe	Includes production sites located in Germany, Russia, Ukraine, Poland and England.
Operating cash flows	Defined as cash flows plus the change in operating working capital requirement.
Organic growth	Corresponds to revenue growth at constant exchange rates and scope.
PET	Refers to polyethylene terephthalate, a rigid, transparent plastic used in packaging.
RCA	Root Cause Analysis.

Satin-finishing	Refers to a decoration technique that consists in making glass opaque via a chemical treatment (acid bath) or an electrostatic and thermal treatment (sand blasting).
Screen-printing	Refers to a decoration technique that uses ceramic enamels to vary the thickness, colour and substance of the glass.
Scope 1	"Direct emissions" = CO_2 emissions within the physical perimeter of the plant, i.e. carbonated raw materials, heavy and domestic fuel oil, natural gas (fusion and non-fusion).
Scope 2	"Indirect emissions" = emissions related to the power consumption required to run the plant. The following are excluded from Scope 1 and Scope 2 emissions, in accordance with the GHG Protocol and its emission categories: ● emissions from office buildings, decoration plants; and ● cullet treatment centres as, based on our estimates and benchmark data, they represent less than 1% of total Scope 1 and Scope 2 emissions.
Scope 3	"Other indirect emissions" = all other greenhouse gas emissions that are not directly related to the plant's operations but to all other stages of the product's life cycle. In accordance with the completeness requirements of the GHG Protocol, only insignificant sources were excluded (application of the < 1% threshold).
Southern and Western Europe	Includes production sites located in France, Italy, Spain and Portugal.
Spread	Represents the difference between (i) the increase in selling prices applied by the Group after passing on any increases in its production costs, and (ii) the increase in its production costs. The spread is positive when the increase in selling prices applied by the Group is greater than the increase in its production costs.
TF1	Accident frequency rate with lost time per million hours worked.
TF2	Accident frequency rate with or without lost time per million hours worked.
TPG	Tonne of Packed Glass or tonne of Good Glass.
Verallia "division"	There are three of them: •Southern and Western Europe, •Northern and Eastern Europe, •Latin America.

9.3. Documents available to the public

The Company's Articles of Association, minutes of General Meetings and other statutory documents, as well as any valuation or report prepared by an expert at the Company's request that must be made available to shareholders in accordance with applicable regulations, may be consulted at the Company's registered office.

9.4. Tables of concordance

9.4.1. Table of concordance with the sections of Annex 1 of Commission Delegated Regulation (EU) 2019/980

The table of concordance below makes it possible to identify the information in this document that is referred to in Annex 1 presenting the different sections of a universal registration document.

Information		Sections
1	**Persons responsible, third-party information, experts' reports and competent authority approval**	
1.1	Persons responsible for the information	9.1.1
1.2	Declaration by the person responsible	9.1.2
1.3	Experts' reports and declarations of interest	9.1.3
1.4	Third-party information	9.1.3
1.5	Declaration relating to the party with the authority to approve the document	Cover page
2	**Statutory Auditors**	
2.1	Information about the Statutory Auditors	9.1.4
2.2	Information about the potential resignation or non-reappointment of the Statutory Auditors	N/A
3	**Risk factors**	**4**
4	**Information about the issuer**	**7**
4.1	Legal and commercial name of the issuer	7.1.1
4.2	Place of registration of the issuer, its registration number and legal entity identifier	7.1.2
4.3	Date of incorporation and length of life of the issuer	7.1.3
4.4	Domicile, legal form and legislation under which the issuer operates	7.1.4
5	**Business overview**	
5.1	Principal activities	1.3
5.2	Principal markets	1.1.1.2; 1.1.2
5.3	Important events in the development of the issuer's business	5.1; 5.2.1
5.4	Description of the strategy and objectives	1.2.2
5.5	Extent to which the issuer is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes	1.4.2
5.6	Basis for any statements made by the issuer regarding its competitive position	1.1.1; 1.2.1.2
5.7	Investments	1.2.1.3
5.7.1	Description of the issuer's material investments	1.2.1.3; 5.3.1
5.7.2	Description of the investments of the issuer that are in progress, including the geographic distribution of these investments, and the investments that the issuer plans to make	1.2.1.3; 5.3.2
5.7.3	Provide information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.	6.1 Notes 3.2, 3.3 and 22.1
5.7.4	Describe any environmental issues that may affect the issuer's utilisation of its property, plant and equipment	2
6	**Organisational structure**	
6.1	Description of the Group	7.6.2
6.2	List of significant subsidiaries	7.6.3

Information		Sections
7	**Analysis of the financial position and results**	
7.1	Financial condition	5
7.1.1	Review of the business for the periods presented	5.2.1
7.1.2	Indications of the issuer's likely future development and R&D activities	1.4
7.2	Operating results	5.2.1.5
7.2.1	Events affecting the issuer's income from operations	5.2.1
7.2.2	Reasons for material changes in net sales or revenues	5.2.1
8	**Capital resources**	
8.1	Information concerning the issuer's capital	6.3 Note 3.3
8.2	Sources and amounts of, and a description of, the issuer's cash flows	5.2.5
8.3	Information on the borrowing requirements and funding structure of the issuer	5.2.3
8.4	Information regarding any restrictions on the use of capital resources materially affecting the issuer's operations	N/A
8.5	Anticipated sources of funds needed to fulfil the issuer's commitments	5.2.3; 5.2.5
9	**Regulatory environment**	
9.1	Description of the governmental, economic, fiscal, monetary or political policies or factors that have materially affected or could materially affect the issuer's operations	1.5.3
10	Trend information	
10.1	The most significant trends in production, sales and inventory, and costs and selling prices, since the end of the last financial year Any significant change in the financial performance of the issuer	1.2.1; 5.4.1 6.1 Note 25 ; 6.3 Note 7
10.2	Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year	5.4.1
11	**Profit forecasts or estimates**	**5.4.2**
12	**Administrative, management and supervisory bodies and senior management**	
12.1	Information about members of the issuer's administrative, management or supervisory bodies	3.1.1
12.2	Administrative, management and supervisory bodies and senior management conflicts of interest	3.1.3
13	Remuneration and benefits	
13.1	Amount of remuneration paid and benefits in kind granted	3.3.2
13.2	Total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits	3.3.1.3(e)
14	**Board practices**	
14.1	Date of expiration of current terms of office	3.1.1.2
14.2	Members of the administrative, management and supervisory bodies' services contracts	3.1.3.2
14.3	Information about the issuer's committees	3.1.5
14.4	Statement of compliance with the corporate governance regime	3.1.1.1
14.5	Potential material impacts on corporate governance, including changes in the board and committees composition	3.1.1.2
15	**Employees**	
15.1	Number of employees	6.1 Note 19
15.2	Shareholdings and stock options	7.2.5
15.3	Arrangements for involving the employees in the capital of the issuer	7.2.5
16	**Major shareholders**	
16.1	Shareholders with more than 5% of the capital	7.3.6.1
16.2	Existence of different voting rights	7.1.5.3
16.3	Issuer's controlling or non-controlling interests	7.2.2
16.4	Arrangements the operation of which may result in a change in control of the issuer	7.2.3
17	**Related party transactions**	**5.6.2; 6.1 Note 22**
17.1	Details of related party transactions	5.6.2; 6.1 Note 22

Information		Sections
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**	
18.1	Historical financial information	6.1; 6.3
18.2	Interim and other financial information	N/A
18.3	Auditing of historical annual financial information	6.2; 6.5
18.4	Pro forma financial information	N/A
18.5	Dividend policy	5.5
18.6	Legal and arbitration proceedings	6.1 Note 18.1
18.7	Significant change in the issuer's financial or commercial position	5.2.7
19	**Additional information**	
19.1	Share capital	7.5.1
19.1.1	Amount of issued capital and information about each class of share capital	7.5.1
19.1.2	Number and characteristics of shares not representing capital	7.3
19.1.3	Number, book value and face value of shares held by or on behalf of the issuer itself or by subsidiaries of the issuer	6.3 Notes 1, 3.1.1 and 3.2
19.1.4	Amount of any convertible securities, exchangeable securities or securities with warrants	7.3.2
19.1.5	Information about the terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital	7.3.3
19.1.6	Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option	7.3.4
19.1.7	History of the share capital for the period covered by the historical financial information	7.2.4
19.2	Memorandum and Articles of Association	7.1.5
19.2.1	Description of the issuer's objects and purposes and Trade and Companies Register number	7.1.2; 7.1.5.1
19.2.2	Description of the rights, preferences and restrictions attaching to each class of shares	7.1.5.3
19.2.3	Provisions having the effect of delaying, deferring or preventing a change in control of the issuer	7.3.6
20	**Material contracts**	**5.2.8**
21	**Documents available**	**9.3**

9.4.2. Table of concordance with the information required in the management report

The table of concordance below makes it possible to identify the information in this Universal Registration Document that is included in the management report in accordance with the applicable legal and regulatory provisions and in particular with Articles L. 225-100 *et seq.* of the French Commercial Code.

Themes		Sections
1	**Information on the Company's activity**	
1.1	Presentation of the activity (particularly progress made and difficulties encountered) and the profits and losses of the Company, each subsidiary and the Group	1; 6.1; 5
1.2	Analysis of the change in the business, results, financial position and in particular the debt of the Company and the Group	5
1.3	Foreseeable developments for the Company and/or the Group	5.4
1.4	Key financial and non-financial indicators of the Company and the Group	5
1.5	Significant events after the closing date of the Company and the Group	6.3 Note 7; 6.1 Note 25
1.6	Information about its objectives and policy for hedging each major category of anticipated transactions for which hedge accounting is used, as well as its exposure to price, credit, liquidity and cash flow risks. This information includes the Company's use of financial instruments.	4.1.4; 6.1 Note 20
1.7	Description of the main risks and uncertainties of the Company and the Group	4
1.8	Information on the financial risks related to the effects of climate change and presentation of the measures that the Company is taking to reduce them by implementing a low-carbon strategy in all components of its activity	2; 4.1.3
1.9	Information on the R&D of the Company and the Group	1.4
1.10	Key characteristics of the internal control and risk management procedures implemented by the Company relating to the development and processing of accounting and financial information	4.2; 3.1.5.1
1.11	Note about existing branches	N/A
1.12	Activity and results of the Company as a whole, its subsidiaries and controlled companies by business segment	5; 6.1
2	**Legal, financial and tax information of the Company**	
2.1	Breakdown, identity of persons and changes in share ownership	7.2.1
2.2	Names of controlled companies participating in the Company's treasury shares and percentage of capital held by them	N/A
2.3	Significant equity interests acquired during the financial year in companies whose registered offices are in France	N/A
2.4	Notification of the ownership of more than 10% of shares in the capital of another company; disposal of cross-shareholdings	N/A
2.5	Share buybacks	6.1 Note 16.2
2.6	Acquisition and disposal by the Company of its treasury shares in view of their allocation to employees (share buyback)	6.1 Note 16.2
2.7	Statement of employee holdings in the share capital	7.2.5
2.8	Works council opinion on changes to the economic or legal organisation	N/A
2.9	Five-year summary	6.4
2.10	Net profit (loss) for the financial year and proposed allocation of the profit/loss	8.3
2.11	Issue of securities giving access to capital • Information on how the adjustment was calculated, and • the results of this adjustment	N/A
2.12	Amounts of dividends approved for distribution in respect of the three previous years	5.5; 8.3
2.13	Amount of non-tax-deductible expenses and charges	N/A
2.14	Payment terms and breakdown of the balance of trade payables and receivables by maturity date	6.4
2.15	Injunctions or monetary penalties for anti-competitive practices	N/A
2.16	Information on regulated agreements with continuing effects during the financial year	5.6.1
2.17	Securities acquired by employees in the context of an employee buyout operation	N/A

Themes		Sections
3	**Information about corporate officers**	
3.1	In the event of stock-option awards, disclose the information used by the Board of Directors to make its decision to: • either prohibit executives from exercising their options before termination of their office, • or require them to hold all or a portion of the shares resulting from options already exercised in registered form until termination of their office (specifying the portion thus set)	N/A
3.2	Summary statement of transactions involving the Company's shares by executives and related persons	7.3.6.9
3.3	In the event of free share grants, disclose the information used by the Board of Directors to make its decision to: • either prohibit executives from transferring the free shares granted to them before termination of their office; • or set the quantity of such free shares that they are required to retain in registered form until termination of their office (specifying the portion thus set)	3.3.1.3(c)
4	**The Company's CSR information**	
4.1	Non-Financial Performance Statement	2
4.2	Information on facilities classified as at risk	N/A
5	**Other information**	
5.1	The amount of loans with a maturity of less than two years granted by the Company, as an accessory to its main activity, to micro-enterprises, SMEs or mid-cap companies with which it has economic ties that justify it	N/A
5.2	Information on payments made to the authorities of each of the States or territories in which the Company carries out the following activities: exploration, prospecting, discovery, exploitation or extraction of hydrocarbons, coal and lignite, metal ores, stones, sand and clays, chemical minerals and mineral fertilisers, peat, salt or other mineral resources; or the exploitation of primary forests	N/A
5.3	Information about the use of the French Competitiveness and Employment Tax Credit (Crédit d'impôt pour la compétitivité et l'emploi – CICE)	N/A
5.4	Special report on share subscription and call options granted to corporate officers and employees	N/A
5.5	Special report on free share grants to corporate officers and employees made during the financial year	N/A
5.6	Vigilance plan: • risk mapping in order to identify, analyse and rank risks • regular procedures for assessing the situation of subsidiaries, subcontractors or suppliers with whom there is an established commercial relationship, with respect to risk mapping • appropriate actions to mitigate risks or prevent serious damage • a mechanism for warning and for collecting reports about the existence or occurrence of risks, prepared in agreement with the representative trade union organisations in the relevant company • a mechanism for monitoring implemented measures and evaluating their efficiency	2.6

9.4.3. Table of concordance with the information required in the annual financial report

The table of concordance below makes it possible to identify the information in this Universal Registration Document that is included in the annual financial report in accordance with Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the General Regulation of the AMF.

Themes		Sections
1	**Declaration of the individuals responsible for the annual financial report**	**9.1.2**
2	**Management report**	**9.4.2**
2.1	Objective and comprehensive analysis of changes in the Company's business, results and financial position, especially its debt situation, with respect to the volume and complexity of the business and/or Group	5; 6.3
2.2	Foreseeable changes in the Company and/or Group	5.4
2.3	Key financial and non-financial indicators of the Company and the Group	5.2.2; 2; 6.1 Note 4.2
2.4	Information on the financial risks related to the effects of climate change and presentation of the measures that the Company is taking to reduce them by implementing a low-carbon strategy in all components of its activity	2; 4.1.3
2.5	Information about its objectives and policy for hedging each major category of anticipated transactions for which hedge accounting is used, as well as its exposure to price, credit, liquidity and cash flow risks. This information includes the Company's use of financial instruments	4.1.4; 6.1 Note 20
2.6	Key characteristics of internal control and risk management procedures implemented by the Company relating to the development and processing of accounting and financial information	4.2; 3.1.5.1(b)
2.7	Description of the main risks and uncertainties facing the Company	4
2.8	Acquisition and disposal by the Company of its treasury shares (share buyback)	6.1 Note 16.2
3	**Financial statements and reports**	**6**
3.1	Individual financial statements	6.3
3.2	Statutory Auditors' report on the individual financial statements	6.5
3.3	Consolidated financial statements	6.1
3.4	Statutory Auditors' report on the consolidated financial statements	6.2

9.4.4. Table of concordance with the information required in the corporate governance report

The table of concordance below makes it possible to identify the information in this Universal Registration Document that is included in the corporate governance report in accordance with the applicable legal and regulatory provisions and in particular with Article L. 225-37 of the French Commercial Code.

Themes		Sections
1	List of offices and positions held in any company by each corporate officer during the financial year	3.1.1.2
2	Agreements made, directly or through another party, between one of the corporate officers or a shareholder with a holding of more than 10% and another company in which the former directly or indirectly owns more than half of the capital	5.6
3	Summary table of outstanding delegations granted by the General Meeting regarding capital increases and featuring the use made of those delegations during the financial year	7.5.3
4	Choice relating to the management model	3.2
5	Executive and Directors compensation policy (Say on Pay) • Ex ante vote: draft resolutions drawn up by the Board of Directors relating to the mandatory prior vote by shareholders on the compensation of executives and directors and on the components of said compensation • Decision-making process to determine the compensation and criteria for distributing and allocating the fixed, variable and exceptional components of total compensation and benefits in kind attributable to executives • Criteria for distributing the annual fixed amount allocated by the General Meeting to directors • post vote on the components of variable or exceptional compensation granted or allocated during the financial year ended	3.3.1 ; 8.3
6	Information on the compensation of corporate officers • Total compensation and benefits of any kind that each of the corporate officers holding at least one office in a company with shares admitted to trading on a regulated market received during the year from the Company, the companies it controls and the Company that controls it • Commitments of any kind and their terms, made by this company alone for the benefit of its corporate officers (only those who also hold an office in a listed company of the same group), corresponding to components of compensation, indemnities or benefits due or that may be due as a result of the assumption, termination or change in their duties or subsequent to the exercise of such duties, such as pension liabilities and other annuity benefits	3.3.2
7	Where free shares have been granted to executives: information on the terms (set by the Board of Directors or Supervisory Board) relating to the disposal of these shares while these executives are in office	3.3.2
8	Pay equity ratio and information on the pay gap between corporate officers and employees	3.3.3
9	Required disclosures concerning pension liabilities and other annuity benefits	3.3.1.2(e); 3.3.1.3(e)
10	Composition and conditions for preparing and organising Board proceedings	3.1.1; 3.1.4
11	Any limitations placed by the Board of Directors on the powers of the Chief Executive Officer	3.2.2
12	Chosen Corporate Governance Code and any discarded provisions of the Code	3.1.1.1
13	Special terms for participating in General Meetings	7.1.5.5
14	Information concerning items that may have an impact in the event of a takeover bid	7.3.6
15	Application of the principle of balanced gender representation on the Board of Directors and Supervisory Board	3.1.4.7(d)
16	Description of the procedure for making regular checks on whether agreements relating to day-to-day operations and carried out at arm's length meet these conditions and implementation of said procedure	3.1.4.7(b)

9.4.5. Table of concordance of employee-related, environmental and social information

Please refer to section 2.7 Annexes "Non-Financial Performance Statement table of concordance"

Registered office :
31, Place des Corolles, Tour Carpe Diem,
Esplanade Nord, 92400 Courbevoie
Tél. : +33 (0) 1 71 13 11 00
www.verallia.com

Société anonyme (public limited company)
with the capital of 408,321,248.14 euros
RCS Nanterre 812 163 913
VAT identification: FR64812163913

verallia