



**Foundations for success**

# Foundations for success

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# Vetropack Locations

On 31 December 2021

**53 %**

use of recycled glass in the production process

**5.88**

unit sales every year in billions

**816.5**

net sales in CHF millions

**11**

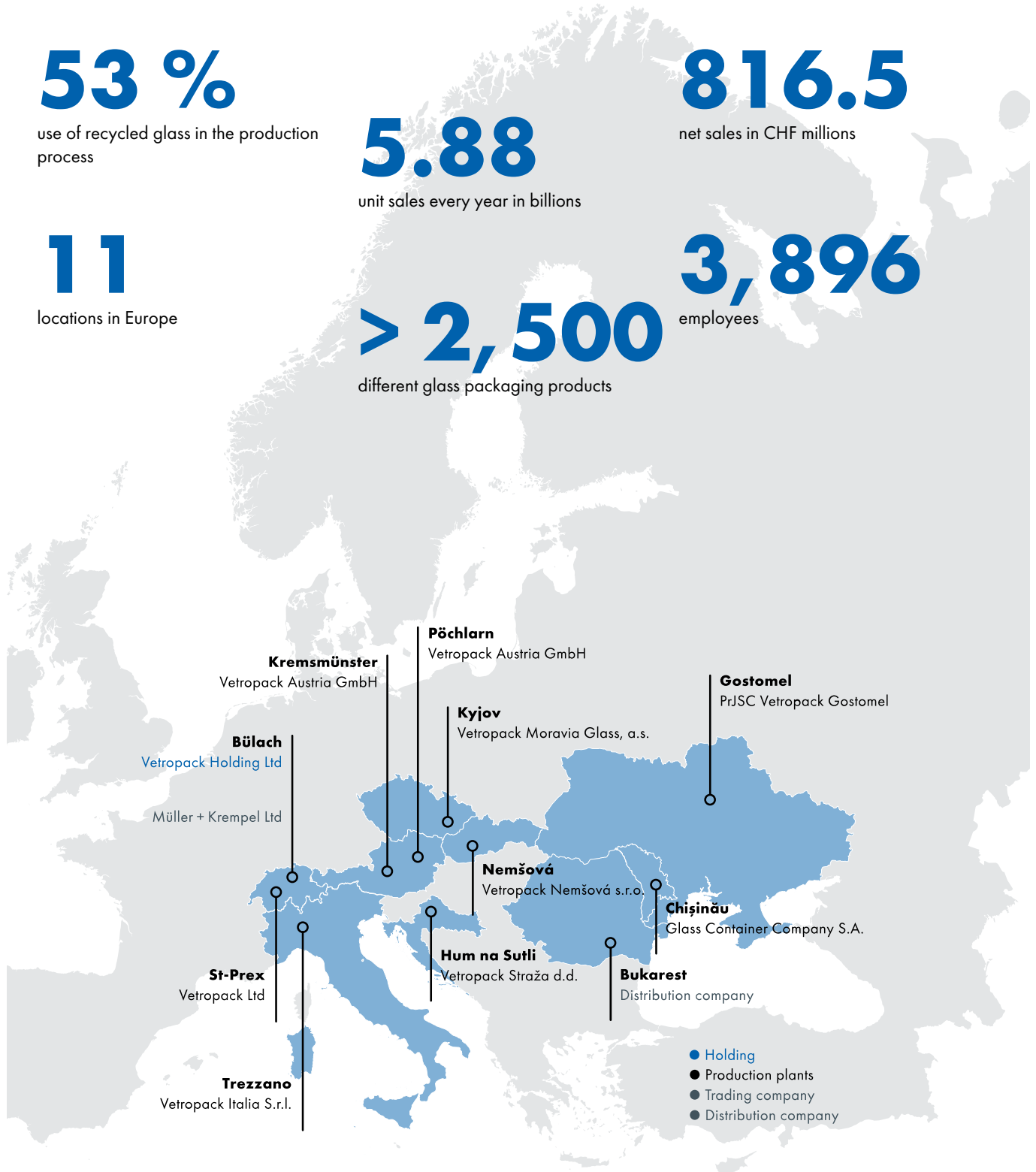
locations in Europe

**> 2,500**

different glass packaging products

**3,896**

employees







## **Vetropack Holding Ltd**

### **Bülach (CH)**

Vetropack Holding Ltd is a Swiss company that operates internationally. Together with its subsidiaries, it produces glass packaging for the food and beverage industry. Vetropack Holding's administrative headquarters are based in Bülach in the canton of Zurich, while its registered office is in St-Prex in the canton of Vaud. In 2021, the corporate group employed 78 people. The company is listed on the SIX Swiss Exchange.



## Vetropack Ltd

### Bülach and St-Prex (CH)

Vetropack Ltd produces, sells and distributes glass packaging in Switzerland. Our glassworks is at our site in St-Prex in the canton of Vaud and our sales offices are in Bülach near Zurich.

Founded	1911
Takeover by Vetropack	Parent company
Area	120 659 m <sup>2</sup>
Number of furnaces	1
Number of production lines	4
Employees as at 31.12.2021	206





Top: Pöchlarn, bottom: Kremsmünster

## Vetropack Austria GmbH

### Pöchlarn and Kremsmünster (AT)

Vetropack Austria produces glass packaging in Austria. We sell and distribute our goods in Austria and on selected export markets. Our sites are located in Pöchlarn (Lower Austria) and Kremsmünster (Upper Austria).

#### Site Pöchlarn

Founded	1980
Takeover by Vetropack	1986
Area	137 000 m <sup>2</sup>
Number of furnaces	2
Number of production lines	7
Employees Vetropack Austria GmbH as at 31.12.2021	698

### Site Kremsmünster

Founded	1954
Takeover by Vetropack	1993
Area	147 000 m <sup>2</sup>
Number of furnaces	3
Number of production lines	7
Employees Vetropack Austria GmbH as at 31.12.2021	698





## Vetropack Moravia Glass, a.s. Kyjov (CZ)

Vetropack Moravia Glass, a.s., produces, sells and distributes glass packaging in Czech Republic. Our site is in Kyjov.

Founded	1883
Takeover by Vetropack	1991
Area	160 000 m <sup>2</sup>
Number of furnaces	2
Number of production lines	7
Employees as at 31.12.2021	455





## Vetropack Straža d.d.

### Hum na Sutli (HR)

Vetropack Straža d.d. produces, sells and distributes glass packaging to the Croatian domestic market as well as to the neighbouring markets in Slovenia, Hungary, Bosnia, Serbia and other countries in South-Eastern Europe. Our site is in Hum na Sutli.

Founded	1860
Takeover by Vetropack	1996
Area	169 400 m <sup>2</sup>
Number of furnaces	3
Number of production lines	12
Employees as at 31.12.2021	616





## Vetropack Nemšová s.r.o.

### Nemšová (SK)

Vetropack Nemšová s.r.o. produces, sells and distributes glass packaging in Slovakia. Our site is in Nemšová.

Founded	1902
Takeover by Vetropack	2002
Area	185 360 m <sup>2</sup>
Number of furnaces	2
Number of production lines	7
Employees as at 31.12.2021	377



## PrJSC Vetropack Gostomel

### Gostomel (UA)

PrJSC Vetropack Gostomel Glass Factory produces, sells and distributes glass packaging in Ukraine. Our site is in Gostomel.

Founded	1912
Takeover by Vetropack	2006
Area	229 600 m <sup>2</sup>
Number of furnaces	3
Number of production lines	8
Employees as at 31.12.2021	629





## Vetropack Italia S.r.l.

### Trezzano sul Naviglio (IT)

Vetropack Italia S.r.l. produces, sells and distributes glass packaging mostly in Italy. Our site is in Trezzano sul Naviglio.

Founded	1960
Takeover by Vetropack	2015
Area	88 700 m <sup>2</sup>
Number of furnaces	2
Number of production lines	6
Employees as at 31.12.2021	296



## Glass Container Company S.A. Chişinău (MD)

Glass Container Company S.A. produces, sells and distributes glass packaging in the Republic of Moldova and on selected export markets. Our site is in Chişinău. The glassworks also has a sales company in Bucharest, Romania.

Founded	1995
Takeover by Vetropack	2020
Area	222 869 m <sup>2</sup>
Number of furnaces	2
Number of production lines	6
Employees as at 31.12.2021	516





## **Müller + Krempel Ltd**

### **Bülach (CH)**

The trading company Müller + Krempel Ltd, a member of Vetropack Group, is one of Switzerland's leading service providers for packaging for the food, pharmaceutical and cosmetics industries. In 2021, the company employed 13 people.





Foundations for success

# Opportunities and challenges in times of global crisis

## Increasing momentum in the glass industry

Change in the glass industry has traditionally been rather leisurely, because investment cycles are long and the value chain is characterised by well-established processes and partnerships with customers and suppliers that go back several years. For some years now, however, the dynamics have been increasing, mainly due to digitalisation and faster changes in the framework conditions.

## Crisis outside any scenarios

At the beginning of 2020, the outbreak of the COVID 19 pandemic was the starting point of a comprehensive global crisis. Even the glass packaging industry, which had previously benefited from a supportive market environment for years, was not spared by the crisis. From the second quarter of 2020 onwards, the decline in demand due to severe restrictions in the catering and tourism sectors left a clear mark on all industry participants. These negative effects were partially offset by a shift in consumption to the domestic sector. Thanks to its great flexibility in production and the breadth of its product range, Vetropack was able to benefit from this shift. Accordingly, the Vetropack Group was able to digest the first year of the pandemic very well.

[CEO interview](#)



## Transition to a new normality

In many European countries, the measures to combat the pandemic were relaxed from spring 2021. From autumn onwards, compulsory certification took the place of restrictions and lockdowns in many places in the catering and tourism sectors. Despite the temporary closures imposed again towards the end of the year in some cases, these industries were able to recover in part during the year under review, which subsequently led to an increase in demand for glass packaging.

The upturn in demand placed heavy demands on Vetropack's supply chain at times - particularly due to the shortage of certain raw materials and goods in procurement as well as the interruptions and bottlenecks in global supply chains. In such times, it is clearly important to have diverse and good connections with suppliers, as well as agility in the company's own processes.

Vetropack was able to meet this rapidly increasing demand in a timely manner, also because the pandemic and the associated measures had not led to a plant standstill at any point. Planned investments were made and projects implemented - in some cases adapted to the new framework conditions.

[Financial Report](#)



[Board of Directors' Report](#)



[CEO interview](#)



## Flexibility and individual design remain in demand

On the customer side, Vetropack has been observing a trend towards flexibility and individualisation for several years now: customers increasingly want to differentiate themselves through their individually designed packaging. This often leads to small batch sizes and also requires a high degree of flexibility in production. The COVID 19 pandemic has further intensified the trend towards flexibility, as value chains and goods flows (raw materials and finished goods) have had to be adjusted or redefined at short notice. This gave Vetropack the opportunity to question entrenched processes and habits and to revise them accordingly at some points.

In order to be able to respond even better and faster to customer needs in the future, Vetropack restructured its Technology and Production division during the year under review with a view to enhancing its innovative capabilities.

[Performance Review: Innovation and intellectual property](#)



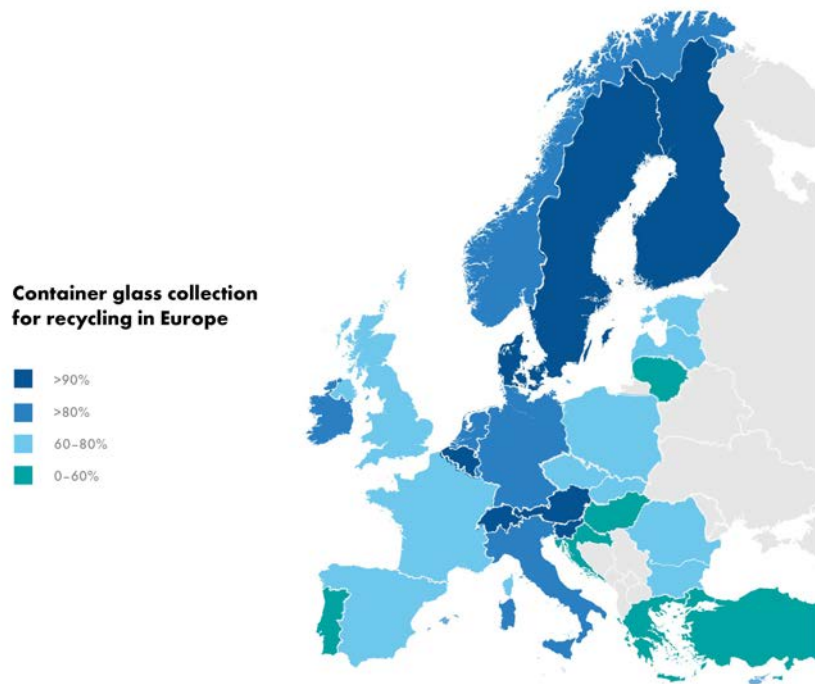
[Performance Review: Digitalisation and automation](#)





## Regulatory pressure to achieve a circular economy

Although the glass packaging collection rate in the EU already totals over 75%, the EU has decided to up recycling quotas again as part of the revision of the Packaging Waste Directive. As a result, 70% of glass packaging must be recycled in each country by 2025, rising to at least 75% by 2030. These targets no longer apply to collection rates alone. Instead, they refer to the actual recycling of glass packaging waste.



Source: Fédération Européenne du Verre d'Emballage (Feve)



There are also voluntary industry initiatives such as “Close the Glass Loop”. This initiative is aiming to achieve an EU-wide collection rate of 90% by 2030. It is supported by various industry associations such as the Fédération Européenne du Verre d'Emballage (Feve), of which Vetropack is also a member. The developments in the EU and Vetropack’s plans to increase the proportion of used glass in production therefore go hand in hand. Only a larger supply of high-quality used glass will make it possible to use a higher proportion of it in production, thus improving sustainability.

Against this backdrop and in the context of its Strategy 2030, Vetropack has set itself the goal of achieving a cullet content of at least 70% in production across the Group by 2030.

Performance Review: Share of used glass in the glass production



Strategy 2030



As the trend is also increasingly moving towards reusable glass, Vetropack is simultaneously working on new methods to increase the traceability of glass containers. For example, Vetropack began using a process at its innovation centre in Austria that places QR codes on each individual glass container. In the future, these could be crucial for organising reverse logistics or tracking how many times a bottle has been in circulation.

Performance Review: Innovation strategy and portfolio





Foundations  
for success

# | Business model

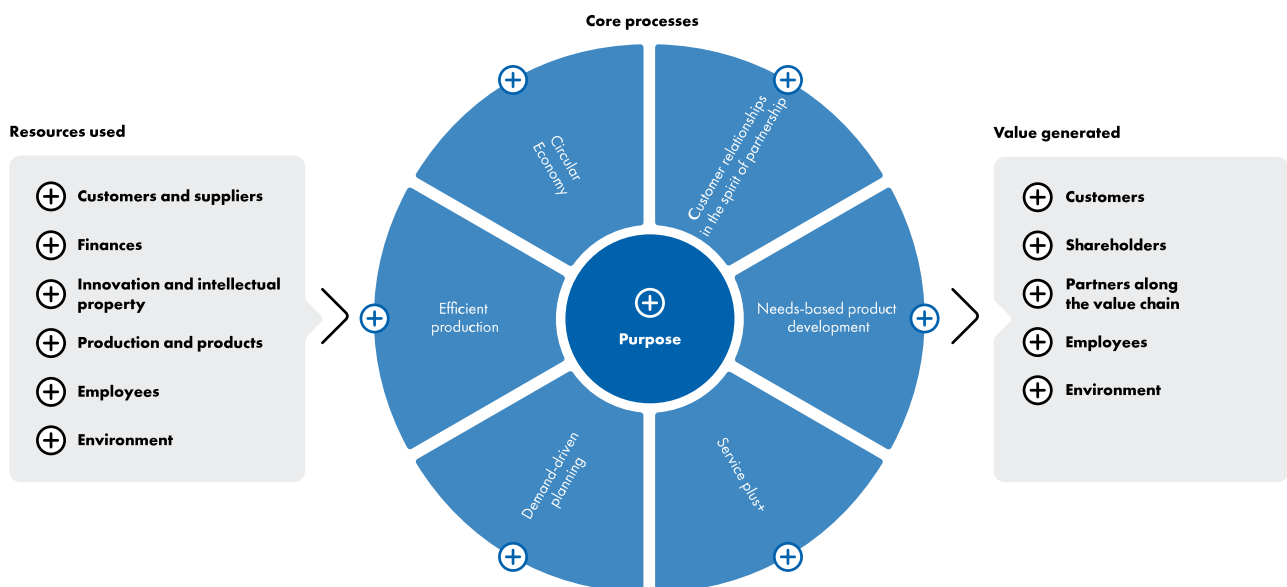


## The driving force behind value creation

The production of glass involves many complex processes and the use of large amounts of resources. Vetropack is therefore committed to creating diverse value from these resources. Financial success in itself should not stand alone in the Vetropack Group's value creation model. After all, it is not only the shareholders who should benefit from the company's performance, but also the customers, the employees, the upstream and downstream partners in the value chain and the environment.

At the heart of Vetropack Group's business model is the corporate purpose that was newly articulated during the year under review: "We enable everyone to enjoy food and beverages in the most elegant, safe and responsible way possible". The corporate purpose is intended to be the driving force behind the actions of all employees and the basis for creating high-quality and unique products and services.

### Business model Vetropack Group



## Resources used

### Customers and suppliers

A broad customer base and partnerships with suppliers built on trust are key drivers of value creation at Vetropack. They help Vetropack to achieve a high level of financial certainty in its planning, facilitating targeted investments. They also allow the company to try out new things and grow together as we overcome challenges. The close cooperation between customers, Vetropack's own specialists, external designers and mould-makers enables efficient development work, resulting in winning products.

### Finances

Thus, Vetropack Group's strategy is aimed at the long-term development of the company, which takes into account the concerns of its stakeholders. This approach is in line with the expectations of Vetropack Group's majority shareholders. Vetropack finances the majority of the company's growth from its own balance sheet and uses return on operating capital employed (ROOCE) as the most important metric for monitoring business development. The focus on sustainably increasing the return on capital employed means that Vetropack increasingly acts as a group ("group first" approach) and prioritises investments with high synergy potential.

### Innovation and intellectual property

Vetropack sets itself the goal of meeting its customers' requirements with innovative, high-quality and environmentally sustainable products, with emphasis placed not only on innovations in its products, processes and organisational structure, but also on the development of entirely new business models. To achieve this, Vetropack relies on the systematic management of intellectual property (patents) and engaging its customers and suppliers in a close dialogue that stimulates both process and product innovations and thus makes a direct contribution to improving efficiency for both sides – Vetropack and the customers and suppliers.

### Production and products

Vetropack's production system follows lean production principles and works to systematically reduce inefficiencies of all kinds. The company also applies uniform quality standards and checks each individual glass container to deliver outstanding product quality. Vetropack continuously improves all the processes along its value chain in the spirit of "One brand, one quality", making increasing use of digital tools and automation solutions. This allows Vetropack to generate efficiency savings and to meet its customers' desire for comprehensive information on product quality.

[Vetropack Story: New labelling machine at Kyjov plant](#)



### Employees

Vetropack's sustainable growth and market success are underpinned by dedicated, highly qualified staff and an experienced management team. To stay innovative and competitive, Vetropack focuses on providing targeted continuing professional development for its employees and fostering talent in a systematic way. Alongside practical on-the-job training programmes, all Vetropack staff have access to a training centre in Austria and the recently devised "Vetrocademy" – a professional development platform. Attractive career opportunities within the Group open up prospects for staff and help keep their wealth of expertise within the company.



## Environment

Vetropack aims to be as environmentally sustainable as possible in its production and to position itself as a “green frontrunner” in the glass industry. Continuously reducing its environmental footprint in all business activities is a key tenet of its corporate strategy. Most notably, the large amount of energy required in the glassmaking process poses a particular challenge, one that Vetropack is tackling by modernising its production facilities on an ongoing basis and implementing an energy management system. The use of recycled glass and multi-trip containers is also being systematically increased to conserve natural resources as effectively as possible.

## Corporate purpose

### Corporate purpose

We make it possible for everyone to enjoy food and beverages in the safest, most elegant and most responsible way.

### We

We are a listed Swiss family enterprise which has fostered honesty, reliability and transparency since it was founded. We are characterised by our strong values, a work culture based on partnership and a cooperative atmosphere. When we say “we”, we mean every single person who works for and with the company. Each individual makes a significant contribution to the company’s success.

### Everyone

Consumers and their needs are important to us. That is why we help our direct customers to look after their customers as effectively as possible.

### Food and beverages

We have a long-standing tradition in the food and beverage industry and are very familiar with all of its facets. We also have a deep understanding of its stakeholders and needs. That is why we concentrate on producing glass containers for this industry – and endeavour to offer the highest quality and the best value in everything we do.

### Elegant

We believe that the elegance of glass lies in the simplicity, long-lasting beauty and diversity of shapes and colours of this material for high-quality packaging solutions. When it comes to food and beverages, the packaging helps to communicate the brand and quality to the end consumer. Glass is the most elegant material for this purpose. Its look and feel bring a customer’s brand to life for each and every consumer. To us, “most elegant” also means placing emphasis on customer-specific, individually designed products. We offer a variety of services and rely on close, long-term relationships to develop a deep understanding of our customers.

### Safe

The safety of everyone is our top priority – we focus on high-quality products that are constantly being updated. Thanks to its natural origin and inert structure, glass is the perfect material for food-safe packaging. We have a holistic view of safety and help our customers to optimise their value chain to guarantee the safety of consumers.

## Responsible

We see glass as the most sustainable packaging solution, as it is manufactured from purely natural raw materials and is 100% and infinitely recyclable. But we do not limit our responsibility to the product. Instead, we extend it to acting in a spirit of solidarity, taking responsibility for the environment and being economical. We aim to achieve a very small carbon footprint along the entire value chain. Because we are responsible, we believe that recycling is the key to optimising the product life cycle, including end-of-life management. We also feel committed to contributing to our customers' success and therefore offer them services that go beyond our glass products and help them to achieve this success.

## Customer relationships in the spirit of partnership

Vetropack's holistic value creation is based on customer relationships in the spirit of partnership. A high level of demand on the glass container market has prompted Vetropack to invest more than the industry average in an effort to increase the availability of its products. This allows the company to retain the loyalty of key customers and attract new ones. Identifying customer needs at an early stage is essential for successfully building on market positions, as is developing new areas of activity by exploring new lines of business along the value chain. By taking this approach, Vetropack is aiming to position itself as a high-quality partner and full service provider.

## Needs-based product development

Vetropack sets innovation trends in the glass packaging industry, working closely with its customers, suppliers and industry associations on this right from the start. External designers are often commissioned to come up with a design in addition to the ideas drafted by the customers themselves. Either way, a comprehensive list of requirements that future glass packaging has to meet needs to be specified if the development work is to be progressed efficiently and innovative solutions made market-ready quickly.

## Service plus+

Vetropack offers customers a comprehensive range of products and services that goes well beyond making glass packaging. Its services cover packaging design, high-quality production and on-time supply, packaging analysis advice and support, bottling, conditioning and closure technology, glass finishing and labelling, and even the calculation of environmental footprints. Vetropack thus helps its customers optimise all the process steps involved in launching a new type of glass packaging. In future, Vetropack is keen to expand its service offering based on existing expertise with the aim of further reinforcing customer loyalty and opening up new business opportunities along the value chain.

## Demand-driven planning

Vetropack is constantly striving to optimise the planning for and availability of its products. It uses demand forecasts to align all processes – from purchasing raw materials and planning production through to shipping the finished products – with one another in the best possible way to maximise capacity utilisation in all its production facilities. With this in mind, Vetropack uses a digital system designed to consolidate all aspects of production planning into a single, Group-wide process in future. This should mean that production capacity can be utilised more efficiently and more flexibly.



## Efficient production

To enable energy-efficient production at an optimum cost level, Vetropack invests continuously in more efficient, more flexible production lines. This will also make it possible to process smaller batches and multiple product segments, thus enabling the company to respond more effectively to seasonal demand peaks in the beverage market. As part of its digitalisation roadmap, Vetropack is making targeted use of the opportunities presented by automation to simplify repetitive production and administration processes. The Group is also ensuring that energy consumption and the associated CO<sub>2</sub> emissions are reduced by investing extensively in its production facilities and logistics. As part of the 2030 Strategy, a key target has been set to reduce the greenhouse gas emissions from each tonne of glass produced by 30% compared to 2019.

[Vetropack Story: Vetropack Switzerland installs label remover](#)



## Circular economy

Vetropack's business model supports the transition to a circular economy as it is based on natural raw materials that can be recycled more or less without limit. Following its pioneering work in glass recycling back in the 1970s, Vetropack now collects used glass for recycling in all the countries in which it operates glassworks. Vetropack works together with special-purpose associations in many countries to maximise collection rates. The company is also promoting the development of multi-trip bottles, some of which are made from resource-efficient lightweight glass (VIP Glass) and are thus even easier to handle. Vetropack's 2030 Strategy includes the goal of ensuring that the proportion of used glass fed into its production across the Group hits at least 70% by 2030.

[Vetropack Story: Vetropack Improved Performance Glass entering a new phase](#)



## Value generated

### Customers

Vetropack Group's customers can rely on an experienced partner in a strong market position that offers over 2,500 different kinds of glass packaging and comprehensive service. Even when faced with the most detailed of requirements, Vetropack develops innovative, cost-effective solutions that meet the highest quality standards, thus helping to increase the value of its customers' brands. Vetropack also supports customers in making lasting improvements to their entire process chain, from development through to bottling.

[Performance Review: Customers and suppliers](#)



[Performance Review: Innovation and intellectual property](#)



[Performance Review: Production and products](#)



[New designs](#)



### Shareholders

Vetropack Group generates robust, profitable growth by focusing its corporate strategy on the long term and making continuous investment in its production facilities and recycling systems. This means that the company has been able to pay a dividend to its shareholders for many years now.

[Performance Review: Finances](#)



## Partners along the value chain

Vetropack Group places great value on treating its stakeholders as partners and, in particular, on strengthening relationships with strategically important suppliers. Vetropack partners benefit from long-term business relationships and supply agreements and thus from a high degree of certainty in their forecasting and planning.

Performance Review: Customers and suppliers



## Employees

Much of Vetropack Group's market success is driven by its employees. In exchange, they can rely on an employer that offers stable and attractive jobs and actively promotes the health and safety of employees. Staff also benefit from a wide range of opportunities for professional development, which increases their loyalty to the company. Many employees appreciate working for a sustainable company whose products they can identify with.

Performance Review: Employees



## Environment

Investing in state-of-the-art production facilities and logistics generates efficiency savings that deliver benefits not least for the environment, because cutting energy consumption also steadily reduces CO2 emissions. Vetropack also uses a high percentage of used glass in its production and thus contributes to an environmentally friendly circular economy.

Performance Review: Environment







Vetropack  
Strategy 2030

Getting to work on the  
future

Back in 2019, Vetropack initiated a comprehensive strategic transformation process. The aim of this is twofold: to open up additional growth potential in the existing business and develop new business models to position the company as a strong market player for the long term and to make a significant contribution to shaping the glass industry.

In 2020, Vetropack defined a process that accompanies the transformation of the company towards 2030. Specific projects were defined for all five strategic directions, prioritised according to the available resources and backed up with clear responsibilities, schedules and metrics for monitoring progress.

Vetropack uses return on operating capital employed (ROOCE) as the key performance indicator for reviewing business development under the new strategy. The focus on the sustainable optimisation of all resources used will help to strengthen the “group first” concept.

The new strategy proved its worth in the crisis years of 2020 and 2021. It has been shown that Vetropack Group not only has a resilient business model, but also has the right culture to act flexibly yet thoughtfully at the same time in times of crisis. This also includes gradually optimising the organisation of the entire company in such a way that it supports the strategy in the best possible way. The strategic directions are also being critically reviewed on an ongoing basis. For example, recent events and social discussions have prompted the Board of Directors and Group Management to give a higher priority to a comprehensive understanding of sustainability under the heading “clearly sustainable” within the five strategic initiatives.



## Five strategic directions for success

From the open strategy process, Vetropack derived five strategic directions in 2019 to shape the company's further development in the next ten years.

- Clearly sustainable
- Expand the core
- Value growth
- Drive innovation
- Leader in quality

### Clearly sustainable

Ecology plays a central role, especially in an energy-intensive sector such as the glass industry. That is why Vetropack wants to play a decisive role in shaping the green transformation in the glass industry as a pioneer. In doing so, the company pursues a holistic approach to sustainability based on two main initiatives:

- continuously reducing the environmental footprint of all business activities and
- improving recycling in the value chain (one-way and multi-trip) and securing access to key resources (primarily used glass).

Recycling is high on the prioritisation list of strategic projects. The company sets itself the goal of achieving a cullet (i.e. used glass) content of 70% in production across the entire Group by 2030. Greenhouse gas emissions can also be continuously reduced by modernising the furnaces. The most important environmental indicator is therefore CO<sub>2</sub> emissions per ton of glass produced. This is to be reduced by 30% by 2030 compared with 2019. Only «green electricity» is to be used as early as 2025.

In addition, Vetropack wants to make its logistics climate-neutral by 2030. To achieve this goal, investments are needed above all in optimising the supply chain and in converting the vehicles and forklift fleet to alternative drives.

[Performance Review: Environment](#)



[Vetropack Story: Climate neutrality requires cooperation](#)



### Expand the core

Vetropack's strategy is based on further strengthening its dominant market positions in the home markets of its Group companies. In addition, Vetropack aims to expand into selected markets — primarily through acquisitions.

With the acquisition of a glass plant in the Republic of Moldova at the end of 2020, Vetropack took a step towards strengthening its Central and Eastern European business.





## Value growth

Vetropack is expanding its fields of activity by entering new lines of business along the glass packaging value chain and supporting its customers from the product idea to the filling of the product. In doing so, the company is focusing on new services that logically expand existing competencies and allow the company to further strengthen customer relationships. This also includes individualised and optimised packaging solutions as well as comprehensive technical consulting to improve existing processes on site. Cross-system connections of IT solutions also contribute to future growth in terms of value and are being consistently expanded.



## Drive innovation

Vetropack aims to become a trendsetter in the glass packaging industry and therefore proactively drives innovation. Among other things, this involves process, product and market innovations as well as completely new business models.

The Technology and Production division, which was reorganised in the year under review, is intended to be a key driver of innovation within the Vetropack Group - including via the Innovation Centre at the Pöchlarn site in Austria, which was established in 2020 and went into operation in the year under review.

Performance Review: Innovation strategy and portfolio



## Leader in quality

Vetropack aligns all activities in such a way that the strategy is optimally supported at Group level. In addition to a holistic "Operational Excellence" approach, this also includes coordinated structures and processes in the areas of sales as well as technology and production. In addition, the opportunities presented by digitalisation are to be better exploited throughout the Group and Vetropack is to be positioned as an "Employer of Choice".

Performance Review: Production and products



Business model



Vetropack wants to make greater use of the opportunities offered by digitalisation in all areas of the company and developed a digitalisation roadmap as early as 2019. In 2020, the migration of the SAP system to the latest technology was completed. On this basis, various processes were digitised and centralised, for example purchasing and production planning.

Performance Review: Digitalisation and automation



In the year under review, Vetropack continued to drive forward its "Employer of Choice" strategy. These efforts bore their first visible fruits with the certification of the Bülach site as a "Great Place to Work®" and the awarding of the Vetroademy internal training programme by the Merit Leadership Community.

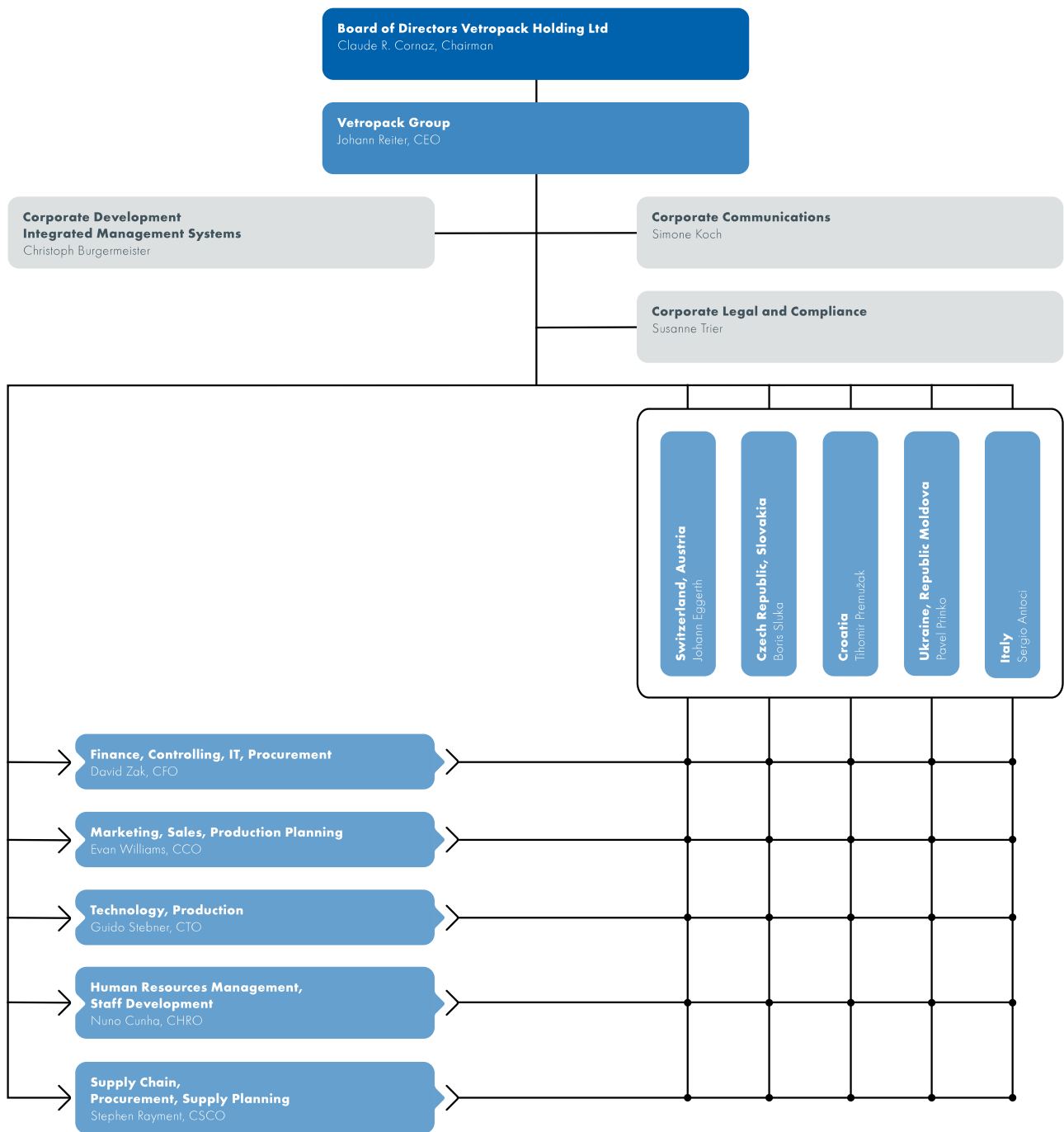
Performance Review: Employees



# Management Structure



per 1 January 2022





# Organisation

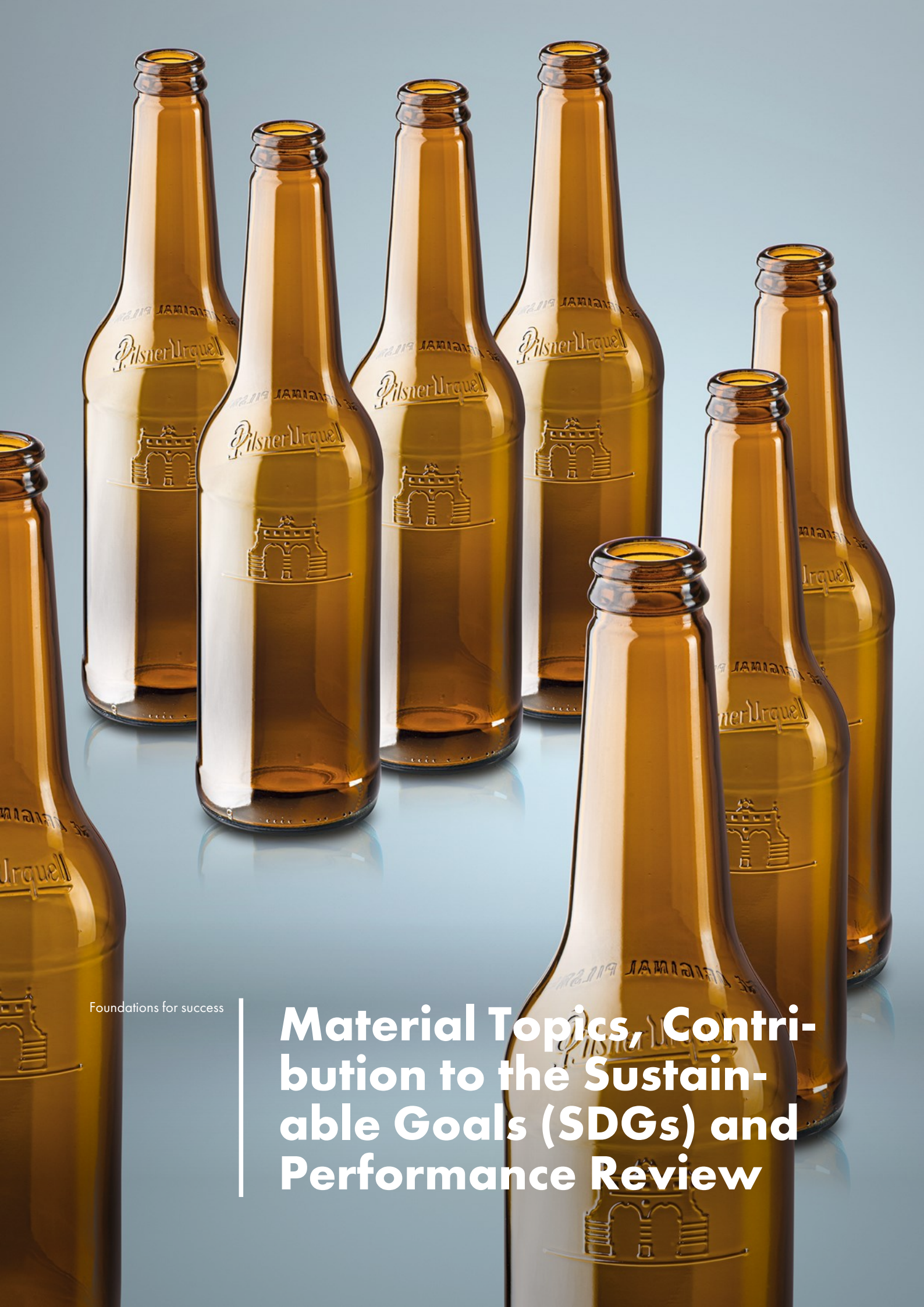
per 1 January 2022

<b>Group Management Board</b>	
Johann Reiter, CEO	
David Zak, CFO	
Nuno Cunha, CHRO	
Johann Eggerth, Managing Director Division Switzerland/Austria	
Stephen Rayment, CSCO	
Guido Stebner, CTO	
Evan Williams, CCO	
<b>Finance, Controlling, IT and Procurement</b>	
David Zak	
– Shared Service Center Switzerland	Christian Trösch
– Group Controlling und Accounting	Adriano Melchiorretto
– IT	Georg Oberdammer
<b>Sales, Marketing and Demand Planning</b>	
Evan Williams	
– Group Technical Customer Service	Christoph Böwing
– Commercial Excellence	Armelle Dupont
<b>Human Resources</b>	
Nuno Cunha	
– Talent Acquisition	Maja Darija Skrljak
– Learning and Development	Keiko Seki von Allmen
– Talent Management	Panagiota Katiniou
<b>Technology and Production</b>	
Guido Stebner	
– Performance	Dubravko Stuhne
– Technology and Projects	Nick Giannoulas
– Innovation	Guido Stebner a.i.

<b>Supply Chain, Procurement and Supply Planning</b>	
Stephen Rayment	
– Group Procurement	Ulrich Ruberg
<b>Corporate Development, Integrated Management System</b>	
Christoph Burgermeister	
– Integrated Management System	Claire Faessel a.i.
– Quality Management	Andrea Steinlein
– Occupational Safety + Health	Nenod Horvath
<b>Corporate Communications</b>	
Simone Koch	
<b>Corporate Legal and Compliance</b>	
Susanne Trier	
<b>Switzerland/Austria</b>	
Johann Eggerth	
<b>Sales + Marketing</b>	
– Switzerland	Herbert Kühberger
– Austria	Christine Arnet
– Export Europe West	Herbert Kühberger
– Export Europe West	Leopold Siegel
<b>Finance + Human Resources</b>	
Human Resources	Bernhard Karrer
Human Resources	Sabine Hameter-Weber
<b>Supply Chain</b>	
Supply Chain	Werner Schaumberger
<b>Production</b>	
– St-Prex Plant	Philippe Clerc
– Pöchlarn Plant	Gerd Buchmayer
– Kremsmünster Plant	Thomas Poxleitner
<b>Integrated Management System</b>	
– St-Prex Plant	Renaud Roquigny
– Pöchlarn and Kremsmünster Plant	Hannes Fasshuber

<b>Czech Republic/Slovakia</b>	
Boris Sluka	
<b>Sales + Marketing</b>	Dana Švejcarová
– Czech Republic	Dana Švejcarová
– Slovakia	Zuzana Hudecová
– Export Europe East	Vlastimil Ostrezi
<b>Supply Chain</b>	Jaroslav Mikliš
<b>Engineering</b>	Miroslav Šebík
<b>Integrated Management System</b>	Aleš Habán
<b>Kyjev Plant</b>	
– Production	Antonín Pres
– Finance + Human Resources	Milan Kucharčík
<b>Werk Nemšová</b>	
– Production	Roman Fait
– Finance + Human Resources	Eva Vanková
<b>Croatia</b>	
Tihomir Premužak	
<b>Sales + Marketing</b>	Darko Šlogar
<b>Finance</b>	Marija Špiljak
<b>Supply Chain</b>	Robert Vražić
<b>Human Resources</b>	Damir Gorup
<b>Production</b>	Bozo Hrsak
<b>Engineering</b>	Velimir Mrkus
<b>Integrated Management System</b>	Anika Hriberski Leskovar
<b>Ukraine/Republic Moldova</b>	
Pavel Prinko	
– Ukraine	Pavel Prinko
– Republic Moldova	Oleg Baban
<b>Finance</b>	Oleksandr Bondarenko

– Ukraine	Oleksandr Bondarenko
– Republic Moldova	Boris Crivoi
<b>Supply Chain</b>	
– Ukraine	Serhii Kazhan
– Republic Moldova	Igor Hincu
<b>Human Resources</b>	
– Ukraine	Andriy Keranchuk
– Republic Moldova	Larisa Harabagiu
<b>Integrated Management System</b>	Pavel Prinko a.i.
<b>Gostomel Plant</b>	
– Sales + Marketing	Hennadiy Arsiriy
– Production	Roman Yatsuk
– Engineering	Mikola Marchenko
<b>Chişinău Plant</b>	
– Sales + Marketing	Oleg Garstea
– Production + Engineering	Igor Volcanov
<b>Italy</b>	
Sergio Antoci	
<b>Sales + Marketing</b>	Francesco Bonazzi
<b>Finance</b>	Chiara Garancini
<b>Supply Chain</b>	Luca Marini
<b>Human Resources</b>	Annalisa Girardi
<b>Production + Engineering</b>	Giovanni Depoli
<b>Engineering</b>	Alberto Alvisi
<b>Integrated Management System</b>	Alessandro Canulli
<b>Group Companies</b>	
Müller + Krempel Ltd	Mark Isler
Vetoreal Ltd	Matthias Bieri



Foundations for success

# Material Topics, Contribution to the Sustainable Goals (SDGs) and Performance Review



## Definition of the key financial and non-financial issues

For the third time, Vetropack Group provides comprehensive information on its financial and non-financial performance for the fiscal year 2021 within the framework of an Integrated Annual Report. The company defined the focus of its reporting in 2019 with a materiality analysis. Here, Vetropack evaluated which topics were particularly relevant for its stakeholders and for securing short-, medium- and long-term business success. The company also assessed which topics have a significant impact on sustainable development (economic, social and environmental).

Vetropack derived this process from the requirements of the Global Reporting Initiative (GRI), which requires the evaluation of stakeholder relevance and an assessment of impact. The evaluation of business relevance as a third dimension ensures that the material topics are closely linked with the core business. The process is therefore also compatible with the recommendations of the International Integrated Reporting Council (IIRC).

In defining the material topics, Vetropack used the following dimensions based on the six capitals of the IIRC to evaluate topics in various areas:

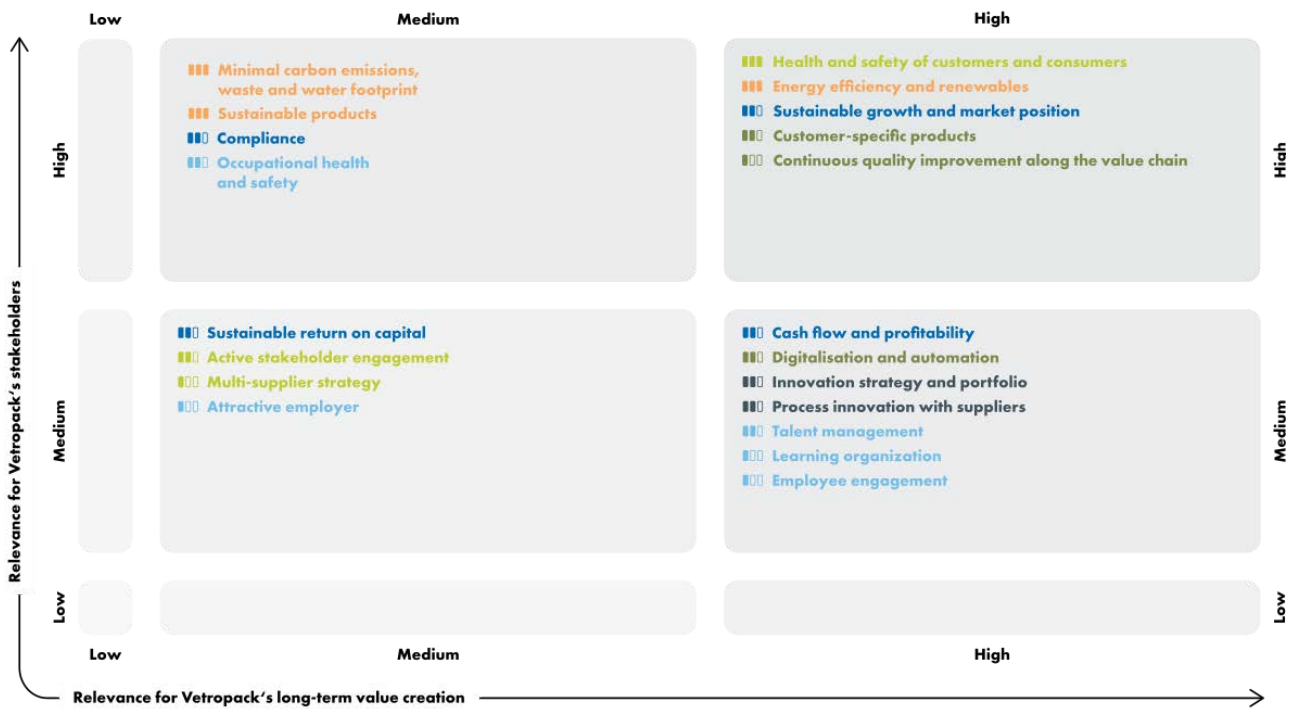
- Customers and suppliers
- Finances
- Innovation and intellectual property
- Production and products
- Employees
- Environment

The topics were in 2020 evaluated in a workshop with the extended Group Management and additional managers from various divisions with responsibility for the topics in question. They brought an in-depth understanding of the concerns of different stakeholder groups, meaning that external perspectives were considered indirectly. The findings of the workshop were validated by the CEO and external specialists.

The resulting material topics are presented in the following matrix. It provides Vetropack with the basis for the strategic focus and structure of the reporting. Accordingly, the "Performance Review" and "Sustainability Report" chapters of the 2021 Integrated Annual Report are divided on the basis of the above-mentioned six dimensions.

This page contains information on the following GRI disclosures: 102-46, 102-49.

## Materiality matrix



### Categories:

- Customers and suppliers
- Finances
- Innovation and intellectual property
- Production and products
- Employees
- Environment

### Impact on sustainable development

- Low
- Medium
- High

This page contains information on the following GRI disclosure: 102-47.

# Contribution to the United Nations' Sustainable Development Goals (SDGs)

Vetropack uses the 17 Sustainable Development Goals (SDGs) of the United Nations (UN) as a reference system to embed the effects of its own business activity on the environment and society within the context of global sustainable development.

Four of the 17 SDGs in total are of particular relevance for Vetropack. The company sees them as offering the greatest leverage for making a significant contribution: SDG 9 (Industry, Innovation and Infrastructure), SDG 13 (Climate Action), SDG 12 (Responsible Consumption and Production) and SDG 5 (Gender Equality).



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

## Contribution to SDG 9

Vetropack's strategic focus is based on the core targets of creating a robust infrastructure and developing sustainable industrialisation in the least developed countries in Europe. The company's investment programme will bring processes, equipment and technologies up to the latest technical standards to support sustainable industrialisation. Investment projects in the regions will promote a network of small companies around the glass works. All Vetropack Group's glass works, its partners along the value chain and in its environment will benefit from the Group's innovations and investments in various areas.

### Aspect on which Vetropack has particular influence

9.2: Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

### Material topics

- Innovation strategy and portfolio
- Learning organisation

### Action areas and objectives

- Investments in underdeveloped countries in Europe (such as the Republic of Moldova)
- Integration of local suppliers into the supply chain, especially in underdeveloped countries
- Creation of an innovation centre as a focus for innovation and research
- Collaboration with research centres and industry participants in order to work together to drive forward innovation
- Establishment of a technical group organisation that reflects the Group's strategic focus in order to guarantee optimal production output and product quality in line with pre-defined standards

### Progress in 2021

- Expansion of the innovation centre at the Pöchlarn site (AT)

### More information

Performance Review: Innovation and intellectual property







Take urgent action to combat climate change and its impacts

## Contribution to SDG 13

As a global industrial enterprise requiring considerable amounts of energy and resources, Vetropack has an environmental footprint. The company focuses its environmental commitment on climate protection.

### Aspect on which Vetropack has particular influence

13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

### Material topics

- Energy efficiency and renewables
- Minimal carbon emissions, waste and water consumption

### Action areas and objectives

- 30% reduction in CO<sub>2</sub> emissions by 2030 compared with 2019.
- Conversion to «green electricity» by 2025
- Substantial medium-term investment which will contribute to CO<sub>2</sub> reduction
- Increasingly shifting external transport from road to rail
- CO<sub>2</sub>-neutral internal transport
- Decreasing water footprint
- Reducing waste

### Progress in 2021

- Austrian plants connected to the energy management system
- Installation of a new furnace at the glass works in Hum na Sutli in Croatia. This will allow specific energy consumption to be cut by 15%. This also resulted in a corresponding reduction in CO<sub>2</sub> emissions

### More information

Performance Review: Environment



Sustainability report: Sustainable products, energy efficiency and renewables, minimal carbon emissions, waste and water consumption





Ensure sustainable consumption and production patterns

## Contribution to SDG 12

The global population currently consumes more resources than the ecosystems can provide. In addition to the consumption of resources, the waste resulting from this consumption constitutes another major global problem. Glass has numerous characteristics that can contribute to more sustainable consumption: fewer resources are consumed, less food is wasted and less waste is generated.

### Aspect on which Vetropack has particular influence

12.2: By 2030, achieve the sustainable management and efficient use of natural resources

12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

### Material topics

- Sustainable products
- Recycling used glass

### Action areas and objectives

- Improving recycling in the value chain
- Increasing the percentage of used glass from 53% to 70%

### Progress in 2021

- Developing a Group-wide recycling concept to increase the percentage of used glass, make the recycling of used glass more efficient and reduce the distances over which used glass is transported

### More information

Performance Review: Production and products



Performance Review: Customers and suppliers



Sustainability report: Sustainable products, energy efficiency and renewables, minimal carbon emissions, waste and water consumption





Achieve gender equality  
and empower all women  
and girls

## Contribution to SDG 5

As a company that is committed to a fully sustainable business policy, the elimination of gender-specific differences is an obligation. What's more, ensuring gender equality has been proven to have a positive effect on economic success, productivity, competitiveness and levels of innovation. Traditionally, women are in the minority – at all levels of the hierarchy and in all job profiles – in the glass industry. Vetropack believes that there is enormous potential for change here.

### Aspect on which Vetropack has particular influence

5.5: Ensure the full and effective participation of women and equal opportunities for leadership at all levels of decision-making in political, economic and public life

### Material topics

- Attractive employer

### Action areas and objectives

- Identification and elimination of gender-specific pay gaps
- Promoting a balance of women and men in decision-making processes
- At least 20% more women in decision-making positions by 2030
- Increasing the proportion of women in Vetropack's talent pool by 40% by 2030
- Creating a working environment that promotes a culture of diversity at all levels

### Progress in 2021

- Appointment of three new female managers to run Group functions
- Review of appointment and promotion processes to guarantee an objective decision-making process and to minimise gender-specific differentiation for key selection processes
- Training all personnel managers with regard to the significance of diversity in the workforce to ensure awareness of this vital issue

### More information

[Performance Review: Employees](#)





# Customers and suppliers

## Active stakeholder engagement

Open communication and proactive cooperation help Vetropack anticipate the needs of customers and other stakeholders, exploit new business opportunities and thereby create competitive advantages. The key stakeholder groups who influence or are affected by Vetropack's business activities include investors, customers, suppliers, employees and their representatives, as well as society in general, including supervisory authorities, legislators, trade associations and non-governmental organisations (NGOs).

In the year under review, communication with all stakeholder groups was particularly important due to the COVID crisis, even though the measures to combat the pandemic severely limited the possibilities. The planning of stakeholder communication was made more difficult by the latent uncertainty regarding the development of government measures. As in the previous year, direct exchange with customers and suppliers at major trade fairs was hardly possible. Many events were cancelled or Vetropack decided not to participate for security reasons. Vetropack was able to compensate for this through regular virtual contact with customers and suppliers. Very intensive contact was also maintained with investors in this way during the year under review. However, due to the relaxed measures from the second half of the year onwards, Vetropack also took the opportunity to meet its investors in person at a physical meeting.

However, direct communication with customers and suppliers, for example at major trade fairs, was extremely limited in the year under review. Many events were cancelled or Vetropack decided not to attend for safety reasons.

Further information on stakeholder engagement can be found in the following report chapters:

- Communication with employees: Performance Review Employee engagement
- Working with suppliers: Performance Review Process innovation with suppliers and Performance Review Customer-specific products
- Customer relationships: Performance Review Customer-specific products
- Communication with other stakeholder groups: Sustainability Report Active stakeholder engagement

## Multi-supplier strategy

Vetropack pursues a multi-supplier strategy to ensure a smooth production process. The strategy secures the supply of raw materials and equipment and minimises risks in the supply chain, such as disproportionate dependencies. The aim is to minimise supply and upfront cost risks and build up alternatives in order to strengthen Vetropack's negotiating position. The benefits of this approach were also evident in the second pandemic year. While 2020 was characterised by restrictions on labour and major challenges in logistics, Vetropack was confronted with high demand on the one hand and rising costs and scarce goods on the other in the year under review. However, thanks to proactive supplier management that relies on multiple partners, Vetropack has sufficient flexibility and room to manoeuvre even in challenging procurement situations.

Vetropack also used the year under review and its new challenges to work on its supplier relationships - with a particular focus on payables. In doing so, the company responded to the trend towards consolidation and concentration in the supply chain, particularly among equipment suppliers, and to the recovering demand for production equipment in the glass packaging industry increasingly in the fourth quarter of the year under review. Suppliers must comply with the requirements of the Supplier Code. In specific high-risk cases, a specific clause on environmental and human rights compliance requirements is noted in the Supplier Code. All suppliers have signed the Supplier Code of Conduct or demonstrably have at least an equivalent code of conduct of their own. In the case of relevant goods or services, clauses on environmental protection, working conditions and compliance with human rights are also explicitly anchored in the contract. Vetropack also examines its supply chain with regard to risks in the area of conflict minerals in order to minimise these risks. For selected suppliers, specifications for compliance with the requirements for dealing with conflict minerals are implemented.

In the medium and long term, Vetropack Group is building on even closer and more binding co-operation with suppliers who deliver products that are as environmentally friendly as possible. With this approach, Vetropack is pursuing the goal of reducing the use of primary raw materials and fossil fuels. In addition, fewer synthetic raw materials are to be consumed. The procurement workshops on "Sustainability in Procurement" planned for the year under review could not be held due to limited travel options as a result of the Corona pandemic. They are expected to take place in 2022.

In future, Vetropack Group's Supply Chain Management will also benefit from being equipped with specialised resources. With the creation of the position of a Group-wide Chief Supply Chain Officer, this specialist area will take on greater strategic importance. The aim of this central position is to promote decisions in the interests of the entire Group and to increase the speed of decision-making. In addition, the "lead buyer" approach creates expertise and technical depth that cannot be achieved at the plant level.

## Health and safety of customers and consumers

Its professional processing of the high-quality packaging material glass means that Vetropack protects not only the packaged drinks and foodstuffs but also consumers' health. Quality and safety are essential factors that are taken into account for each product development in accordance with clearly defined criteria. The company checks each individual glass container.

Vetropack also invested in refining the quality control process for its products in 2021. The quality assurance work group pressed ahead with the harmonisation of the quality assurance processes. As a basis for future investment decisions, the performance of the testing equipment of all production lines was evaluated. As a result, the testing technology at the plant in Croatia was brought up to date in the course of installing a completely new line. In Italy, the decision was made to replace some testing equipment. The vision of taking traceability to a new level through the use of QR codes is also being worked on.

Vetropack recorded that ensuring the highest quality standards as an important objective under the "Leader in quality" heading was part of its new Strategy 2030. Existing quality indicators, such as the number of complaints per glass container sold and critical defects identified internally, are used to measure progress. These quality indicators are not published for competition reasons.

Performance Review: Continuous quality improvement along the value chain





# Finances

In recent years, demand for glass packaging on the European market has increased continuously, but the Coronavirus pandemic changed demand significantly. As around 20% to 30% of glass packaging is sold by restaurants and bars to consumers ("on-premises consumption") under normal conditions, the lockdowns triggered by the pandemic and the associated closure of catering outlets led to a temporary, yet sharp, drop in demand. This was also indirectly caused by the decline in tourism in some countries, which had a negative impact on unit sales in hospitality. At the same time, people began stockpiling food at home, which had a noticeable positive effect on demand for glass packaging. Overall, this resulted in a reduction in unit sales of 5.9% for the year under review.

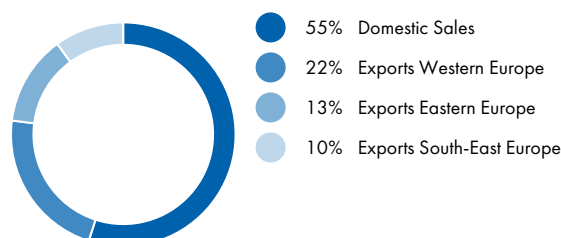
## Financial figures 2021

		+/-	2021	2020
Net Sales	CHF millions	23.2%	816.5	662.6
EBIT	CHF millions	7.2%	81.6	76.1
Consolidated Profit	CHF millions	- 21.4%	63.8	81.2
Cash Flow*	CHF millions	9.1%	154.1	141.2
Investments	CHF millions	61.7%	119.2	73.7
Production	1 000 metric tons	15.0%	1 629	1 416
Unit Sales	billion units	20.9%	5.88	4.86
Exports (in unit terms)	%	-	45.5	43.1
Employees	number	0.4%	3 896	3 882

\* operating cash flow before change of net working capital

## Sales by markets 2021

(total 5.88 billion units)



The greatest challenge for the Vetropack Group in the year under review and likely in the coming years will be rising energy costs.

## Cash flow, profitability and sustainable return on capital

Vetropack's long-term growth is largely financed from its own resources. The main performance indicator used by Vetropack for reviewing business development is the return on operating capital employed (ROOCE). Optimising the resources used and their impact on profitability is therefore given a higher weighting by Vetropack than pure profit or cash flow. The focus on sustainably boosting the return on operating capital employed means that Vetropack increasingly operates as a Group and prioritises investments with great potential for synergy – very much in keeping with the "Group first" mindset.

In 2021, operating cash flow increased by 9,1% to CHF 154,1 million (2020: CHF 141.2 million).

While Vetropack had briefly halted all non-essential investment projects in the first year of the pandemic in order to have more financial room for manoeuvre, extensive investments were made again in the year under review. At around CHF 130 million, investments in 2021 were significantly higher than in the previous year, which was characterised by pandemic-related restraint, but also above the long-term average of around CHF 80 to 90 million; in each case this corresponded to a share of just under 10% of sales. Above-average investments are also planned for 2022.

The most significant investment projects in the year under review were the start of construction of a new plant in Italy, the installation of a completely new production line in Croatia, as well as the installation of a new production line and the replacement of a furnace at the plant acquired in the Republic of Moldova at the end of 2020. These projects will increase Vetropack's production capacities - by a total of around 3\*. In view of the great uncertainties in the year under review due to the pandemic and the moderate average market growth of three percent, this impressively demonstrates the medium-term growth expectations that Vetropack Group has for itself.

[Vetropack Story: Renovating the white glass line at the Pöchlarn plant](#)



## Sustainable growth and market position

Customer satisfaction is crucial to Vetropack's ongoing commercial success.

Maintaining good customer relationships was even more important during the past two years, which were dominated by the pandemic. Vetropack worked hard to respond flexibly to customer demands for new products adapted to consumer needs, shorter supply chains and rapid product availability. The significant increase in revenue shows that this was successful. This was possible because Vetropack focused on markets in the vicinity of its production facilities, while at the same time using the Group's capacities to offer a broader product range and flexibility in all markets.

The Group aims to further reinforce its market position in future and has therefore improved product quality and traceability as part of the "Leader in quality" quality management programme. Production capacity was expanded thanks to the modernisation of a furnace at the Croatian production plant in Straža. Vetropack also increased its capacity for clear glass in 2020, as the trend towards glass packaging for food is growing. The strong focus on innovation, boosted by the drive to become the green pioneer of the industry, will help the Group to meet its growth targets.

The Group intends to further strengthen its market position in the future. Vetropack products for mineral and soft drinks appear particularly promising. These segments are growing disproportionately throughout Europe. Interest in returnable glass, which unlike all other packaging materials can be recycled an infinite number of times without any loss of quality, continues to grow.

[Vetropack Story: Returnable glass bottles on the rise](#)



Production capacity was increased in the year under review through various investments. The strong focus on innovation, strengthened by the ambition to become the sustainability pioneer in the industry, will help the group achieve its growth targets.

[Performance Review: Innovation and intellectual property](#)



## Compliance

Ethical and fair behaviour that forbids bribery, corruption and discrimination, amongst other things, as well as obeying the law, is one of Vetropack's basic principles. It is essential for gaining and retaining the trust of customers, suppliers and authorities. For Vetropack, complying with all applicable laws, regulations and industry standards and responding immediately if any deviations are identified is a matter of course. The relevant guidelines are laid down in the Code of Conduct and in the Business Ethics Policy. The Supplier Code also regulates compliance with human rights in the value chain and is checked regularly during audits. This ensures that an awareness of how to behave in compliance with the rules is firmly established in the company. On this basis, Vetropack has been able to achieve a consistent and very high level of compliance over the past few years.

In the year under review, Vetropack implemented the requirements of EU Directive 2019/1937 on the protection of persons who report breaches of EU law ("whistleblowers") on time.

Vetropack's Supplier Code regulates compliance with human rights in the value chain and is regularly reviewed as part of on-site audits. Acceptance of this code is mandatory. As a result, the sensitivity for compliant behaviour is deeply anchored in the company. On this basis, Vetropack has been able to achieve a consistently very high level of compliance over the past few years.

# Innovation and intellectual property

Vetropack is continuously optimising the ancient craft of glass production. With innovative, high-quality and environmentally friendly products, Vetropack adapts to customers' expectations, thereby positioning itself successfully in selected markets. When developing its Strategy 2030, Vetropack defined the topic of innovation and digitalisation as one of five strategic directions for the next ten years.

## Innovation strategy and portfolio

With Strategy 2030, Vetropack is emphasising that innovation is highly relevant for the company. Not only does the open innovation strategy focus on product development, such as the further development of VIP Glass technology, it also targets the all-encompassing development of container glass production along the value chain. For this purpose, the company is using new digital marketing and sales channels and improving its planning processes.

Vetropack would like to promote innovation more strongly throughout the Group. The reorganisation of the Technology and Production division during the year under review takes this intention into account. In future, the department will not only be able to advise the plants, but will also be responsible for process and technology development for the entire Group.

In future, the Technology and Production division will consist of three organisational units:

- The Performance division is responsible for the production processes. The focus is on analysing, standardising and continuously optimising Vetropack's process landscape. Tools for continuous improvement such as Lean or Six Sigma are used regularly.
- The Technology division focuses on technological developments both within and outside the Group. The technologies used serve to implement production processes throughout the entire Vetropack Group and focus in particular on digitalisation, innovation and sustainability. Proven and well-known technologies in these areas are examined with regard to their suitability for Vetropack and, if necessary, brought into the company.
- The Innovation Centre launched in 2020 at the Pöchlarn site in Austria was further expanded and will be integrated organisationally into the Technology and Production division from January 2022. The research focus of the Innovation Centre will be on process and product development as well as digitalisation. A further increase in staff is planned for this purpose. Current projects are working on, for example, the possibilities for CO<sub>2</sub>-reduced production of container glass, the development of new process technologies for the production of lightweight glass packaging, and the development of digitalised glass bottles that enable complete life cycle transparency and traceability. This is relevant not least because of the trend towards multiple use of glass packaging.

During the year under review, Vetropack continued to drive forward the development and commercialisation of lightweight glass packaging. The glass launched in 2019 under the name VIP Glass (Vetropack Improved Performance), which is particularly stable thanks to a special thermal curing process and thus enables the production of lighter containers, continues to enjoy great popularity among pilot customers, so the expansion of the product range is being driven forward.

[Vetropack Story: Vetropack Improved Performance Glass entering a new phase](#)





The company also continued to make progress in the area of digitalisation and automation, although there were delays at times due to the COVID crisis. The focus here is on the topic of traceability of individual bottles with the help of the latest laser technology and the processing of data in the corresponding systems. Vetropack also dealt with the introduction of a new Group-wide MES system. The uniform operational data structure created with the help of this system will enable the use of "Big Data Tools" or artificial intelligence for the extensive evaluation of operational data in the future. Vetropack expects the use of these digital tools to improve operational performance and increase quality levels. To this end, data analysis specialists will be integrated into the organisation of the Technology and Production division.

The introduction of an energy management system in cooperation with Siemens continues to progress. After a successful pilot project at the plant in Croatia, the Austrian plants were connected to the system in terms of data in 2021. The connection of the plants in the Czech Republic and Slovakia is planned for 2022.

There were delays in the implementation of the projects due to the COVID crisis, primarily due to the limited travel possibilities as well as the availability of staff of the partners involved in the projects.

Performance Review: Digitalisation and automation



## Process innovation with suppliers

From increasing efficiency in the glass production process to improvements in the organisation and product development – Vetropack relies on collaboration with its suppliers in almost every strategic area of innovation. Their pursuit of a higher level of digitalisation also supports corresponding processes at Vetropack.

# Production and products

## Continuous quality improvement along the value chain

For Vetropack, the quality of products is the top priority. This applies to all locations in accordance with the “One brand, one quality” motto. However, the understanding of quality goes beyond this and includes optimising all processes along the value chain. This is necessary both to satisfy customers’ more stringent demands and to improve efficiency. Quality improvements also have a positive impact on occupational safety and environmental pollution. Under the heading “Leader in quality”, this ambition is being pursued as a strategic direction of the new Strategy 2030.

One component of Vetropack’s understanding of quality is “lean management”, which aims to avoid waste of any kind through continuous improvement. The rollout of the “Vetropack Production System” (VPPS) project, which was launched in 2020, continued during the year under review. Due to the restrictions imposed by the COVID crisis, the focus was placed on creating fundamental structures. “Lean engineers” have already been hired at various plants. In the coming years, VPPS is to be gradually introduced at all locations. At the same time, the exchange of experience at Group level is to be further promoted. In the newly organised Technology and Production division, continuous improvement activities (e.g. Lean, Six Sigma) are coordinated at Group level. For this purpose, a position was created in the Performance division to ensure a uniform approach to performance projects in the Group. This will ensure a stronger exchange of knowledge beyond the boundaries of the organisational units in the future.

Performance Review: Learning organisation



Some measures to increase quality also require the support of partners in the value chain. For example, the standards for reusable transport aids (pallets and layer pads) established in the year under review.

The Performance Division, which is part of the Technology and Production Division, will work closely with the Quality Assurance Division – consisting of the quality assurance experts from all plants – to drive forward the standardisation and unification of the production and production support processes. The goal is to introduce Group-wide process and quality standards in all important production processes that combine high production performance with the highest quality. In addition, these standards form the basis for the rapid integration of new production sites into the Vetropack Group.

Vetropack measures the number of complaints per glass container sold and critical defects identified internally as the main key figures for quality improvement.

## Digitalisation and automation

At Vetropack, digitalisation and automation initiatives are key to sustainable business development. The company is using the range of new technologies to develop its processes and endeavours to improve efficiency through automation solutions. As part of the strategy process, digitalisation and automation were defined as one of five strategic directions that will shape the company's further development in the next ten years.

Digitalisation is taking place in all areas of the company at Vetropack, whether in the simplification of administrative processes or in production. For this reason, Vetropack developed a digitalisation roadmap as early as 2019 and implemented the first measures. Based on the SAP system "SAP4Hana" introduced in 2020, for example, the degree of digitalisation of purchasing processes was further increased. Invoicing ("Vendor Invoice Management VIM") is now paperless.

After the production planning tool was migrated to the new SAP system in 2020, the second step in the year under review was to merge production planning into a single Group-wide process. This should enable production capacities to be used even more efficiently and flexibly in the future.

In the year under review, Vetropack also made use of the opportunities offered by digitalisation to keep communication going with customers, suppliers and employees under difficult circumstances. Previous investments in mobile working arrangements and a Group-wide conferencing infrastructure paid off during the lockdown due to the pandemic in particular. Vetropack also launched an app for internal communication and published the @vetropack staff magazine online for the first time.

Key areas of Strategy 2030 in which digitalisation and automation play an important role include "Drive innovation and digitalisation", "Leader in quality" and "Operational excellence". Digitalisation is a prerequisite for optimising various sales processes, while automation is mainly used in the production process. Vetropack has therefore defined the customer complaint rate, customer satisfaction value, production losses, internal critical defects and the occupational accident rate as relevant performance indicators.

## Customer-specific products

Vetropack implements ideas in products and, in doing so, guarantees a high standard of service and quality. The Group is therefore well equipped to supply high-quality and innovative glass packaging that is tailored to customers' needs. Short communication channels between the production teams and customers allow Vetropack to react to customers' requirements at any time and develop new products within a short period.

In order to further professionalise its collaboration with customers and thus increase customer satisfaction, Vetropack 2021 has increased its personnel. A Customer Excellence and Strategic Account Manager was recruited to work with a core team of sales experts to develop a strategic programme for key accounts. Furthermore, the team in Italy was strengthened with an additional marketing function to support the Group's marketing activities and at the local level. And to give additional thematic impetus to quality assurance, the position of Group Quality Assurance Manager was newly filled.

During the year under review, Vetropack further optimised its workflow tool in order to align the entire supply chain even more closely with innovation.

For many of Vetropack's customers, the consequences of the COVID-related restrictions were drastic. Accordingly, Vetropack continued to focus on new products and packaging variants in the year under review that provide customers with the best possible support under the changed circumstances.

New designs



An important development topic for Vetropack is its technology for the production of multi-trip bottles made from lightweight glass ("VIP Glass"). Other fields with particular growth opportunities include glass packaging for food and non-alcoholic beverages, as well as products that address the growing trend towards sustainability. This is not only about more sustainable packaging, but also about reliable statements to satisfy the information needs of various stakeholder groups. This is where Vetropack can support its customers with sound data on the environmental performance of their products.

Vetropack Story: Vetropack Improved Performance Glass entering a new phase



As part of Strategy 2030, Vetropack defined the innovation rate and customer satisfaction as key indicators for measuring progress. The innovation rate is calculated by dividing the number of new glass containers (based on shape, process technology, size and colour) by the total number of units sold. The objective is to increase the innovation rate over time. As in 2020, the innovation rate in 2021 remained at the same level as in 2019 (at 5.7%) due to the COVID crisis and some delayed product launches. Thanks to the establishment of the Innovation Centre, this value should continue to rise in the coming years.



# Employees

A large part of Vetropack's long-term success is owed to its employees. That is why, as part of its new strategy, the company has established the ambition to become an "Employer of Choice". Vetropack also aims to be known on the job market as a first-class brand beyond just its immediate reach. The company aims to achieve this goal by investing in the further professionalisation of HR management, in the acquisition of new talent, in continuous employee involvement and in the professional development of employees as a "learning organisation".

## Short-term resilience

Many of the planned projects and measures to strengthen the Group as an employer were delayed by the COVID-19 crisis. The prioritisation of projects had to be adjusted and resources could not be used because of the restrictions implemented to combat the pandemic. After all, Vetropack had absolutely no doubt about one thing during the past two years: protecting the health of employees and maintaining production are top priorities. Looking back at the year under review, the company thus also focused on ensuring that employees were fully protected despite continuous production at all sites.

As part of the strategic direction of "Employer of Choice", Vetropack set itself the goal of introducing uniform and systematic HR processes across the entire Group in 2019. That is why Vetropack implemented "SuccessFactors" in 2020, the HR management solution from SAP. During the year under review, a lot of work was put into the quality of HR data in particular – for example, with the introduction of uniform job titles at all sites.

## Recruiting, developing and retaining talent

Vetropack has proven itself to be a good employer. In connection with the high level of brand awareness, the company has succeeded in attracting and retaining talent despite the tough competition for qualified personnel.

Various measures to professionalise talent management were implemented in 2020:

- The introduction of the three central strategic group functions "Talent Acquisition", "Training & Development" and "Talent Management" gives more weight to these essential topics.
- After introducing the "SuccessFactors" Recruiting 2020 module for the entire Vetropack Group, the company's HR department continued to standardise the recruitment process in 2021. Thanks to a coordinated approach, Vetropack is now in an even better position to attract talent and recruit it at all locations. The focus in talent acquisition continues to be on building a strong external and internal talent pool from which key positions can be filled quickly. Talent can be acquired through direct internal and external channels. Vetropack also succeeded in tripling the number of followers of its corporate profile on LinkedIn in 2021, thus making a significant contribution to the company's positive public image. Sharing Vetropack stories and strengthening the employer brand are among the company's top priorities.
- As part of its ongoing commitment to employee development, Vetropack has introduced a new Group-wide process: the Talent and Organisational Review (TOR) programme. This new assessment process is designed to help identify ambitious employees who are eager and willing to develop personally. The annual TOR process, which focuses on the top three organisational levels of the company, is composed of two parts:

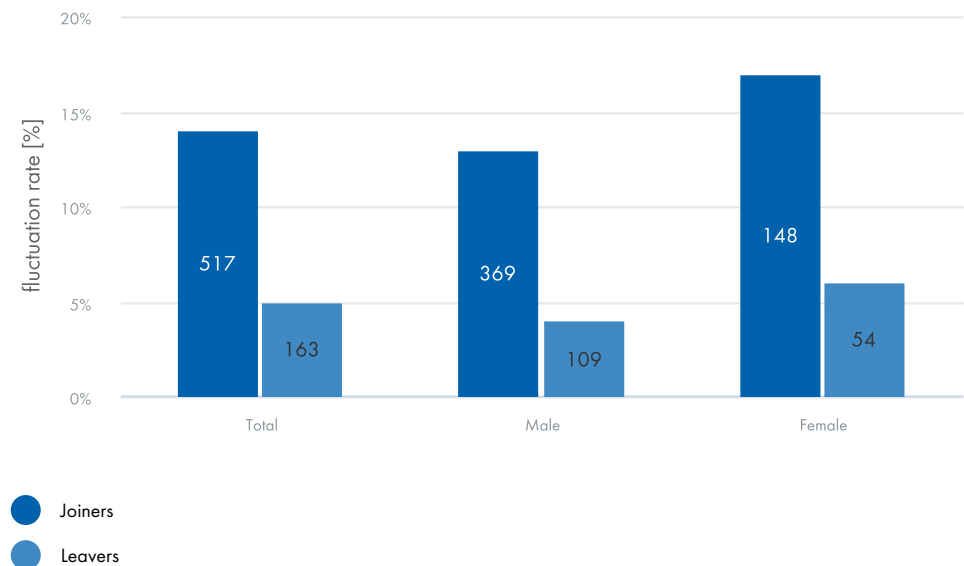
1. Talent screening identifies employees who have leadership potential or unique expertise to support the business.
2. The organisational review is about assessing the business in terms of succession planning and identifying talent needs and development opportunities. Part of this process is the continuous assessment of the mission-critical positions within the Group and the consideration of HR talent data trends, based on which the Group aligns its strategy and launches initiatives.

Vetropack believes that quantification also helps to professionalise HR work. For this reason, the company will monitor the success of the approach for attracting and retaining talent in a targeted manner in the future using key performance indicators (KPIs) such as staff turnover, talent retention rates, training costs, the percentage of internally filled management positions and the internal promotion rate.

Full HR KPIs will be available as of 2022. However, countable achievements can already be evidenced for the year under review. It was thus possible to recruit no less than three key positions in Group roles without external support.

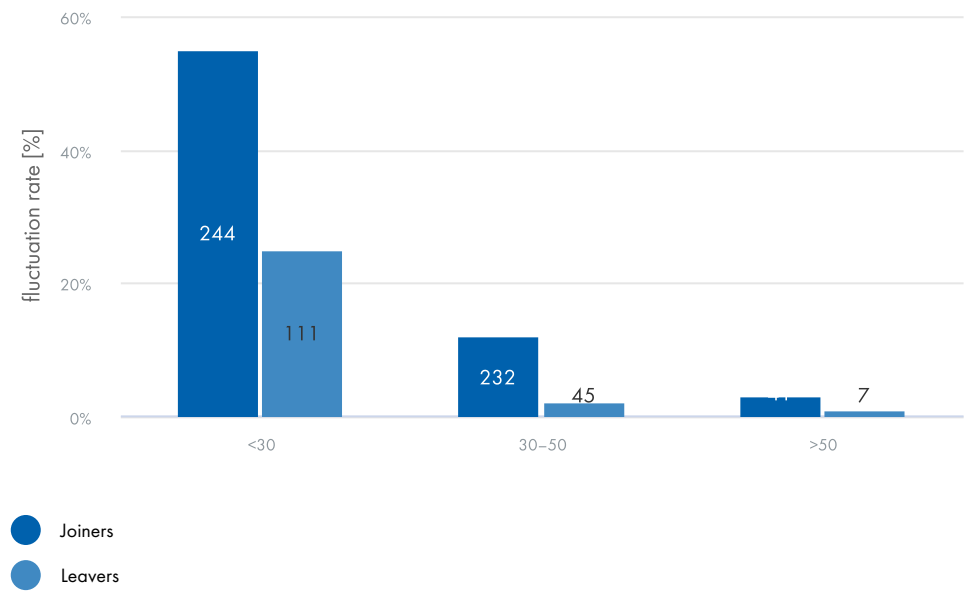
#### Fluctuation by gender

(rates and absolute numbers)



### Fluctuation by age group

(rates and absolute numbers)



## Employee engagement

Vetropack relies on continuous communication with its employees. Every three years, the company carries out a large-scale survey of employees – the next one will take place in 2022. However, Vetropack also believes in staying connected with its employees during the periods between these comprehensive surveys, and strengthening this bond. These efforts are increasingly being supported by new technologies. One example is the digital workplace app “Beekeeper” introduced in 2020, which facilitates internal communication and collaboration – this was also essential during the year under review due to the limited opportunities for personal contact.

These continuous efforts towards enhancing workplace culture are absolutely worthwhile. Following the “Great Place to Work®” certification in 2020, the Bülach site ranked among the top ten of the “Medium Best Workplaces Switzerland” in the year under review. Vetropack achieved particularly high scores for fair treatment – regardless of age, nationality or ethnic origin – and for the workplace atmosphere. In addition, 92% of employees are proud to work for Vetropack.

Vetropack sees this award as a cornerstone for further enhancing workplace quality at all sites. That is why the “Trust Index” from “Great Place to Work®” is one of the three most important HR KPIs.

## Learning organisation

The glass packaging industry is fast-paced, and talent is scarce. This is why highly qualified employees and their continuous development are essential for Vetropack to increase its competitiveness. The Corporate Human Resources department creates the framework conditions for a learning organisation and anchors a mentality of continuous learning within the company. Vetropack pursues an integrated learning approach that includes face-to-face events, virtual training and onboarding programmes.

Vetropack offers a comprehensive learning infrastructure that promotes the development of hard and soft skills. For one thing, the company’s own training centre in Pöchlarn, Austria, ensures that valuable expertise is passed on to the next generation of glass makers. Here, the focus is placed on the hard skills involved in glass production processes. In addition, the newly developed “Vetrocademy” – a professional development platform – focuses on promoting soft skills and aims to boost strategic skill sets. The programme includes a comprehensive leadership curriculum that covers all aspects of professional leadership. The first pillar of the “Vetrocademy” was established in 2021. All 400 managers in the Vetropack Group will complete the programme, which will take between 18 and 24 months, depending on their role and level. Vetropack plans to develop additional modules for key areas and roles in the future and is currently assessing possible priority topics. The fact that Vetropack practises exemplary HR development is confirmed by the award received by the “Vetrocademy” from the “Merit Leadership Community” in September 2021.

New KPIs such as training costs per employee and the ratio of technical and compliance training to soft skill training are monitored as part of the “Employer of Choice” strategy.



## Occupational health and safety

Vetropack attaches great importance to the health and safety of its employees. This is why Vetropack follows a "safety first" philosophy. Safety topics are discussed across all facilities to continuously improve occupational safety. All employees receive annual occupational safety training.

Vetropack is aiming for all production sites to have an occupational health and safety management system certified in accordance with ISO 45001 by 2022. The two sites in Austria (Pöchlarn and Kremsmünster) were certified some time ago. Various facilities implement comparable, local standards. The site in Nemšová, Slovakia was successfully recertified during the year under review. Bearing the certifications planned for 2022 in mind, what we call the "Safety Minutes", among other things, were further established during the year under review. Safety Minutes are regular, short safety training units. They usually last less than ten minutes and take place, for example, at the start of a shift or at the beginning or end of a meeting.

Vetropack also aims to strengthen its position as an attractive employer by proactively and preventively promoting the occupational health and safety of its employees. Further positive effects are the promotion of productivity and job satisfaction, as well as the reduction of absences.

### Key indicators occupational health and safety

	+/-	2021	2020
Share of employees and supervised workers covered by a certified occupational health and safety management system <sup>1)</sup>	-	20%	11%
Incidents leading to at least one lost work day	- 30%	82	117
Total lost work days due to injuries and occupational diseases	- 22%	2 887	3 721
Total Recordable Incident Rate (TRIR) <sup>2)</sup>	- 31%	2.3	3.4
Total Recordable Incident Severity Rate (TRISR) <sup>2)</sup>	- 23%	82	107

<sup>1)</sup> KPI is only being collected since 2020.

<sup>2)</sup> Per 100 full time equivalents (FTE).

# Environment

Glass is a sustainable packaging material, as it is manufactured from natural raw materials and is optimally recyclable. However, there is great potential for improvement when it comes to organising the industry as a whole to be more sustainable in the long term. Vetropack aspires to shape this transformation and develop into a glass producer that is known throughout the industry for its environmentally friendly practices and products. Under the heading “Clearly sustainable”, this has been set out as an important objective of the new Strategy 2030.

The company has established relevant key figures and short, medium and long-term targets to make progress measurable and compare itself with its competitors. The main key indicator for checking this is CO<sub>2</sub> emissions per tonne of glass produced. The company is aiming to cut CO<sub>2</sub> emissions by 30% from 2019 to 2030.

## Sustainable products

The interest of consumers in ecological products is constantly increasing in many places. The packaging of many consumer goods – especially foodstuffs – is receiving a great deal of attention. Vetropack’s customers prioritise this topic accordingly. On the one hand, they are interested in more sustainable packaging solutions, but on the other hand they are also very concerned about transparency with regard to the ecological footprint of packaging as part of the product they offer. This is where Vetropack can support its customers with sound data on the impact of their products on the environment. Vetropack developed an application from the industry organisation FEVE (“The European Container Glass Federation”) in-house specifically for this purpose.

The glass industry, which can make a major contribution to climate protection because of its substantial energy consumption, is also subject to increasing regulatory pressure. Vetropack therefore endeavours to reduce its environmental footprint every year. To live up to this aspiration, the company works continually at making the production steps more energy-efficient, and therefore more CO<sub>2</sub> efficient, and increasing the proportion of used glass. Vetropack also participates in various research projects investigating new technologies to reduce greenhouse gas emissions in glass production, for example as part of the “International Partners in Glass Research” (IPGR).

## Environmental key indicators<sup>0)</sup>

	2021	in %	2020	in %
<b>Total energy consumption in GWh</b>	<b>3 188</b>		<b>2 783</b>	
Electricity	546	17%	480	17%
Natural gas <sup>1)</sup>	2 641	83%	2 302	83%
<b>Specific energy consumption in MWh/t<sup>2)</sup></b>	<b>1.96</b>		<b>1.98</b>	
<b>Greenhouse gas emissions in tCO<sub>2</sub>e<sup>3)</sup></b>	<b>659 845</b>		<b>563 182</b>	
Scope 1 (heat & process emissions) <sup>4)</sup>	605 841	92%	519 805	92%
Scope 2 (electricity) <sup>5)</sup>	54 004	8%	43 377	8%
<b>Specific greenhouse gas emissions in tCO<sub>2</sub>e/t<sup>2)</sup></b>	<b>0.405</b>		<b>0.401</b>	
<b>Material consumption: recycled glass</b>				
Used glass green	63%		65%	
Used glass brown	61%		55%	
Used glass white	41%		42%	
<b>Water in m<sup>3</sup></b>				
Total water withdrawal	1 319 963		1 347 987	
Municipal water supply	318 839	24%	346 410	26%
Groundwater	1 001 124	76%	1 001 577	74%
Total water discharge	1 227 932		1 267 950	
<b>Waste disposal in tons</b>	<b>80 883</b>		<b>65 455</b>	
Recycling (ongoing)	36 177	45%	31 133	48%
Recycling (sporadic) <sup>6)</sup>	359	0%	1 259	2%
Incineration or landfill (ongoing)				
Industrial waste	37 256	46%	30 640	47%
Hazardous waste	3 189	4%	1 954	3%
Incineration or landfill (sporadic) <sup>6)</sup>				
Industrial waste	417	1%	84	0%
Hazardous waste	3 484	4%	385	1%

<sup>0)</sup> Data collection and methods for analysis have been optimised. This changes some of the information on results in 2020.

<sup>1)</sup> Incl. 10.6 GWh heating oil in 2021 (3.8 GWh in 2020)

<sup>2)</sup> Per tonnage of glass produced that satisfies all quality and safety requirements thus qualifying for sale.

<sup>3)</sup> Greenhouse gas inventory calculated in accordance with the Greenhouse Gas Protocol.

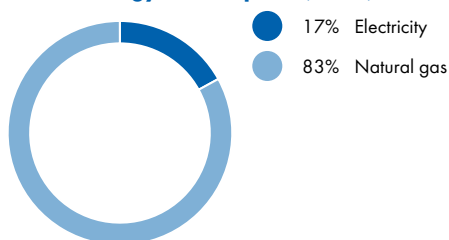
<sup>4)</sup> Process emissions result from chemical reactions throughout the glass manufacturing process.

<sup>5)</sup> For the first time, Emissions für 2020 and 2021 are calculated acc. to "market-based approach".

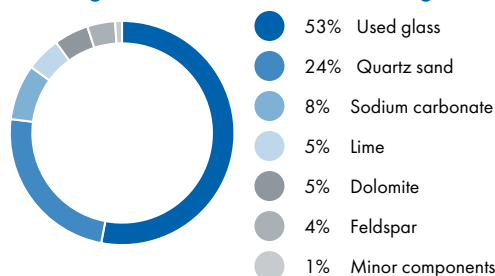
<sup>6)</sup> Waste not generated every year from ongoing operations (e.g. furnace repairs)

Data basis: All Vetropack production sites. Energy consumption from diesel generators and other combustible or motor fuels is not included as it is irrelevant when compared to the overall energy consumption.

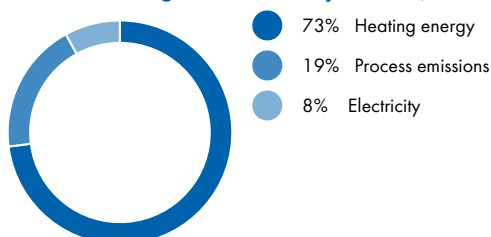
**Total energy consumption (GWh)**



**Mixing ratio raw materials and used glass**



**Greenhouse gas emissions by source (t CO<sub>2</sub>e)**



## Energy efficiency and renewables

Glass production involves a large amount of energy, primarily caused by the operation of the furnaces. In 2020, Vetropack set a target to reduce greenhouse gas emissions per tonne of glass produced by 30% by 2030 compared to the base year 2019. The starting points are energy efficiency and renewable energies.

The greatest leverage for reducing specific energy consumption is therefore always found in the repair or new construction of a furnace. With every refurbishment, Vetropack tries to achieve energy efficiency improvements of around 10% to 15% as well as a longer service life. To ensure that this is achieved, Vetropack always implements these investment projects using state-of-the-art technology. Such efficiency improvement measures not only have an ecological benefit for Vetropack, but also an economic one.

In 2021, a new furnace was built at the plant in Hum na Sutli, Croatia. Specific energy consumption was successfully reduced by 15% through this measure. It also resulted in a corresponding reduction in CO<sub>2</sub> emissions.

[Vetropack Story: The next level of performance](#)



Vetropack plans to introduce an energy management system developed specifically for the company at all of its plants by 2023. This system is designed to optimise the management of energy consumption and make potential for improvement more readily identifiable. In the year under review, a corresponding system was introduced at the plants in Croatia and Pöchlarn. Furthermore, the potential for energy-saving measures is currently being surveyed in cooperation with the University of Leoben.

[Vetropack Story: Vetropack Switzerland installs label remover](#)



Parallel to the gradual progress in energy efficiency, the share of renewable energy sources is being increased. In the year under review, for example, the decision was made to switch to "green electricity" by 2025.



## Climate-neutral logistics by 2030

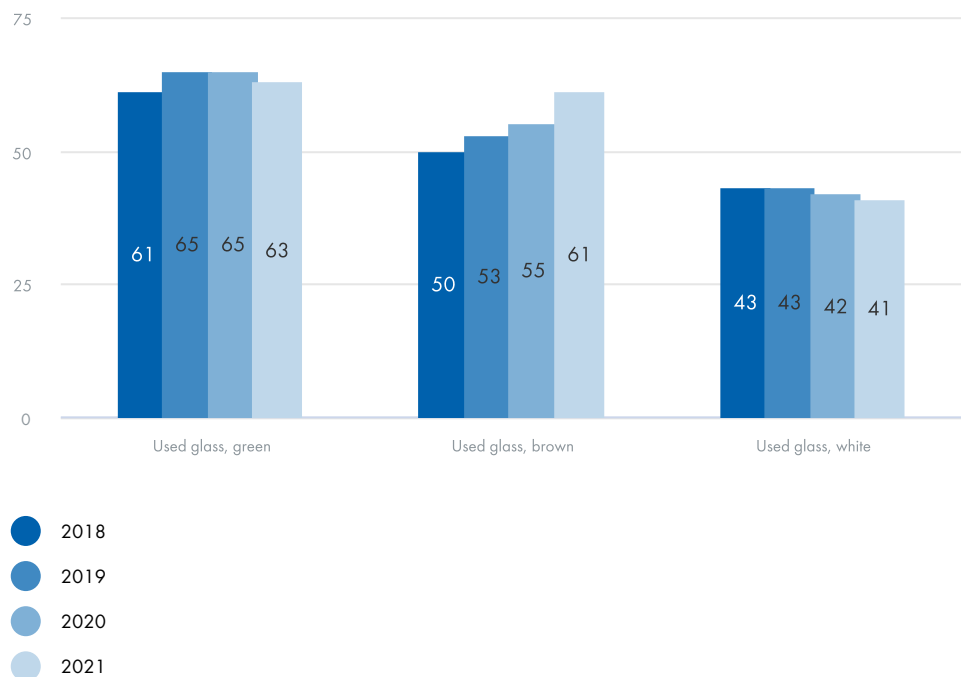
Vetropack also has ambitious goals for logistics and mobility – the company wants to make its logistics climate neutral by 2030. In the year under review, the company analysed the CO<sub>2</sub> emissions of all shipments in the last three years. Based on this analysis, Vetropack developed measures such as switching vehicles and the forklift fleet to alternative drive systems. It is also investing in optimising the supply chain.

In its own operations, Vetropack plans to switch all forklifts throughout the Group to natural gas or electric drive systems by 2024. Substantial investments are required to achieve this, especially as the necessary infrastructure, such as for charging, must be provided. For the procurement of new company vehicles, only electric or hybrid vehicles are considered since 2020.

## Optimising use of raw materials

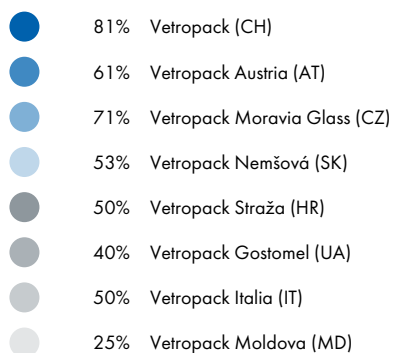
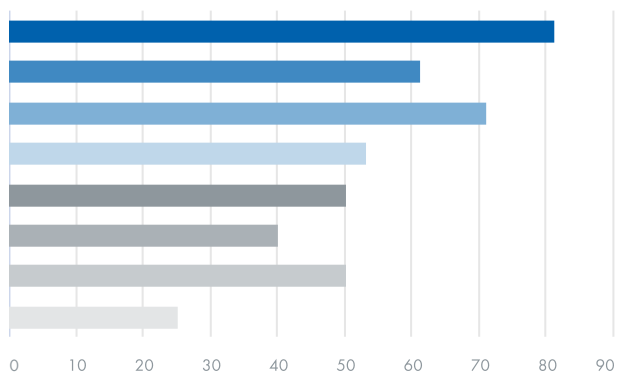
A high proportion of recycled cullet is indispensable for ecological glass production. At Vetropack, the proportion of used glass accounts for up to 85% of the processed raw material volume in some plants. Group-wide, the proportion of waste glass was 53% in 2021. Vetropack has set itself the goal of achieving a cullet content of 70% by 2030. However, the availability of high-quality used glass remains a major challenge. In many countries, collection rates are significantly lower than in Switzerland and Austria, for example. The quality of the cullet can also lead to problems if it is contaminated with foreign materials such as ceramics. This is why Vetropack promotes measures that increase collection rates and cullet quality.

### Share of used glass in the glass production

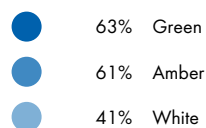
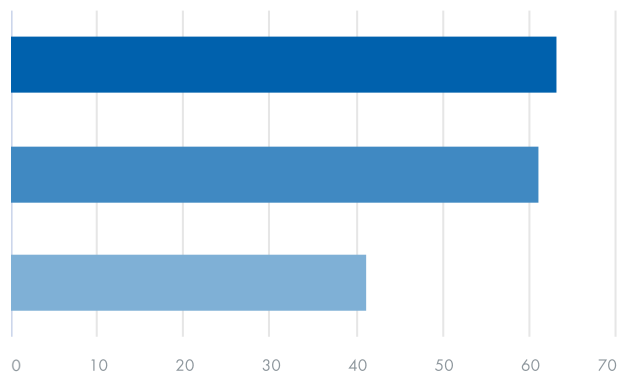


Although the political will to improve the collection of used glass is not to be found everywhere, Vetropack is optimistic with regard to the future. The collection rates prescribed by the European Union for glass will increase further, meaning that more used glass will find its way into the recycling process. This will ensure that more used glass is available.

**Used glass ratio for glass production 2021**  
(by Group Company)



**Used glass ratio for glass production 2021**  
(by colour)





Foundations for success

**New Design**



## Chic

### Where health meets style

**Zdravo Organic gets the best out of nature for its juices. And they want you to see it. The gentle curves of the white 200 ml bottles by Vetropack Straža create a sophisticated look.**

Health consciousness has grown enormously in recent years, a phenomenon reflected in the success of food and drinks producers who focus on making natural products. One of these is Zdravo Organic. With Zdravo meaning “healthy”, it does exactly what it says on the glass. Based in Selenca in Vojvodina, the company only uses the highest-quality local fruit and vegetables for its juices, preserves, pickles and ajvar sauce, avoiding the use of additives and preservatives. The best packing medium for products like this is glass, which is why Zdravo Organic only uses glass bottles for its juices.

The centrepiece of the family of bottles we make for Zdravo Organic is the new 200 ml juice bottle with twist-off cap. It is just as chic and compact as its older, larger siblings, the 314 ml jar and 750 ml bottle, but its gentle curves give it a particularly sophisticated look. Bon voyage, beautiful bottle – Zdravo products are loved around the world and can be found as far afield as Canada and China.



## Pleasure of life

### Balanced

**Azienda Agricola Caudrina brings the liquid sun of Piedmont to wine connoisseurs. Winemaker Romano Dogliotti places great value on having aesthetically pleasing packaging for his fine wines – which is why he is working with Vetropack Italia.**

The fertile, sunny Piedmont region has always been known as an outstanding terroir for Muscat grapes. Here, near Asti, is where Romano Dogliotti works. The owner of Azienda Agricola Caudrina is almost obsessed with creating the most sumptuous wines possible. The shining stars of his collection are the Moscato d’Asti La Caudrina and Asti Spumante La Selvatica DOCG. These sweet yet gently acidic sparkling wines, which pair perfectly with tapas and light summer dishes, are an ode to the pleasure of life.

It has been almost 20 years since Vetropack Italia’s Milan glass works produces the 750 ml custom bottles for Azienda Agricola Caudrina. The cuvée coloured bottle is perfectly elegant, featuring balanced proportions and a decorative relief. But it also has another subtle level. Each part of the design comes together to form a beautiful frame for the attractive label, designed by the artists Alessandro Lupano and Romano Levi.



## Natural

### A match made in heaven

**Bis vor 200 Jahren wurde das Heilwasser Vincentka in Keramikgefäße abgefüllt, seither wird es in Glasflaschen ausgeliefert. Zum Jubiläum hat sich Vincentka eine besondere Flasche in limitierter Auflage geschenkt.**

To say Vincentka is a mineral water is an understatement. The premium product is actually a medicinal healing water. It comes from Luhacovice, the largest and oldest spa town in Moravia, whose ten natural healing springs draw visitors from all over the world. The water is suitable for drinking and inhalation therapies for a variety of illnesses, but health-conscious people also enjoy its many benefits day-to-day.

Apart from a brief interlude, Vincentka has been bottled in glass since 1820. The relationship between this special water and glass is therefore now 200 years old. Vincentka is celebrating this anniversary by working with Vetropack Moravia Glass to produce an anniversary edition bottle that is considerably darker and greener than its traditional counterpart. Some 400,000 of the anniversary bottles have been manufactured to celebrate this natural pairing. Because just like the healing water, glass too is synonymous with health and high quality.



## Majestic

### Liquid gold

**With its glass packaging for Aznauri brandy, Vetropack Gostomel is proving just how much a bottle can reflect the image of a brand and a sophisticated tipple.**

The name Aznauri comes from the ancient honorary title, which was awarded for special merits. Equally illustrious and exalted is the brandy of the same name, distilled by the Ukrainian company Global Beverage. In keeping with the world of nobility, the brand's image is dominated by majestic lions. A unique drink like this needs a very special bottle, just like the one made by Vetropack Gostomel.

To show off the dark gold, shimmering colour of the brandy, the 0.25-, 0.5- and 0.7-litre bottles are made from thick, colourless glass. The combination of the curves and convex engraving on the front is stunningly harmonious. Two grand lions holding a crown above the letter A reflect the nature of the drink: strong and proud, yet unique and self-sufficient. No question, this bottle really does boost the enjoyment of genuine connoisseurs.





## Elegant

### The best of the best

**The wineries that form the “Österreichische Traditionsweingüter” association have developed a special classification. The highly customised bottles for the “Erste Lage” wines are produced by Vetropack Austria.**

Austria’s winegrowing regions are incredibly diverse. The varying soil compositions and microclimates mean that even neighbouring vineyards can produce very different wines. Members of the “Österreichische Traditionsweingüter” association have put a great deal of passion and expert knowledge into determining how tiny details about a vineyard can influence the quality and identity of its wine.

The association has developed a classification system that distinguishes between “Klassifizierte Lage” (similar to appellation contrôlée), “Erste Lage” (similar to Premier Cru) and “Grosse erste Lage” (similar to Grand Cru). Vetropack Austria has developed Rhine wine bottles for the “Erste Lage” group that immediately reflect the special quality of these wines. The “Erste Lage” logo is made in glass relief, like a hallmark, while the shoulder area of the bottle is an elegant cuvée colour. The wineries can then choose between a swis-type thread or cork finish – because with wines, it’s always “to each their own”.



## Noble

### Get the best

**As the legend goes, spring water from the subterranean lake in Podolia in Ukraine once healed the sick daughter of a Polish nobleman. Her name, Regina, became the brand name of the mineral water sourced from that lake. Vetropack Gostomel is adding extra value to this highquality spring water with a new glass bottle.**

Regina – this still, natural product is the queen of Ukrainian table water. Up until 1917 and the fall of the European aristocracy, Regina was delivered to the tabletops of the emperors and exported abroad to Austria-Hungary, Romania, Germany, Poland and France. Even though its well-to-do consumers have since disappeared, the water has maintained its noble properties and helps to maintain a perfect, general bodily tone now as much as ever.

Now Regina is available in 1-litre and 0.5-litre bottles made of green glass, a unique and distinctive vessel. On the base of the bottle is a wave-shaped engraving, a curved logo akin to the chemical symbol for silver. This is not a coincidence – the mineral-rich water not only contains trace elements of sodium, calcium and magnesium, but also silver. The precious metal has antiviral properties and strengthens the immune system. It is not only for aesthetic reasons that the bottle is made from glass – this choice of material guarantees that the health-giving water preserves its qualities even when stored for long periods of time.



## Trailblazer

### A new chapter

**Austrian star winemakers Markus Huber and Lenz Moser have taken on the challenge of writing a trailblazing new chapter in the history of Austrian wine. Vetropack Austria helped the two give their exciting project a unique look with a brand new bottle design.**

The Grüner Veltliner grape variety is the pride of Austria's wine country, predominantly sold and enjoyed in German-speaking regions. Lenz Moser and Markus Huber, two Veltliner specialists of the Austrian wine industry, believe that this hidden gem of a grape is ready to earn a broad international fanbase and achieve global cult status. Under the brand Lenzmark – New Chapter, the two winemakers have combined their wealth of experience with the aim of reinterpreting the taste of Grüner Veltliner and developing a modern style – Veltliner 2.0, so to speak – targeted at both experienced connoisseurs and young, demanding target groups.

It was therefore vital for the product to feature an unusual bottle design. The intricate look of the conical 0.75-litre cu-vee-coloured wine bottle gives the team everything they wanted. A complex glass relief at the shoulder, the Lenzmark brand name engraved at the base, and a three-part paper label on the front embody the new style of this very special wine.



## Prestigious

### Passing down traditions

**The Henri Badoux vineyard has given its emblematic lizard an elegant update. The new olive-coloured edition of the bottle is produced by the Vetropack glass works in St-Prex and the white glass version by Vetropack Austria.**

Henri Badoux founded the vineyard that shares his name in 1908. Since then, the family enterprise has grown continually. Today, it encompasses 55 hectares of vineyards and makes wine with the produce from one hundred hectares. The name Henri Badoux is inseparable from the lizard that has adorned the labels of his wine bottles for over a century.

In 2021, the vineyard underwent a rebranding campaign. White and red wine are now hitting the shelves in an olive-coloured 0.7-litre bottle, while rosé is bottled in white glass. The iconic lizard is accentuated in a sober and elegant style on the bottles in the new wine collection – a link between tradition and the modern world. The emblem is also an important element of the Chablais ecosystem, a factor that is additionally reflected in the low weight of the bottles. Due to its high cork finish, the upper part of the cork is clearly visible and, of course, is also adorned with a lizard.



## Grandeur

### Beauty and indulgence

**Straightforward elegance – you can apply this description to the Vinjak 5 V.S.O.P. made by the central Serbian winery Rubin as well as to its packaging. The striking black bottles are produced by Vetropack Straža.**

The winery Rubin, with its 10,000 hectares of vines across 19 locations, is the largest Serbian producer of wines and spirits. The winery is renowned for its top-class wines, highly valued throughout the Balkans and beyond, but also for its exquisite brandy. Vinjak 5 V.S.O.P. has contributed a great deal to the good reputation of Rubin's spirits. It is made from carefully selected distilled wines and aged for at least five years in a 500-litre oak barrel. The light-dark contrasts of its amber colour along with its reddish shimmer and highly complex aroma with notes of vanilla, plum, coffee and spices make it the king of Serbian brandies.

Only the best packaging could suffice for such a sublime product – the elegant, dark, heavy bottles made by Vetropack Straža. They are a no-frills affair. At the end of the day, Vinjak 5 V.S.O.P. is about unadorned indulgence. This way, the eye is drawn to the single piece of decoration – the 700 ml cuvee bottle is finished off with a gold-coloured screen print before it is filled.



## Memorable

### A new look

**Vetropack Austria has created a new bottle for the Austrian Schlumberger Group's traditional Leibwächter bitter spirit, with a design that memorably showcases what makes the liqueur truly unique.**

The coachman was always a trusted companion and guardian of his passengers. He would wait outside in the rain and wind with his horses while enjoying a well-earned occasional sip of Leibwächter, a liqueur made from a variety of different herbs. The bittersweet herbal spirit is still popular today, enjoyed either as an invigorating aperitif or mixed with orange juice, bitter lemon or cola to create a refreshing cocktail.

The tradition of the elixir, with its delicate sweetness that brings out the glorious herbal notes to particularly good effect, now has a striking bottle to match, thanks to the new design of the 0.5-litre green glass bottle created at the Austrian Vetropack glassworks in Pöchlarn. The rectangular bottle's sides are richly decorated with glass reliefs of some of the 58 herbs inside. The year the drink was first created, 1873, is also engraved at the base of the bottle. The high-quality printed label nestles safely in the specially created depressions in the surface.



## Boundless

### Tradition and sustainability

**The traditional Czech brand Pilsner Urquell is launching a new returnable bottle, thereby strengthening its commitment to sustainability. The elegant bottle with striking embossing is produced by Vetropack Moravia Glass.**

Glass is equally suitable for one-way and returnable bottles. A returnable bottle can be reused more than 40 times. In light of the debate surrounding the environmental impact of packaging, the demand for returnable glass bottles is growing. Vetropack strives to produce its packaging as ecologically as possible. For example, the use of recycled glass and returnable containers is being systematically increased in order to conserve natural resources as much as possible.

#### No empty promises

The Plzenský Prazdroj brewery is taking another important step towards sustainability: the new returnable bottle for the world-famous Pilsen beer with its striking embossing does away with the aluminium foil at the neck of the bottle, while the plastic labels are replaced by recyclable paper ones. The message to beer lovers is clear: "With the new bottles, you are helping to protect the environment." This change will mean that around 106 tonnes of waste can be saved per year. These are the facts.



## Just like home-made

### A product with heart

**Fruit spreads from Podravka, a well-known Croatian food producer, come with a great tradition. The company's roots date back to 1934, and it has been making fruit jams since 1947. As well as high quality, the Podravka brand is now a byword for "home-made" — a trait that is both modern and natural.**

Recently, the company revamped its brand image in tandem with the renowned Milan design agency Smith Lumen. And as fruit and fruit spreads have always been close to Podravka's heart, a heart symbol has been chosen as the centrepiece of the new packaging design. Because nothing says "emotion" more than a heart! Now, a glass heart-shaped relief surrounds the labels of the new wide-necked jars used for the fruit spreads.

This challenging but effective heart-shaped relief was transferred to the packaging by the glass specialists at Vetropack Straža. The white glass jars, with their deep twist-off caps, are developed exclusively for Podravka in two different sizes in 314 ml and 580 ml sizes. They are produced at the Vetropack plant in Croatia.



## Authentic Italian zest for life

**Heineken is bringing some Italian zest for life to the German market with “Birra Moretti”. The new 0.33-litre returnable bottles for this beer come from the Vetropack glass works in Kremsmünster, Austria.**

Birra Moretti was first brewed over a century ago by Luigi Moretti, in his “beer and ice cream factory” in the Italian city of Udine. Today, Birra Moretti is among the most famous beers in Italy and its production process has remained almost unchanged.

“A sip of joie de vivre” – that’s Heineken’s invitation to German beer fans to give this authentic Italian beer a try. This refreshing drink is brewed in the Wieselburg brewery in Austria under Italian supervision and bottled in brown 0.33-litre returnable bottles with a crown cork mouth for the German market. Our mission in designing this bottle was to roll tradition and authenticity into one. This has been achieved by putting the “Birra Moretti” logo in glass relief on the base combined with the striking label.