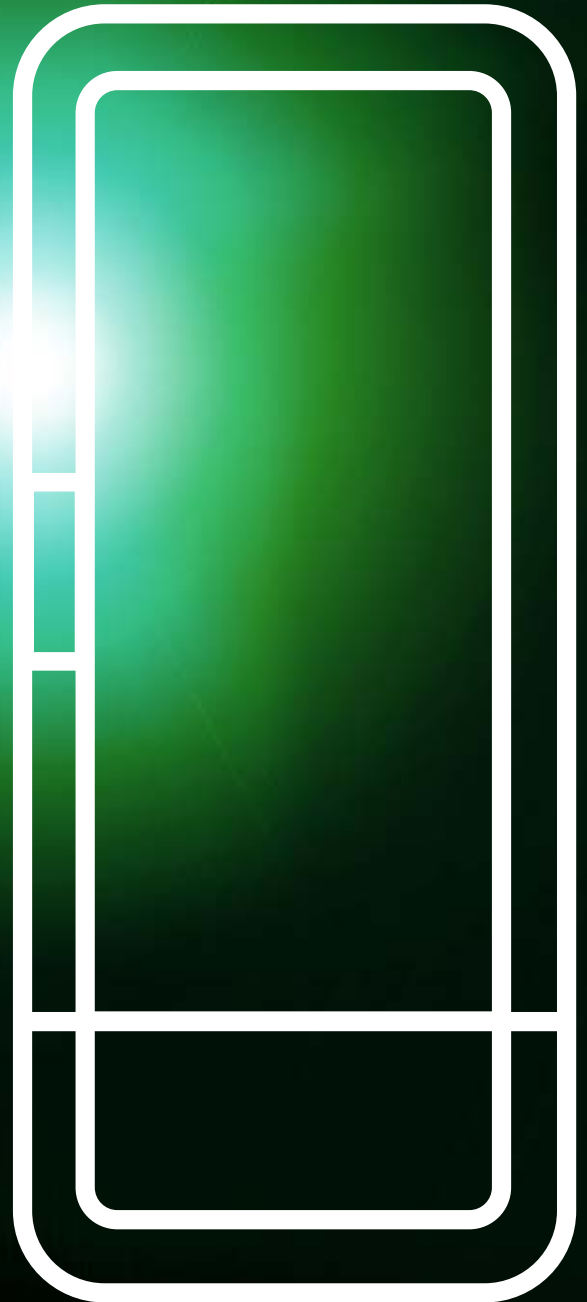


Building a Sustainable Future





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CEO's message

We are proud that Sustainability is deeply embedded in our culture and well incorporated across our business activities. Working closely with our people, customers and partners, as well as innovating in ways that serve our business and secure a sustainable future remains among our key priorities.

In 2018, we made further progress in all our sustainability pillars and ambitious commitments. Our efforts were highly recognized and valued when we were awarded, for a second consecutive year, the Gold Recognition Level by EcoVadis - a leading CSR rating agency. The award represents the recognition of our responsible business practices in relation to Environment, Labor, Fair Business Practices and Sustainable Procurement, and places us in the top 1% of all suppliers assessed by their global platform.

In Greece, Frigoglass was also awarded the Bravo Sustainability Award 2018, in the category Society, for the innovative Hybrid cooler range.

Since 2017 we monitor our performance according to the latest version of the sustainability guidelines produced by the Global Reporting Initiative (GRI Standards) in combination with UN Sustainable Development Goals (SDGs). This ensures that we stay up to date with global developments on sustainability reporting in each of our four core pillars, as defined through our materiality analysis – Marketplace, Environment, Workplace and Community.

In Marketplace, the year was characterized by the range extension of our groundbreaking innovation, the Hybrid cooler, first launched two years ago, as well as the new development of EasyReach Express 2.0, an open-front cooler characterized by modern, sophisticated looks and a 35% reduction of energy consumption compared to its predecessor.

On the manufacturing side, following the European plants transition, in 2018 the South African operation also started producing exclusively HC coolers. India and Indonesia will continue producing both HFC-free and HFC refrigerants, servicing the countries that lack the infrastructure to support greener solutions. Our readiness and support to enable our customers meet their ambitious sustainability goals was proven through the share of our green coolers' sales that grew to 82% vs. 70% of commercial refrigeration sales the year before.

In Europe, we worked closely with key customers on configuring a solid plan towards the optimization of product and options portfolio, which could also ensure a greener future. This allowed for the use of common raw materials and components among different ranges, further optimization of the electrical design and less spare parts and waste. In regards to our systems, we initiated a new IT program targeting to improve the complete process from order placement to raw material sourcing to production planning and deliveries. Upon completion this will allow for more efficient supply and production followed by lower lead-times and less reworks. Improved ordering and planning procedures are expected to optimize raw material and finished goods transport and minimize raw material waste, adding to the positive environmental footprint of our operations.

An equally important initiative was that we engaged renown online consulting services to automate the annual audit process of our suppliers on sustainability subjects. This online platform helps our suppliers not only define their sustainability targets but also track their progress towards reaching the performance required by the Frigoglass Supplier Code.

In Environment, with the Jebel Ali glass container plant no longer being part of our operations, our 2018 emissions saw a significant decline of over 50%, radically altering our emissions profile. Our Glass operations no longer have the major emissions share and Commercial Refrigeration operations now accounting for more than half of our total emissions. Both in Cool and Glass operations we managed to further reduce emission and energy intensities in relation to base year levels.

In Workplace, we pay special attention to providing a healthy, safe and supportive working environment. We always operate with the highest ethical standards and promote diversity. In 2018, Frigoglass Greece and Frigoglass India were certified with the SA8000 Social Responsibility Standard. Our progress in becoming more gender balanced and gradually increasing the representation of women in leadership positions has been evident over the last years and continued in 2018 as well. Injury rates were also reduced and our goal is zero injuries in the years to come.

In Community, we continued working closely with our community stakeholders and investing to create value for the communities in which we operate. In Nigeria every year we contribute to the construction of classroom blocks and the purchase of school equipment to support the local society. We maintain a rate of above 90% of our workforce globally being of local origin and about 40% of our suppliers worldwide consist of local companies.

As we look ahead, we focus on leveraging Sustainability to mitigate potential risks, as well as drive innovation and quality across the organization. In close collaboration with our people, customers and partners, we will keep innovating in ways that serve our business and secure a sustainable future. Building on the progress we have already achieved, we will continue to work hard to promote and drive improvements along the entire value chain.

Nikos Mamoulis
Chief Executive Officer

About this report

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

This is Frigoglass' third sustainability report and has been prepared in accordance with GRI Standards, Core approach, covering the organisation's performance for 2018. Adhering to the GRI Standards ensures that the contents of the report are relevant, consistent and comparable.

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

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

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

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

This report should be read in conjunction with the Frigoglass 2018 annual report which discloses financial performance, strategic priorities updates and business review for the year 2018.

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

Process for defining report contents

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

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

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

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

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

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

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

This is Frigoglass' third sustainability report, disclosing performance for the year 2018.

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

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





About Frigoglass

Frigoglass is a strategic partner to the world's leading beverage brands.

We are the global leader in Ice Cold Merchandisers (ICM), providing our customers with a complete range of innovative merchandising solutions, which uniquely position and promote their brands for consumers around the world.

Frigoglass supplies Ice Cold Merchandisers (beverage coolers) to soft drinks and alcoholic beverage companies. Our market-leading products combined with our commitment for consistent, superior after-sales support, have allowed us to build

and continuously develop long standing partnerships with our customers, who include leading beverage companies in more than 100 countries that we serve globally.

Our innovative coolers enhance our customers' beverage branding at the point of sale, drive impulse consumption and maximize merchandising opportunities. We are committed to providing increasingly environmentally friendly product solutions which enable our customers to meet their ambitious sustainability and carbon emission reduction targets.

In our Glass business, we are focused on the market of Africa, which is a prime region of investment for our customers. We aim to

create value for our customers by building on our position as a leading supplier of glass containers and complementary packaging solutions in West Africa.

As a global company with approximately 5,000 employees worldwide, Frigoglass is fully committed to applying a strict code of business conduct to all employees as well as complying with local laws and regulations.

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



About Frigoglass

Our values

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

The Frigoglass TREE of Values

TEAMWORK

We win together, we are part of one global team

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

- We never...**
- quit sharing ideas and information
 - disrespect each other
 - stop caring for our people

RESPONSIBILITY

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

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

- We never...**
- say one thing and do another
 - commit without following through, every time
 - act without considering environmental implications

ETHOS

We act ethically, we lead by example

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

- We never...**
- fail to speak out when it is the right thing to do
 - compromise our code of ethics
 - stop respecting backgrounds when different from own

EXCELLENCE

We strive for excellence in everything we do

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

- We never...**
- stop raising the bar
 - accept poor performance
 - sacrifice quality for convenience



About Frigoglass

Where we operate



Cool Operations Europe

Production plants and sales offices

- Greece
- Russia
- Romania

Sales Offices

- Germany
- Norway
- Poland

Cool Operations Asia & Africa

Production plants and sales offices

- India
- Indonesia
- South Africa

Sales Offices

- Kenya
- Nigeria

Glass Operations

Production plant and sales office

- Nigeria

About Frigoglass

2018 financial highlights

Sales (€m)

417.3

2017: 386.0

Comparable EBITDA (€m)¹

56.4

2017: 49.61

Comparable EBITDA Margin (€m)¹

13.5

2017: 12.9¹

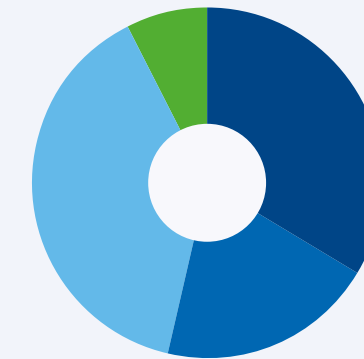
Net Profit (€m)²

-7.4

2017: 27.6

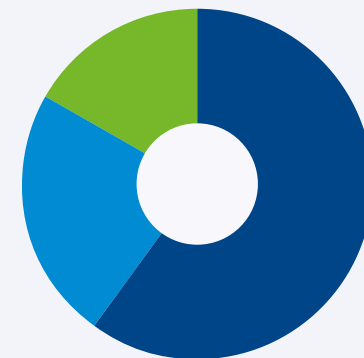
Consolidated sales breakdown

By geography



- Eastern Europe **€142.0m** (34%)
- Western Europe **€83.7m** (20%)
- Africa/Middle East **€163.4m** (39%)
- Asia **€28.2m** (7%)
- Nigeria **€8.7m** (2%)

By customer group



- Coca-Cola **€249.1m** (60%)
- Breweries **€96.0m** (23%)
- All others **€72.9m** (17%)

¹ 2017 Comparable EBITDA and Comparable EBITDA margin exclude one-off gains
² 2017 Net Profit includes €38.2m capital restructuring related gains

Corporate Governance

Governance framework

The Board is responsible for dealing with the Company's affairs exclusively in the interest of the Company and its shareholders within the existing regulatory framework. The Board's key responsibilities are:

- setting the Company's long-term goals;
- making all strategic decisions;
- making available all required resources for the achievement of the Company's strategic goals;
- appointing top executive management.

The Board is appointed by the General Meeting of the Company and as of today consists of 9 members, 8 of which are non-executive and 5 of which are independent. The only executive member is the Chief Executive Officer. The members of the Board serve for a three (3) year term that can be prolonged until the Annual General Meeting to be held following the termination of their term. Their term shall in no case exceed four (4) years.

The experience of the members of the Board encompasses diverse professional backgrounds, representing a high level of business, international and financial knowledge contributing significantly to the successful operation of the Company. The Board is fully balanced as far as the number of independent and non-independent members is concerned. The independent, non-executive members contribute to the Board's decision-making with the provision of impartial opinions and resolutions, thus to ensure that the interests of the Company, the shareholders and the employees are protected, whereas the executive member is responsible for ensuring the implementation

of the strategies and policies decided by the Board.

According to the Company's Code of Business Conduct and Ethics the members of the Board must avoid any acts or omissions from which they have, or may have, a direct or indirect interest and which conflict or may possibly conflict with the interests of the Company.

The members of the Board receive remuneration which is approved by the Company's General Meeting, in accordance with the specific provisions of the Articles of Association and the Law.

Audit Committee

According to Article 44 of Law 4449/2017, the Company has established and operates an Audit Committee ("the **Audit Committee**") which is, inter alia, responsible for:

- the update of the Board regarding the outcome of the mandatory audit and the contribution of the latter in the integrity of the financial information, and for the role of the Audit Committee during the process;
- monitoring the process for provision of financial information and the submission of proposals or recommendations in order to ensure the integrity of the process;
- monitoring the effective operation of the internal audit and risk management systems, and in some cases the department of internal audit of the Company regarding the financial information, without, however, violating the independence of the Company;
- monitoring the course of the mandatory audit of individual and consolidated financial statements, and especially the performance of the audit;

- reviewing the annual financial statements, before their submission to the Board;
- overseeing the statutory auditor's compliance with the reporting requirements specified in Articles 10 and 11 of Regulation (EU) 537/2014;
- reviewing and monitoring of matters relating to the existence and safeguarding of the impartiality and independence of the legal auditor or audit office, particularly in relation to the provision to the Company of other services by the statutory auditors or audit firms;
- developing an appropriate policy regarding the provision of permissible non-audit services to the Company, including a monitoring mechanism concerning the aggregate fees for non-audit services in accordance with Regulation (EU) 537/2014;
- pre-approving all permissible non-audit services to the Company, after having properly assessed the threats to independence and the safeguards applied of the statutory auditor or the audit firm;
- Hold discussions with the audit firm concerning threats to its independence and applicable safeguards, if the total fees received from the Company represent more than fifteen (15) percent of the total audit firm's fees;
- the selection process of statutory auditors or audit firms and the recommendation for hiring specific statutory auditors or audit firms by the Board;
- validating management's report on the conclusions of the selection process of the statutory auditors or audit firms;
- assessing the personnel, structure and independence of the Internal Audit

Department and, if necessary, provide recommendations to the Board;

- reviewing the annual internal audit plan, receiving summaries of internal audit reports and management's response;
- reviewing the effectiveness of the Company's corporate governance and internal control systems;
- reviewing the Company's Internal Regulation of Operation.

Further, the Audit Committee is also responsible for the submission of proposals to the Board regarding any change to the chart of authorities in principle with the organizational chart of the Company.

The members of the Audit Committee have been appointed by the Extraordinary General Meeting of the Company that took place on 14.12.2017 as per the provisions of Law 4449/2017 and are the following:

Chairman

Kyriakos Riris
Independent member

Members

Loucas Komis
Non-executive Board member

Ioannis Costopoulos
Independent, non-executive Board member¹

The majority of the members of the Audit Committee are independent, as per the provisions of Law 3016/2002.

The above members have sufficient knowledge and hold substantial past experience in senior financial positions and other comparable experience in corporate activities.

Finally, Mr. Kyriakos Riris fulfils the requirements provided by law regarding the requisite knowledge of accounting and auditing.

The Audit Committee shall meet whenever this is deemed necessary and in no circumstances less than four times a year. It must also hold at least two meetings attended by the Company's regular auditor, without the presence of the members of the management.

The Audit Committee meets validly when at least two of its members are present, of whom one must be its Chairman. The Audit Committee held a total of six (6) meetings in 2018. The said meetings were scheduled in such a way so as to coincide with the publication of the Company's financial information.

The Audit Committee considered a wide range of financial reporting and related matters in respect of the 2017 annual financial statements and the 2018 half-year financial information.

In this respect the Audit Committee reviewed any significant areas of judgment that materially impacted reported results, key points of disclosure and presentation to ensure the adequacy, clarity and completeness of the financial statements and the financial information, and the content of results announcements prior to their submission to the Board. The Audit Committee also considered reports from PwC on their annual audit of 2017 and their review of the 2018 half year Board of Directors report that forms part of the statutory reporting obligations of the Company.

Moreover, in 2018, the Audit Committee has

- reviewed the results of the audits undertaken by Internal Audit and considered the adequacy of management's response to the matters raised, including the implementation of any recommendations made;
- reviewed the effectiveness of Internal Audit, taking into account the views of the Board and senior management on matters such as independence, proficiency, resourcing, and audit strategy, planning and methodology;
- reviewed regular reports on control issues of major level significance, as well as details of any remedial action being taken. It considered reports from Internal Audit and PwC (for 2017) on the Company's systems of internal control and reported to the Board on the results of its review.

Internal Audit Department

The main duties and obligations of the Internal Audit Department include:

- monitoring the accurate implementation of and compliance with the Company's Articles of Association, Internal Regulation of Operation and directives, and in general evaluate, review and audit the internal control system and its efficiency;
- reporting cases of conflict of interests between members of the Board or managers and the interests of the Company;
- submitting written reports to the Board of Directors at least once each quarter on any important findings of the internal audits it has conducted;
- attending the General Meetings;

Corporate Governance

- cooperating with state supervisory authorities and facilitating them in their work.

The internal auditor acts according to the International Standards for the Professional Practice of Internal Auditing and the policies and procedures of the Company and reports to the Audit Committee.

Human Resources and Remuneration Committee

The role of the human resources and remuneration committee ("the **Human Resources and Remuneration Committee**") is to establish the principles governing the Company's human resources policies which guide management's decision-making and actions.

More specifically, its duties are - inter alia - to:

- oversee the management's succession planning policy;
- establish the Compensation and Benefits Strategy;
- submit to the Board proposals for executive Board members remuneration (including bonus) and update thereof;
- review and agree with the Board, all remuneration arrangements concerning share schemes;
- review of salaries annual report.

The Human Resources and Remuneration Committee, which is appointed by the Board, is comprised of the following 3 non-executive Board members:

Chairman

Iordanis Aivazis
Independent/ Non-executive member

Members

Haralambos (Harry) G. David
Non-executive member

Evangelos Kaloussis
Independent/Non-executive member

The Chief Executive Officer and HR Director shall normally attend all meetings of said Committee, except when discussions are conducted concerning matters affecting them personally. The Group HR Director act as the Secretary of the Committee.

The Human Resources and Remuneration Committee held four (4) meetings in 2018.

Investment Committee

The duties of the investment committee ("the **Investment Committee**") are to recommend to the Board the Company's strategy and business development initiatives, as well as to evaluate and suggest to the Board new proposals for investments and/or Company expansion according to the defined strategy of the Company.

Moreover, the Investment Committee is also responsible for evaluating and suggesting to the Board opportunities for business development and expansion through acquisitions and/ or strategic partnerships.

The Investment Committee, which is appointed by the Board, is comprised of four members, two of which are non-executive, and is formed as follows:

Chairman

Haralambos (Harry) G. David
Non-executive member

Members

Nikos Mamoulis
Executive member

Loucas Komis
Non-executive member

Haralambos Gkoritsas
Chief Financial Officer¹

The Investment Committee held two (2) meetings in 2018.

Communication with Shareholders

Frigoglass recognizes the importance of the effective and timely communication with shareholders and the wider investment community. The Company maintains an active website www.frigoglass.com which is open to the investment community and to its own shareholders; the site features this Code, as well as a description of the Company's corporate governance, management structure, ownership status and all other information useful or necessary to shareholders and investors. Finally, Frigoglass also communicates with the investment community through its participation in a number of conferences and meetings held in Greece and abroad and the schedule of conference calls.

Corporate Governance

Board of Directors

Board of Directors

(three-year term ending in 2020)

Haralambos (Harry) G. David
Chairman, non-executive member

George - Pavlos Leventis
Vice Chairman, non-executive member

Nikos Mamoulis
Chief Executive Officer, executive member

Loukas D. Komis
non-executive member

Evangelos Kaloussis
non-executive member / independent

Ioannis Costopoulos
non-executive member / independent

Jeremy Jensen
non-executive member / independent

Iordanis Aivazis
non-executive member / independent

Stephen Graham Bentley
non-executive member / independent

Management Committee

Nikos Mamoulis
Chief Executive Officer

Nick Evangelou
ICM Division Director

Darren Bennett-Voci
Glass Division Director

Costas Dintsios
Frigoserve Director

Haralambos Gkoritsas
Chief Financial Officer

Manolis Souliotis
Group Human Resources Director

Vassilis Soulis
Group Digital Transformation Director

Certified auditors

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

Legal advisors

Theodore Rakintzis
Kyriakides-Georgopoulos, Law Firm

Our approach to sustainability

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

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

We approach sustainability and corporate social responsibility focusing our efforts and resources on four, complementary and mutually supported areas: **Marketplace, Environment, Workplace and Community.**

Aligning our sustainability approach to the SDGs

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

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

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

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

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

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

United Nations 17 Sustainable Development Goals (SDGs)



Marketplace

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

Environment

We create value by recognising and reducing our products' impact on the environment. In our operations we measure performance through regularly monitoring the environmental impact of our products and undertaking actions to improve the efficiency of materials' use.



Community

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

Workplace

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



Our approach to sustainability

Sustainability overview

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

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

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

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

Frigoglass memberships or associations:

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

In Greece, Frigoglass was awarded the Bravo Sustainability Award 2018, in the category Society, for the innovative Hybrid cooler range. This is a family of products developed for regions with limited power supply and electrical grid coverage, such as Africa and Southeast Asia. Hybrid, which operates with very limited power supply and often becomes the unique light source for local communities, was recognized for its contribution to improving the quality of life in developing countries.



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



We have been participating in Ecovadis supplier sustainability ratings since 2013. In 2018, for the second year in a row, we were awarded the gold medal for our sustainable and socially responsible practices, placing us among the top 1% of the best rated companies around the world.



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

Risk management

In 2018, we continued the implementation of the risk management identification process across our operations, which was an upgrade of our Operational Risk Management tool and update of our reporting system to better assess potential risks and develop mitigation actions.

Frigoglass CEO and the Management Committee oversee the risk and opportunity identification process, which includes regulatory reviews, carbon emission and energy use data collection, as well as consultation with both suppliers and customers. Data collection is used to identify where climate change and other risks and opportunities exist across the company. Specifically, data on carbon emission and energy are used to assess energy efficiency opportunities at a number of our plants, as well as help us set our carbon emission target for 2022 to reduce emissions intensity by 10%. Customers' consultation has been guiding our research and development efforts to produce more energy efficient ICMs.

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

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

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

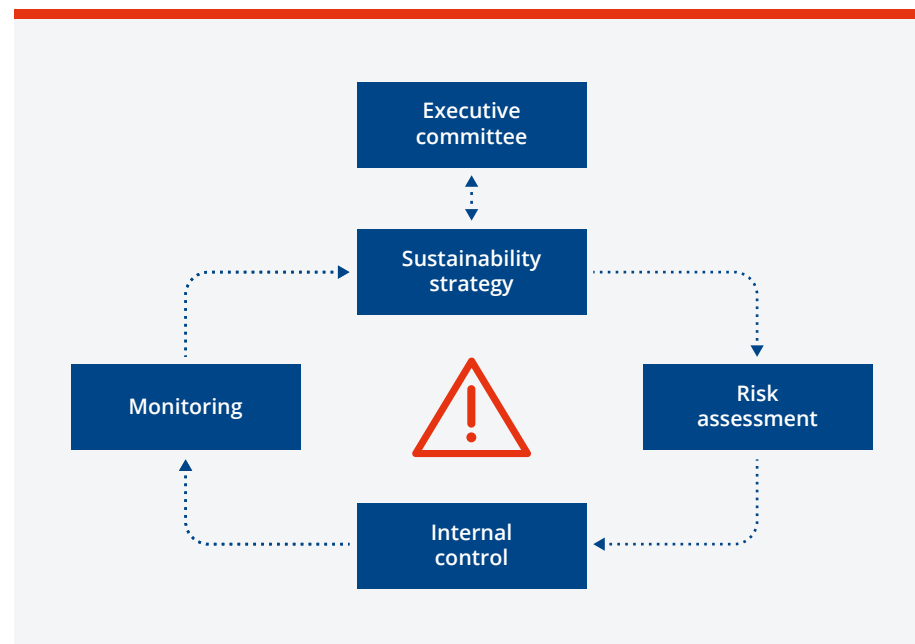
These audits have also been used as an opportunity to identify additional potential risks. The findings from the annual audits have been compiled and shared with the Management Committee for their further assessment and action planning.

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

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

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

- Changes in climate-related regulations
- Changes in physical climate parameters
- Changes from other climate-related developments



Risks resulting from changes in climate-related regulations

Description	Potential impact	Impact magnitude	Estimated implications	Management method
Increasing reporting obligations imposed by regulators may require changes to how we collect and report data today.	Increased operational cost	Low-medium	The financial implications of emissions reporting obligations are associated with the cost to collect check and collate emissions data across all of Frigoglass businesses and report in the required format. This could be quite a complex task given that Frigoglass operates in a number of jurisdictions that may have very different reporting requirements.	Frigoglass started collecting emission data in 2010 and continues to annually collect, check and collate emissions data to feed into the development and tracking of emissions reduction targets across the business. In addition, the level of reporting for each operation is continually being improved to increase the accuracy of the collected data on all 3 emission scopes. It is anticipated that collecting emissions data now will reduce any risks associated with future emission reporting obligations.
Participation in the EU ETS and introduction of similar schemes in the US and throughout the World may have a flow-on impact on the cost of business inputs such as electricity and fuels.	Increased operational cost	Low-medium	Existing and future regulations on GHG emissions and a trading scheme will serve to monetise the environmental cost of GHG emissions and will increase the cost of traditional fossil fuel-based energy usage including electricity, stationary and transport fuel as well as refrigerant gas for both Frigoglass and our suppliers. This could lead to a small increase in costs associated with our raw materials and components as well as direct increases in energy costs for our production facilities.	We use three methods to manage emissions and associated costs: 1. Measuring energy use and emissions including improving quality of collected data. 2. Managing operational costs by analysing collected data and identifying and implementing energy efficiency projects to reduce energy use across our operations. This has included dematerialising our supply chain and products (e.g. modular product design, less item codes and higher degree of standardization, more efficient component selection). 3. Investment in research and development so as to produce ICMs that use natural refrigerants and are powered by solar cells and eutectics technology. It is anticipated that by implementing these management measures we will be able to offset the increase in costs associated with the implementation of a carbon price and will be an industry leader with respect to natural refrigerants.
Increased operational cost	Increased operational cost	Low-medium	To date, Frigoglass has invested over €3 million to upgrade all plants in order to use HFC-free refrigerants. Should additional changes to refrigerant types be required, it is estimated that the costs to upgrade production facilities would be of a similar magnitude.	Frigoglass is investing in research and development into alternative refrigerants and in 2017, 70% of our ICM placements worldwide were with Hydrocarbon (HC) and CO2 refrigerants. Other refrigerant related projects include the development of cooling circuits that can operate with a lower HC charge to extend usage to larger size coolers. In addition, we completed building our manufacturing capability in our plants around the world so that Frigoglass can quickly and efficiently produce environmental-friendly units that can address potential changes in refrigerant regulation.

Risk management

Risks resulting from changes in physical climate parameters

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

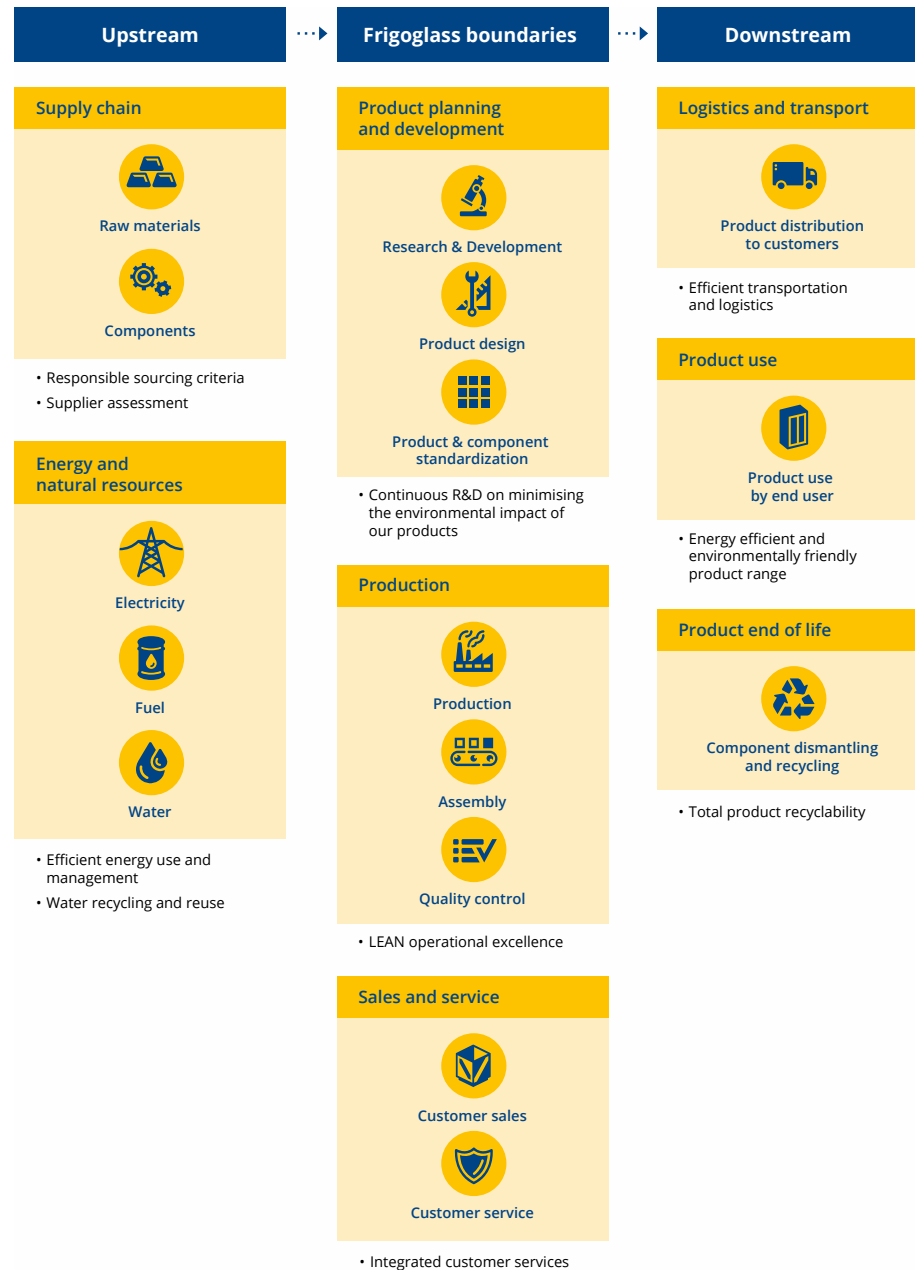
Risks resulting from changes from other climate-related developments

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

Our value chain

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

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





Engaging with our stakeholders

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

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

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

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

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

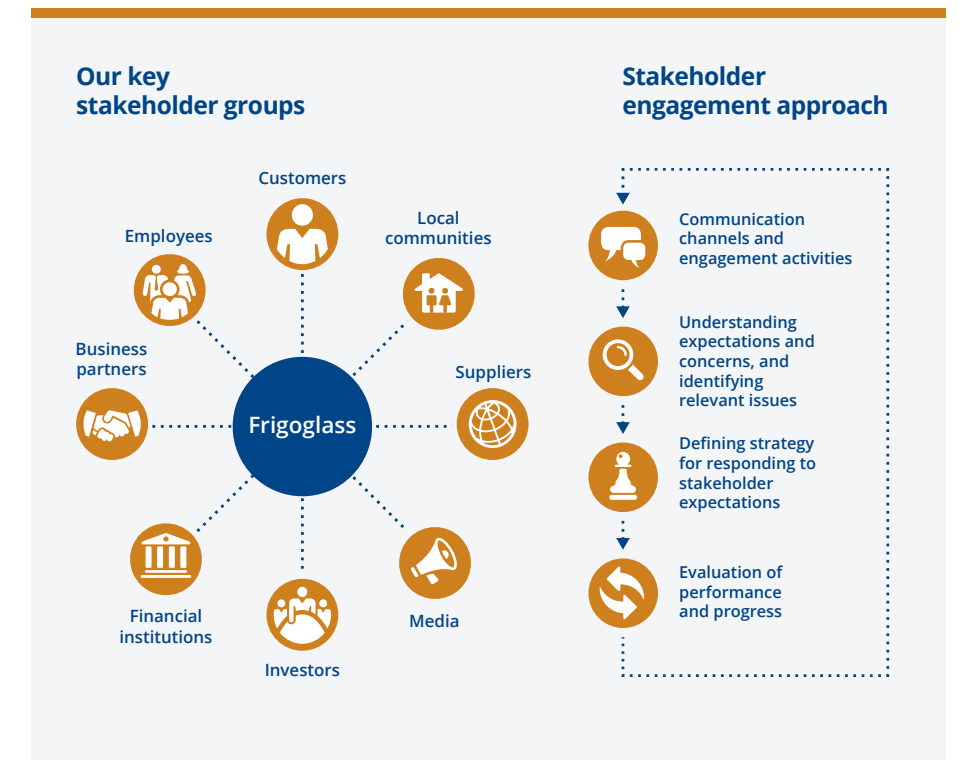
Our ongoing engagement with our stakeholders helps us understand:

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





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





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

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



Engaging with our stakeholders

Stakeholder group	Basis for engagement	Engagement methods	Engagement frequency	Relevant issues
 Customers	Customers are vital to the organisation's success and have direct interest in our market impact and sustainability performance	<ul style="list-style-type: none"> Contracts Sales Service Customer satisfaction surveys Meetings Performance Quality KPIs 	<ul style="list-style-type: none"> Monthly Quarterly 	<ul style="list-style-type: none"> Product responsibility Quality management Use of resources Supplier relations Economic performance Innovation Human rights
 Employees	Our people are critical for our business, strategy and decision making. We therefore aim to create a diverse and inclusive environment, engaging and collaborating with them to achieve our sustainability goals	<ul style="list-style-type: none"> Contracts Direct communication Performance reviews Feedback process Trade union negotiations 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Satisfaction and wellbeing Health and safety Diversity and equal opportunity Training and education Economic performance
 Investors	Investors are essential for the organization and its performance by providing the necessary equity	<ul style="list-style-type: none"> BoD meetings Stock exchange Annual reports Annual shareholder meetings Quarterly results 	<ul style="list-style-type: none"> Quarterly Annually 	<ul style="list-style-type: none"> Economic performance Business strategy Governance
 Suppliers	We aim to develop channels of mutual support with our suppliers that enhance the quality of our supply chain and foster long term collaboration and opportunities	<ul style="list-style-type: none"> Contracts Business relationships Supplier audits Vendor meetings Quality KPIs 	<ul style="list-style-type: none"> Monthly Quarterly 	<ul style="list-style-type: none"> Product quality Supplier relations Supplier assessment Use of resources New technologies

Stakeholder group	Basis for engagement	Engagement methods	Engagement frequency	Relevant issues
 Financial institutions	Financial institutions are critical to our business, its strategy and sustainable growth. We aim to keep them continuously informed on our strategic goals and the progress made	<ul style="list-style-type: none"> Contracts Performance reviews Quarterly results 	<ul style="list-style-type: none"> Monthly Quarterly 	<ul style="list-style-type: none"> Economic performance Business strategy Governance
 Business partners	Collaboration with various business partners such as universities, governmental bodies and third party experts, is crucial for enhancing quality, ensuring sustainability and expediting innovation	<ul style="list-style-type: none"> Contracts Development projects Performance updates 	<ul style="list-style-type: none"> Daily Monthly Quarterly 	<ul style="list-style-type: none"> Product quality Supplier relations Cooperation on product and technology developments Innovation Sustainability
 Media	Media play an important role by communicating sustainability and business development to the wider public	<ul style="list-style-type: none"> Quarterly results Ad-hoc communications Press releases Press interviews 	<ul style="list-style-type: none"> Quarterly Ad-hoc 	<ul style="list-style-type: none"> Product quality Sustainability strategy Innovation Economic performance
 Local communities	We support the local society with community-focused initiatives and take their needs into consideration to maximise shared value	<ul style="list-style-type: none"> Social events Communication Local legislation 	<ul style="list-style-type: none"> Quarterly Ad-hoc 	<ul style="list-style-type: none"> Community investment Employing and sourcing from local communities Economic performance

Materiality analysis

Materiality analysis process

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

Issue identification

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

Assessment and prioritisation

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

Validation and alignment

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

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

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

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

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

The materiality analysis is a process undertaken by the sustainability team which identifies the relevant sustainability issues and filters them through the perspectives of the organisation and our stakeholders. The results compose our

materiality matrix, which is the compass for designing our strategy, focusing our efforts and allocating our resources.

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

Material

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

Important

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

Relevant

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

Materiality matrix



- △ Marketplace
- Environment
- ◇ Workplace
- Community

Materiality analysis

Management and impact of material issues

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

Market

Material issue	Related SDGs	Impact within our value chain	Level of influence	Main stakeholders concerned/affected	Management approach
Product responsibility and quality		• Upstream • Downstream	Direct influence	• Suppliers • Customers • Product end users	Consistently delivering high quality, reliable and value adding products
Regulatory compliance		• Within organisation	Direct influence	• Investors • Financial institutions • Customers • Business partners • Suppliers • Employees	Ensuring that our business activities are conducted in accordance with all applicable laws and regulations in all the locations of our operation
Business ethics					Adhering to the highest levels of integrity and transparency in our business conduct
Customer satisfaction		Downstream	Direct influence	• Customers • Product end users	Satisfying our customers by developing products that meet their needs supported by an extensive network of sales and after-sales representatives
Economic performance and impact		• Within organisation • Upstream • Downstream	Direct influence	• Employees • Customers • Business partners • Suppliers • Investors • Financial institutions • Media	Safeguarding the company's financial stability and its ability to create and distribute economic value for its stakeholders
Customer brand promotion		• Downstream	Direct influence	• Customers • Product end users	Enhancing our customers' branding at the point of sale and maximising their merchandising opportunities
Responsible procurement		• Upstream	Direct influence	• Suppliers • Business partners • Customers	Implementing sustainable procurement practices and supplier assessment processes in order to ensure that no negative environmental and social impacts occur within our supply chain
Supplier assessment					

Environment

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

Workplace

Material issue	Related SDGs	Impact within our value chain	Level of influence	Main stakeholders concerned/affected	Management approach
Workplace health and safety		• Within organisation	Direct influence	• Employees • Customers • Investors • Business partners • Local communities	Placing health and safety at the core of our activities and supporting it through a comprehensive management systems aiming to eliminate work related injuries and accidents
Diversity and equal opportunities					Fostering a culture of inclusiveness and equal opportunities, and providing a work environment that embraces diversity
Labour practices and human rights					Ensuring labour standards are consistently applied and human rights are protected across all locations of our operations



Materiality analysis

How we measure our performance

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

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

Key Performance Indicators (KPIs)

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

Actions and progress

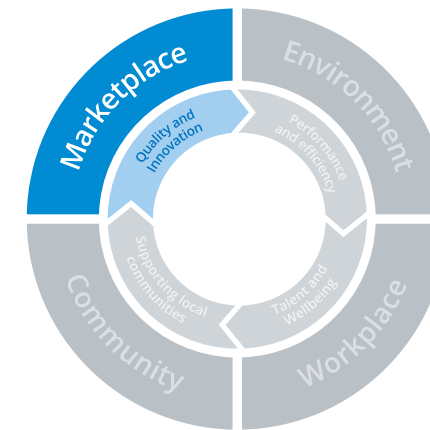
We develop actions and initiatives that correspond to each sustainability target and constantly monitor their progress, seeking to improve our performance in relation to our four sustainability pillars.

Our Sustainability Pillars





Marketplace



Economic performance and impact

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

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

Economic value is distributed through various means:

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

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

The financial performance of the group is presented in detail in 2018 Financial Statements.

Material issues:

- Product quality and responsibility
- Regulatory compliance
- Business ethics
- Customer satisfaction and brand promotion
- Economic performance and impact
- Responsible procurement
- Supplier assessment

Strategic priorities:

- ✓ Safeguard economic stability and growth
- ✓ Further enhance customer satisfaction and collaboration
- ✓ Drive product innovation
- ✓ Promote supply chain transparency and responsibility

Related SDGs:



Marketplace

Fair business practices

Our core values guide our actions, aiming at conducting business in a socially responsible and ethical manner. Our policies and procedures related to Human Rights, Business Ethics, Anti-Corruption and Bribery are effectively communicated to 100% of (permanent) employees and business partners (e.g. customers and suppliers) through business contract terms and in-person, online training programs.

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

The training focuses on the following policies while its content is regularly updated, including policy revisions and newly introduced policies (e.g. Social Media and Anti-Bribery policies that are being introduced in 2019):

- Code of Business Conduct and Ethics
- Labor policy
- Environmental policy
- Human Rights policy
- Speak-up policy
- Quality policy
- Health & Safety policy
- Data protection policy (GDPR)

100% of our operational sites undergo internal audit and risk assessment concerning all relevant topics including Business Ethics subjects, upon demand.



Marketplace

Product quality and responsibility

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

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

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

- Efficiency in product design and material selection
- Rationalisation of products/components
- Optimization of components' portfolio
- Reduction of product maintenance needs
- Improvement of manufacturability and recyclability
- Reduction of noise level
- Continuous investment in product Research and Development (R&D)

Quality first

Quality remains an undisputed attribute of our products and services. In 2018, we went one step further, ensuring top quality across the entire organization.

Improved quality metrics

Keeping the customer at the center, in 2018 we ramped-up production while enhancing quality of our products. We executed several initiatives and team projects to ensure that our quality performance metrics will continue improving towards an efficient and robust Quality function. In all our operations, the First-Time Pass Index (FTPI) remained stable, but still at exceptional levels, despite the increased output. Also, the Product-Release Index (PRI) improved, translating to even less defective products in the market. As a result, in 2018 the number of customer complaints impressively reduced by 45% compared to 2017.

The successful launch of the Hermes Project Pilot in 2017, aimed to consider all products life cycle concerns from the very early stages of the development process, led to the establishment of new standards in several new projects during 2018. Striving for continuous improvement of our processes and procedures, we have undertaken the full redesign of our FPAP (First Part Approval Process), ensuring a full integrated interface management in between our designers, procurement team and suppliers. This will gradually drive improved lead-time and even higher product quality for our customers.

Certified quality systems

In 2018, we continued our investment in quality systems. All plants which were already certified with ISO9001 and ISO14001 - ISO's top quality management systems standards - upgraded their certifications according to the 2015 standards. In specific, ISO9001:2015 is the latest and most advanced version of the standard, which sets an international benchmark for quality management systems.

Additionally, Head Office and India plant were certified according to SA8000 for social accountability, reaching a very high score. Following this, we initiated a social responsibility program in our plants of Romania and Russia, with the target to obtain the audited certification for the two plants by 2020.

Finally, during the year, Head Office was certified according to ISO27001:2013 for Information Security in Project Management, which aims to integrate information security within different project management processes and procedures.

For 2019, we plan to certify India plant for ISO27001 as well. In both India and Indonesia plants we also aim for ISO45001 (new Occupation Health & Safety certification). In Indonesia plant we make all necessary actions to get the ISO14001 too.

Marketplace

Product quality and responsibility

Q4P¹

In 2018, we launched “Q4P”, a Total Quality Transformation Program with the aim of ensuring the best-in-class standards across the entire organization, including both operations and functions, and enhancing our competitiveness going forward. The program included four pillars - People, Processes, Performance and Partners - and involved a number of initiatives and activities aimed to embed a Quality culture in every aspect of our organization.

“Quality Days” was one major initiative of the pillar People that aimed to promote Quality. The objective was to define what Quality means for each of us and how we can build detection methods to ensure we do not compromise on Quality.

The pillars Processes and Performance involved important actions with impact on Group Quality both upstream and downstream the organization.

Driving product innovation

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

Hybrid cooler range

Our groundbreaking innovation, the Hybrid cooler, first launched two years ago, was further expanded creating excitement to our customers in the emerging markets. Several regions of Africa continue to suffer from unstable power supply and often electricity outages. Frigoglass, committed to offer innovative, bespoke solutions and successfully developed the Hybrid cooler range, which is designed to mitigate the impact of electricity outages in the continent.

With the use of eutectic technology, it maintains low temperatures for more than 16 hours in hot ambient conditions without requiring electrical power source. During power-off hours, the cooler remains fully illuminated with LED lighting that not only boosts impulse beverage sales, but most importantly, improves the quality of life as very often it is the unique source of lighting and socialization for the local community.

In 2018, upon wide market acceptance of the Hybrid concept, Frigoglass expanded the Hybrid line of models to serve more placement needs. The significant increase of annual sales clearly indicated the success of the Hybrid models performance and the trend towards green cooling solutions that depend less on electricity.

Market penetration & diversification

In 2018 the newly developed **Plus** range in Russia continued showing growth momentum by doubling its sales compared to the previous year, delivering quality coolers at competitive pricing and helping our customers to reach their market penetration targets. Plus coolers stand out for their optimized capacity compared to their footprint and the maximized product display area that meets customers' requirements in the region.

The **Flex** cooler range, first launched in 2017, continued its successful market penetration increasing its sales in both Europe and Africa. In 2018, the Flex family was enhanced with more models to cover further needs, always offering great flexibility in promotion and placement at the point of sale. Flex immediate success has placed it among the core ranges of Frigoglass ICM portfolio.

During the year, we also completed the development of **iSlim**, an ice-cold merchandiser of especially slim design, which is easy to place and, when commercialized, is expected to dominate the HoReCa channel.

Finally in Asia, and more specifically in India, Frigoglass achieved market diversification by launching “**Norcool** by Frigoglass” which targets the country's white market. Norcool is a complete line-up of coolers and freezers, ranging from curved glass-top to hard-top design, which are ideal for tropical climate, use natural refrigerants and operate with high energy efficiency. The new range is expected to penetrate new market segments and gain market share in the region.

¹ Q4P: Quality Four Pillars

NORCOOL

BY FRIGOGLASS®

Global experience with local expertise

Marketplace

Product quality and responsibility



Research & Development

In addition to the labs of India and Greece, in 2018 also the labs in Romania got accreditation according to ISO17025 standard and were recognized by The Coca-Cola Company, PepsiCo and Heineken for certification tests. This significant development makes most of our labs equivalent to internationally recognized independent labs and allows us to test new configurations locally, avoiding transportation of new model samples to external labs, thus reducing outbound freight. In addition, it leads to important time and cost savings in the commercialization process.

Connectivity expansion

Our connectivity solutions have become integral part of our product offering. We provide connectivity capabilities and digital services, while enhancing technical excellence. To this aim, we have introduced four main pillars that form as the foundation of our connectivity solutions - Asset Control, Sales Performance, Technical Diagnostics and Consumer Engagement - which add value for our customers.

More than 100,000 IoT-enabled coolers were placed in the market, clearly indicating the increasing market trend towards digitalization.

Greener Product portfolio and Manufacturing footprint

2018 was the year that, following the European plants transition, also the South African operation produced solely HC coolers, leaving India and Indonesia the only remaining Frigoglass operations still producing HFC refrigerants, for servicing the countries that lack the infrastructure to support greener solutions.

The move to HFC-free coolers production will be gradually implemented also in these two plants, which are already appropriately equipped to support a full-scale transition following market needs.

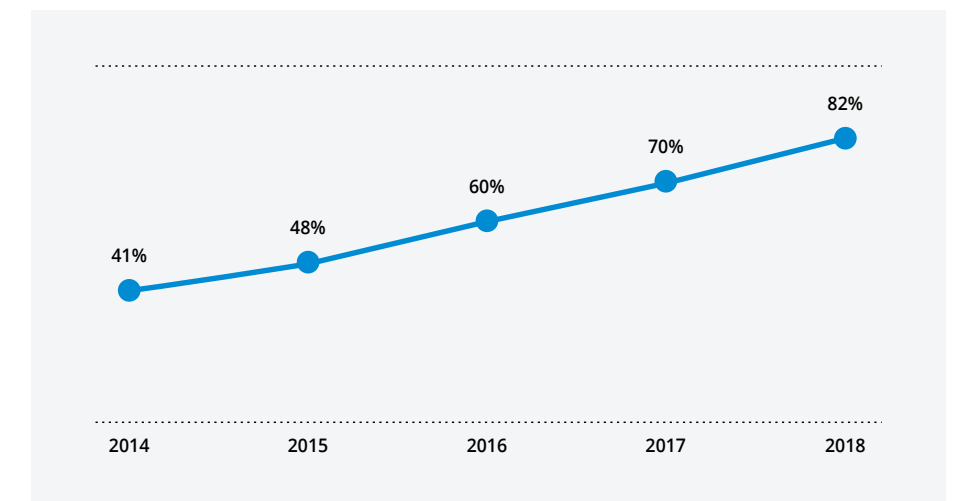
Keeping our commitment to be the industry leader in Energy Consumption (EC), in 2018 we produced and sold the LC (low charge) version of our best-in-class ICOOL range. This has an optimized cooling mechanism for minimal EC and carbon footprint.

Innovating the way ahead

In 2018 we introduced Design for Manufacture and Assembly (DFMA™) methodology, a key initiative focusing on product simplification through software-aided lean design, developed in the USA and successfully applied in many leading industries worldwide. DFMA software aims to adopt processes yielding improved quality and cost efficiency while avoiding the generation of waste during the manufacture and on-site assembly phases of Frigoglass coolers. DFMA analysis not only provides insights and warns design teams about materials to avoid but also documents environmental compliance. Through product simplification, DFMA combines greater performance with fewer parts and guides Frigoglass design engineers to use the most sustainable and cost-effective materials as well as manufacturing processes. It actually combines sustainability with innovative design techniques.

Materials in DFMA software are categorized as “preferred,” “non-preferred” and “avoid.” The latter category includes materials that are not RoHS-compliant. The software also estimates and designates the proportions of product that go to different end-of-life destinations, including reuse, recycling, landfill and incineration. These features support further our designers to incorporate sustainability requirements in the final product.

Evolution of Green ICM sales over total ICM placement



Marketplace

Cost Leadership

2018 was another year of delivering cost efficiency across our operations, successfully executing our cost leadership agenda - starting from the conceptual design stage and reaching up to the last finishing touch of our commercial refrigeration products. Our continuous focus on product offering rationalization and design simplification was complemented by strongly linked with manufacturing efficiencies, always seeking and capitalizing on sourcing opportunities, while delivering increasing volumes.

Product standardization & simplification

Following previous year's progress, we continued our product range rationalization initiative by reviewing all levels of our product offering development, starting from ranges' specifications to individual option combinations.

In Europe, we worked closely with our big customers on configuring a solid plan towards the optimization of product and options portfolio, which could also ensure a greener future. This allowed for the use of common raw materials and components among different ranges, further optimization of the electrical design, less spare parts and waste, and improved cost efficiency. It also resulted in better working capital for our customers and improved response time to their market needs.

For the market of Africa, we focused on expanding Hydrocarbon refrigerant to the complete Super range of coolers, including the Subzero models for beer related product placements, which resulted in an optimized range, capable to serve local demand.

Manufacturing efficiency

Manufacturing efficiency projects were implemented in all our ICM operations and led to significant savings. In India, following our last years investments on the expansion and modernization of our manufacturing plant marked by the addition of an automated assembly line, operational efficiencies were realized by increasing production throughput in conjunction with optimized re-balancing of resources utilization across our available line assortment.

In Russia and Romania, we invested in automated sheet metal processing machinery, thereby minimizing fabrication lead times and driving significant material cost efficiencies. Furthermore, we introduced new digital printing technology capabilities, allowing fast, agile, high-quality and cost-effective branding of our products in line with our customer requirements.

Our continuous improvement journey remained unabated with several Lean initiatives running in all our ICM plants to ensure we achieve our bottom line targets.

Having reaped most of the low-hanging opportunities in previous years, our forward-looking approach was also to invest in further improving our toolkit and elevating our capabilities; Lean Six Sigma trainings at entry Green-Belt level were completed in our European operations and the first improvement projects were successfully launched.





Marketplace

Customer satisfaction

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

Examples of our focus on customer satisfaction include:

- Engagement with our customers through regular meetings and satisfaction surveys, utilising their feedback in order to improve our service and product offerings. As our latest surveys indicate, key focus areas of our customers in the last years are technical innovations and solutions on lower energy consumption, lower noise, easier and less maintenance, and component rationalization and standardization. We have already included all those focus areas in our main development priorities
- Development of customised ICM units that enhance our customers' brand equity and visibility at the point of sale. This collaborative approach involves customers and third parties and helps us develop differentiated ICM solutions to promote cold drink availability

- Expansion of Frigoglass Integrated Services, a unique and unprecedented customer service program aimed at providing our customers with an outsourcing model to manage their cold drink equipment at a significantly reduced total cost of ownership. Through this service we are able to support our customers in the management of their ICMs from distribution to the end of life. This includes placement, storage, service, refurbishment and end-of-life recycling. An advanced IT infrastructure and a central control centre enable a seamless and live monitoring of all units at all stages of the process. Keeping the sustainability focus, this program also allows customers to refurbish their old units, thus reducing material use
- The expansion of our portfolio rationalization program, focusing on both models and components used
- Initiation of a new IT program targeting to improve the complete process from order placement to raw material sourcing to production planning and deliveries. This will allow for more efficient supply and production followed by lower lead-times and less reworks. Also the raw material freight as well as the finished goods transport will be further optimized due to improved ordering and planning procedure. The waste of raw material is expected to reduce too, adding to the positive environmental footprint of our operations

Customer Focus

In 2018, Frigoglass remained focused on its strategic priorities and continued creating value-adding, innovative, cold merchandising solutions for its customers around the world. During the last years, we have redefined our ICM Commercial Vision and have taken a number of steps to further improve our Customer Focus. Our ICM Commercial Vision is supported by three pillars:

Build on successful partnerships

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

Optimize route-to-market approach

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

Enhance commercial capabilities to strengthen customer relationships

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

Marketplace

Customer satisfaction

Cool business

In Frigoglass, the customer is at the center of everything we do. This derives from our redefined ICM Commercial Vision, which is guiding our transformation to a result focused, customer-centric, cross-functional team.

We work closely with our customers to gain insights into their commercial refrigeration needs, which allow us to cater for them with a differentiated, high quality offering that perfectly matches their route to market and in-store execution strategies.

Our strong customer focus resulted in growing our revenues for a second consecutive year. We continued successfully supporting our customers in tapping beverage market trends through our innovative Ice-Cold Merchandisers (ICM) and our high quality customer service.

The strong execution of our ICM commercial strategy resulted in increased customer satisfaction and sustained growth momentum across Europe and Africa.

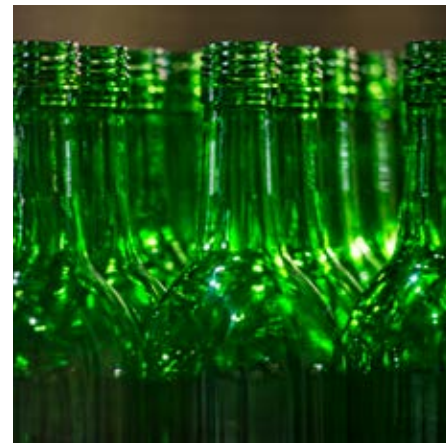
Glass business

2018 was a strong year for Glass business as market demand across West Africa rebounded after the challenges of the two previous years. Despite what was overall a muted year for manufacturers in Nigeria we grew our volume. We also carried out the full Cold Repair of our flint glass furnace in Ughelli (35 days glass to glass) which increased capacity post-repair by 25-30 tonnes per day.

In the Beer segment, one of our key customers inaugurated a new brewery in Ogun state, which drove growth in the segment throughout the year. The Food segment continued to increase, albeit from a small base, whilst international players' penetration of the Nigerian market with locally produced international Spirits brands continued apace. We were able to manage both inbound and outbound supplies through the port of Apapa in spite of the severe congestion and impact on truck and container availability to increase our glass container exports that enjoyed double-digit growth.

Our Plastic Crates division kept pace with demand from new customers to deliver a very solid performance, whilst our Metal Crowns plant was impacted by lower demand from the Soft Drinks segment.

At the end of the year, we secured our future growth with the announcement that we will invest €25-30 million to expand our furnace at our Agbara glass container plant over the period of 2018-2020, which will increase the plant's capacity by 35,000 tonnes per year.



Marketplace

Customer satisfaction

Integrated Services (Frigoserve)

In 2018, we made progress towards our vision of providing customers with excellence in our operations and best-in-class services through a unique, innovative, integrated customer service program. We extended our services offering in existing geographies and expanded our business to new regions and market segments, maintaining a strong focus on cost efficiencies.

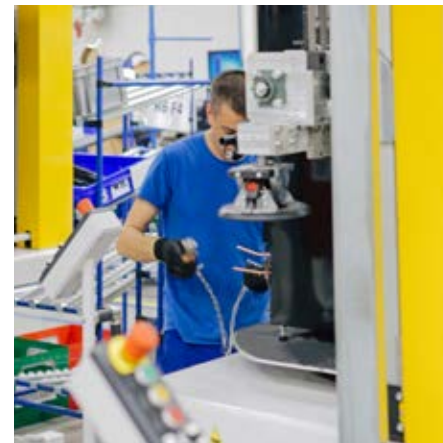
The ambitious goal set the year before was met and surpassed, as we succeeded to provide our integrated services to more than 1.000.000 assets. Our business grew in Europe and Africa with Coca-Cola bottlers. More specifically, in Poland we added new services to our offering, in Russia we expanded to new geographies and in Nigeria we introduced refurbishment in our integrated service program. Early in the year, we launched a new Service Operations center in Hungary, aiming to further enhance our Services footprint and partnerships with more clients across Central Europe. At the same time, we initiated discussions for potential expansions to new geographies in West Europe.

In addition, we achieved further progress with leading drinks customers and breweries in the European and African continents. In specific, we initiated a technical services program in UK, we continued providing services for draught beer machines in Greece and Bulgaria, and we capitalized our existing infrastructure in Kenya, providing the full scope of our services to a premium drinks customer.

We continued our cost leadership journey, reviewing the cost structure of our operations and putting our refurbishment business under the microscope. We utilized SixSigma methodology in our European operations and implemented a streamline of our Frigoserve organizational structure to improve efficiencies. We are pleased to report that our annual service survey conducted for our European customers, at the end of the year, revealed improved customer satisfaction and increased commitment from our customer base.

During the year, we launched a business transformation journey, focusing on the strategic reengineering of all our global business processes and their incorporation into the latest technology tools, based on ERP platform. Frigoglass e-Service will be integrated in the ERP system and will be further upgraded and enhanced by updates to our software for Spare Parts management.

Going forward, we aim to further expand our Frigoserve footprint to more geographies and broaden our customer base, strengthening our commercial capabilities. Top priorities for the year to come will be our business efficiency, the development of Spare Parts operations, as well as the continuous improvement of our structure, processes and systems.



Marketplace

Supply Chain

To us, suppliers are critical stakeholders with significant impact to our business operations. Our efforts focus on developing and maintaining a value-adding supply chain, founded on sustainable principles with positive impact to all, directly and indirectly, involved parties.

Our main suppliers are the ones providing raw materials for our products varying significantly in both type and spending between our two main company divisions. In 2018 the share of supplier spending has been altered to a certain degree, with the share of spending of the Glass, crowns and plastics division increasing in relation to Cool.

We make conscious efforts to engage as many local suppliers as possible in order to support and stimulate the local communities of our operations. In 2018, the share of local suppliers remained at similar levels as 2017 (40%), with some minor alterations in the share of the different divisions.

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

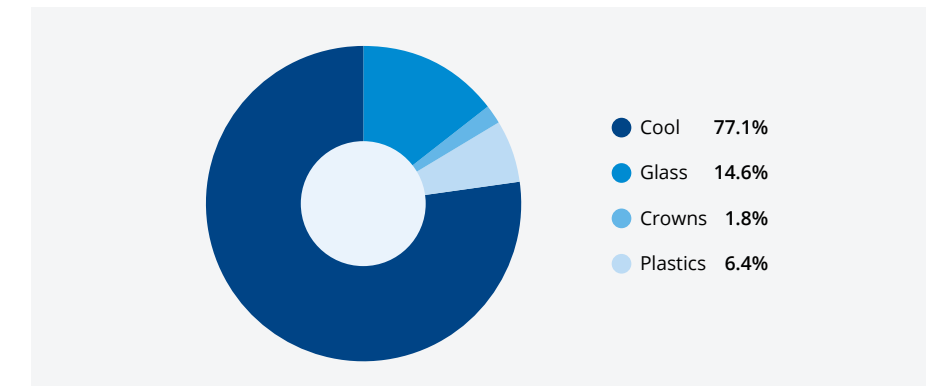
Main supplier categories and spent allocation in Cool operations

Main supplier categories	% of total spent	% Locally sourced	% Imported
Metals	38.0	35.5	64.5
Refrigerants	0.2	82.9	17.1
Paint	0.3	55.1	45.0
Glass	4.9	92.2	7.8
Plastics	6.5	43.6	56.4
Insulation	3.8	28.0	72.0
Others	46.2	37.6	62.3
Total	-	39.6	60.4

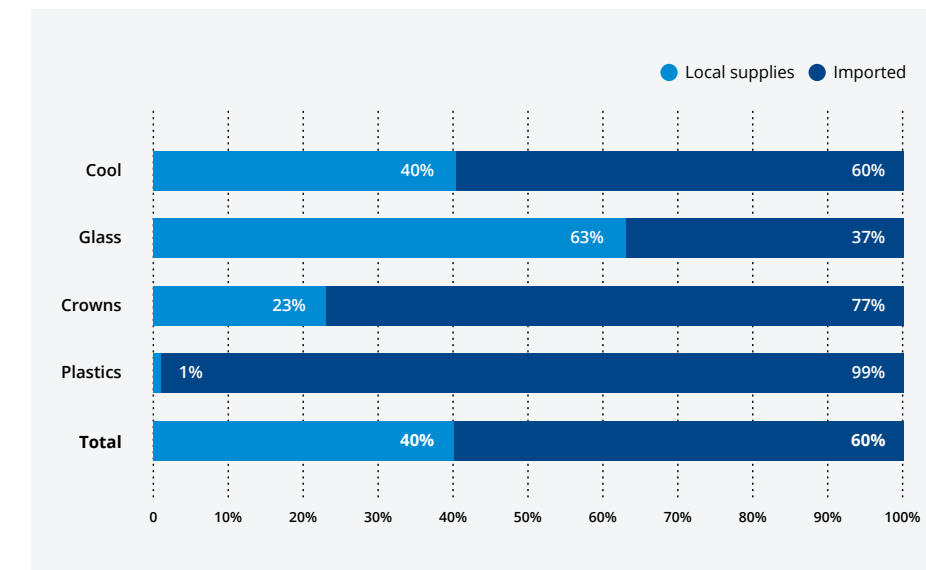
Supplier spent allocation in Glass, plastics and crowns operations

Main supplier categories	% of total spent	% Locally sourced	% Imported
Glass	64.0	63.2	36.8
Plastics	27.9	1.2	98.8
Crowns	8.1	22.6	77.4
Total	-	42.6	57.4

Proportion of spending per company division



Proportion of spending on local suppliers



Marketplace

Responsible procurement and supplier assessment

The pillars of the Frigoglass Supplier Code:

Ethics



- Antitrust
- Bribery
- Conflict of interest
- Information and intellectual property protection

Labour



- Child and forced labour
- Working hours
- Wages and benefits

Human rights



- Diversity and equal opportunity
- Harassment and violence
- Freedom of association

Health and Safety



- Occupational health and safety

Environment



- Regulations and law compliance
- Pollution, emissions and waste

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

As a global corporation with plants operating in several countries, we always strive to establish honest working relationships with our suppliers which adhere to the principles of sustainable development.

An audit process is in place for our largest and most important suppliers, as well as for all our new suppliers. Our ultimate objective is to progressively include a wider range of criteria into our supplier assessment processes and audit forms.

This refers not only to operational issues, such as the mitigation of supply chain constraints, but also to sustainability aspects such as:

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

In 2018 we initiated a plan to automate the audit process through cooperation with online consulting services that engage our suppliers into annual registration of key

sustainability related information. This online platform helps our suppliers not only define their sustainability targets but also track their progress towards reaching the performance, as required by the Frigoglass Supplier Code.

The Frigoglass Supplier Code:

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

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

By requiring our suppliers to comply with the requirements as outlined in the Supplier Code, Frigoglass helps "cascade" good practice throughout its supplier base and minimise its indirect negative impacts. By doing so, it is not only protecting its own reputation, but also the reputation of its suppliers – some of whom might be vulnerable to consumer activism. Suppliers are achieving a level of performance that is in line with our customers' own requirements (for example, requirements about supplier environmental performance).

Marketplace

Responsible procurement and supplier assessment

As part of our risk management strategy, compliance with the Frigoglass Supplier Code is subject to audit by Frigoglass or an independent third party. We have also revised our supplier auditing to give more weight to sustainability-related factors. In cases where Suppliers fail to comply with the requirements addressed in this Code, Frigoglass reserves the right to renegotiate and/or terminate an agreement

We assess a wide range of suppliers representing annual purchases of over 90% of our total group spent. Out of those, in 2018 over 40% were audited on-site.

As part of our responsible procurement strategy, we run training programs on the sustainability criteria we place on our suppliers. As per Group target, in 2018 all our buyers completed the Sustainable Procurement training. This is an obligatory training that every new buyer of Frigoglass receives, as part of the standard employment process.

In addition, we regularly conduct risk analysis on key purchasing categories to ensure security of supply. When we identify suppliers with high probability of non-compliance with our Supplier Code of Conduct, we manage supply chain risk by proactively finding potential suppliers with higher probability to comply.



New supplier audits	2014	2015	2016	2017	2018
% of new suppliers assessed on sustainability criteria	100%	100%	100%	100%	100%
Instances of identified actual or potential negative impacts on the assessment criteria	0	0	0	0	0

Marketplace

Commitments and targets

Commitment	Target	Progress in 2018	Status
Increase annual sales share in green ICMs	Over 90% by 2020	82%	➔
Maintain high annual local spent on procurement	Over 40%	40%	🔄
Maintain high annual share of on-site audits of defined supplier base (over 90% of total spent)	Over 30%	42%	🔄

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



Environment



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

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

We also systematically enhance environmental awareness through the environmental education of our employees. In this frame, in 2018 we ran an e-learning platform, the "Frigoglass Academy", with the objective to promote environmental awareness, among other things, throughout the company.

Material issues:

- Product environmental stewardship
- Energy efficiency of operations
- Emissions management and reduction
- Resource management and efficiency
- Waste management and reduction

Strategic priorities:

- ✓ Ongoing improvement of product energy efficiency
- ✓ Maintain high levels of component recyclability
- ✓ Reduce energy consumption per unit produced
- ✓ Enhance resource efficiency in production

Related SDGs:



Environment

Product environmental stewardship

As a global supplier of beverage coolers, we are committed to designing and producing innovative products with energy efficient design that minimises the environmental impact.

ICMs make up the most significant proportion of our customers' carbon footprint – in some cases from 40% to 60% of their overall footprint – therefore offering energy efficient solutions has profoundly shaped our product strategy and provided one of main competitive advantages.

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

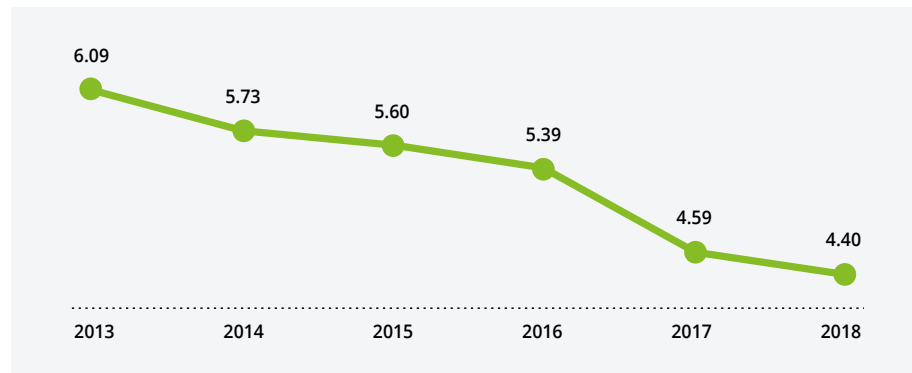
Improving environmental performance across our ICM range

Listening to our customers and anticipating global regulations, we have set as one of our top priorities the improvement of the environmental performance of our cooler range. Our work throughout the previous years has been intense and yielded substantial results.

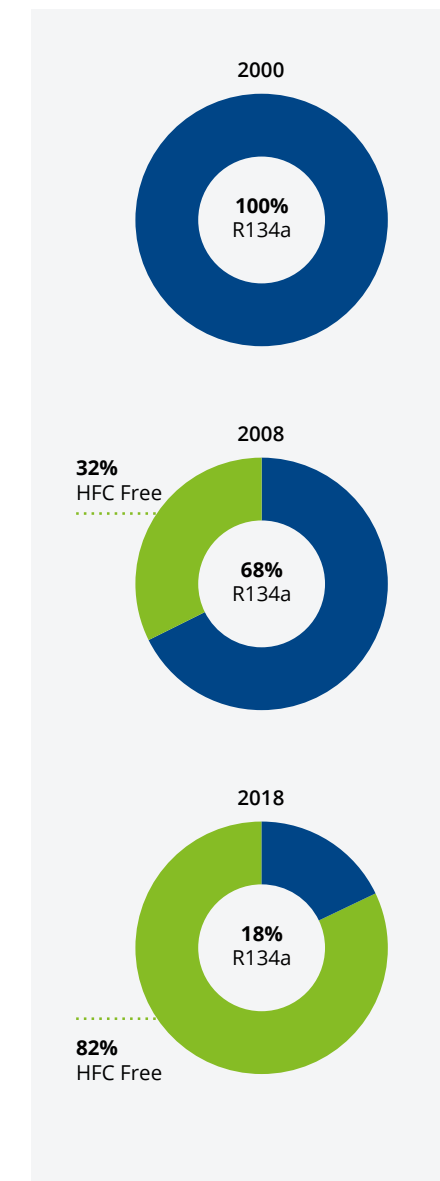
- We continuously seek to achieve best in class energy consumption for our coolers, through cooling optimisation adjusted to respective ambient conditions of temperature and power supply. We focus on designing, developing and continuously improving solutions that reduce GHG emissions while meeting the needs and requirements of our customers.
- In close collaboration with our customers and suppliers, we gradually convert our product portfolio into a fleet of coolers with environmentally friendly refrigerants. The share of our so-called "Eco range" has grown considerably in the last years, reaching 82% of our total ICM sales in 2018.

- In 2015 we initiated the development of the Hybrid range which uses eutectic technology to secure cold drink availability in regions with long power outages, like in the African continent. This was a significant addition to our offering of coolers that make use of alternative power sources (e.g. Solar 200, EcoCantine), require lower maintenance and work with exceptionally low energy in relation to their size (higher efficiency is achieved through storage of cooling capacity inside the cooler during operating hours). Hybrid models have been so successful during their launch phase that in 2018 the family of Hybrid coolers was enlarged with new sizes to serve the demand of existing and new markets.
- In all our plants we have the manufacturing capability to use environmentally friendly refrigerants, so that we can quickly address potential future changes in refrigerant regulation and efficiently roll out new products.

Average energy consumption (kWh day) of Frigoglass cooler fleet

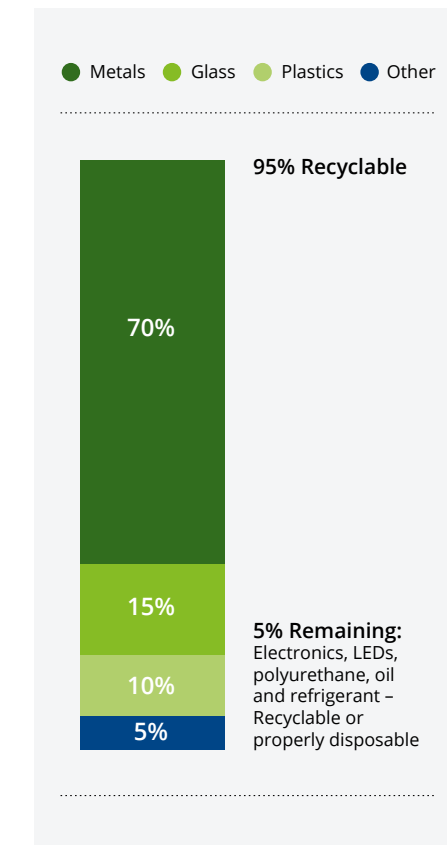


Evolution of the Eco range sales share



Total recyclability

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



Environment

Product environmental stewardship

Assessing the lifecycle of our ICMs

In 2018 we initiated a new lifecycle assessment (LCA) for an average cooler, from extraction of raw materials to disposal. Since our last LCA in 2014 several factors affecting the LCA result have changed, some of which are:

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

The analysis shows that the process with the most important environmental impact remains to be the product use in the market. Complete results of the new LCA will be presented in next year's report. The main indication is that all our actions in product development are focused on the right processes and areas that mostly affect the total CO₂ footprint of the product.



Production of optimised bottles in our glass operations

In our Nigeria operations, we continued our lightweighting efforts, developing even lighter returnable bottles, which reduce the carbon footprint of our customers. We have also applied rightweighting processes in the development of one-way bottles and jars, for the spirits and food segments respectively, with optimized weight to ensure safe product transportation in the country. We have also produced returnable bottles which are heavier than non-returnable or one-way containers, but have considerable benefits for the environment.

These containers are heavier to withstand multiple trips in large glass bottles floats, but have considerable benefits for the environment as they can be used more than 25 times before being downcycled to cullet and reused.



Environment

Emissions management and reduction

At Frigoglass, we are committed to protecting the physical environment in which we operate and understand its importance for the sustainability of our business. We believe that reducing our energy consumption and managing the associated emissions can serve as a key growth driver.

As a manufacturing business, we recognise the potential impact of our operating facilities on the environment. Consequently, reducing greenhouse gas (GHG) emissions is a key business priority and at the forefront of our sustainable development goals.

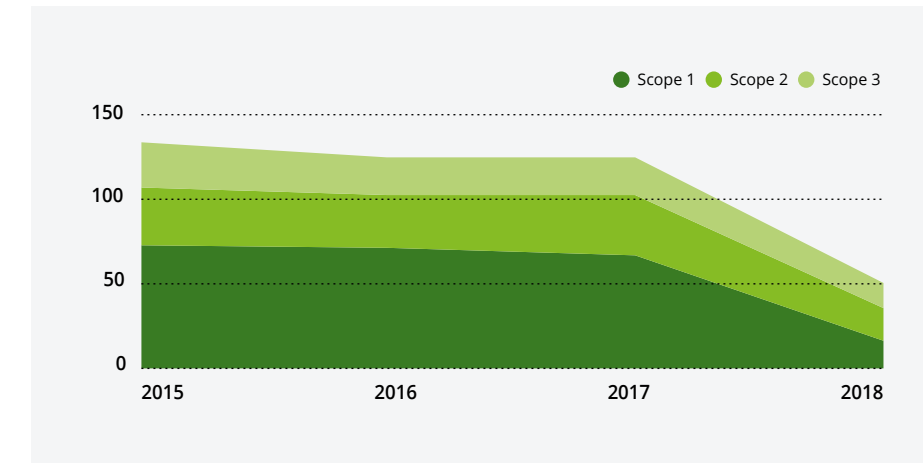
We have been actively monitoring and measuring our GHG emissions since 2014 and have set 2015 as our base year for measuring performance and setting performance improvement targets. Although the reduction of emissions on an absolute level is highly important, total emissions and output of our operations are not considered a representative benchmark of our performance. The most appropriate indicator of our emissions performance is the emission intensity i.e. emissions per production output against which we measure our performance and set targets for improvement.

Kilo tonnes of CO ₂ e		2015	2016	2017	2018
Scope 1	Cool	6.61	5.71	5.35	5.95
	Glass	58.52	62.06	59.41	9.18
	Plastics and crowns	7.52	2.79	1.81	1.95
	Total	72.65	70.56	66.57	17.08
Scope 2	Cool	12.12	9.80	9.52	9.62
	Glass	21.38	21.94	25.43	8.72
	Plastics and crowns	0.00	0.00	0.00	0.00
	Total	33.50	31.74	34.95	18.34
Scope 3	Cool	23.78	7.51	11.56	11.73
	Glass	2.02	14.34	11.60	3.33
	Plastics and crowns	1.07	0.00	0.00	0.00
	Total	26.87	21.85	23.17	15.06
Total	Cool	42.51	23.02	26.43	27.30
	Glass	81.91	98.35	96.45	21.23
	Plastics and crowns	8.59	2.79	12.68	1.95
	Total	133.02	124.16	124.69	50.49

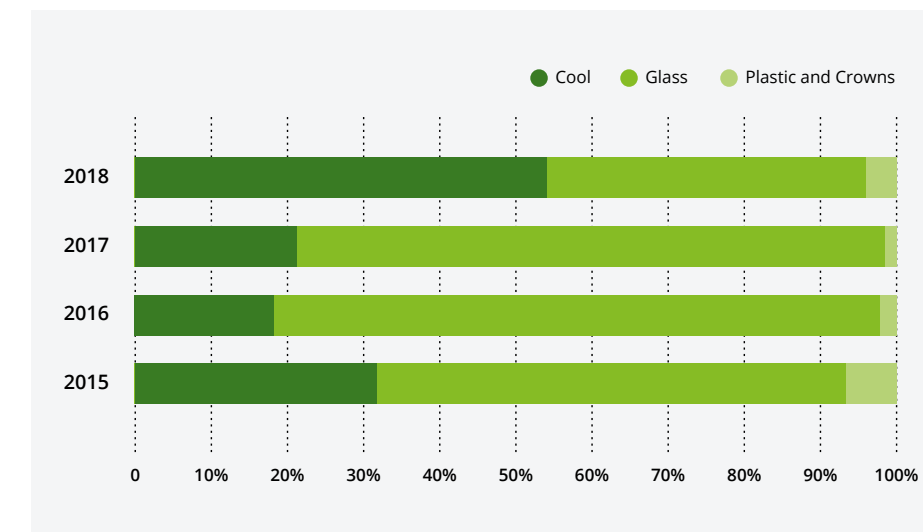
Scope 1: Fuel combustion on company premises and company owned vehicles
Scope 2: Electricity consumption
Scope 3: Outbound third party deliveries and business related travel

Total GHG emissions of operations

Kilo tonnes of CO₂e



Emissions allocations per company division



Environment

Emissions management and reduction

The major update from 2017 is the divestment from the Jebel Ali plant which previously accounted for 57% of our overall carbon emissions (and 73% of our Glass operations), due to its relatively high Scope 1 emissions.

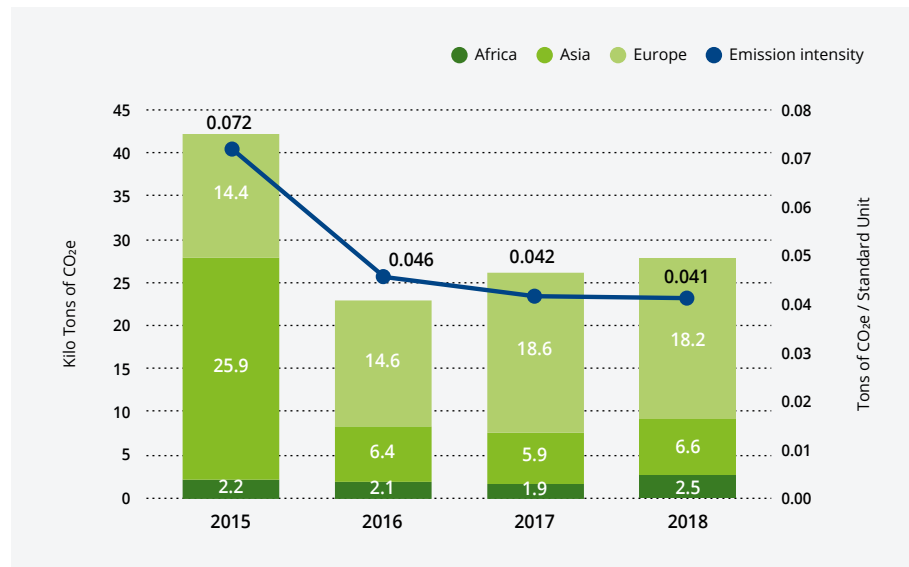
In overall levels, with the Jebel Ali plant no longer being part of our operations, our 2018 emissions saw a significant drop of 59.5% (from 124.7 to 50.5 kilo tonnes of CO₂e). Our emissions profile was also radically altered, with our Glass operations no longer having the major emissions share and Cool operations now accounting for 54% of our total emissions.

Considering our performance per division, in 2018 we continued our good performance reducing our emissions intensity per production output in relation to our base year.

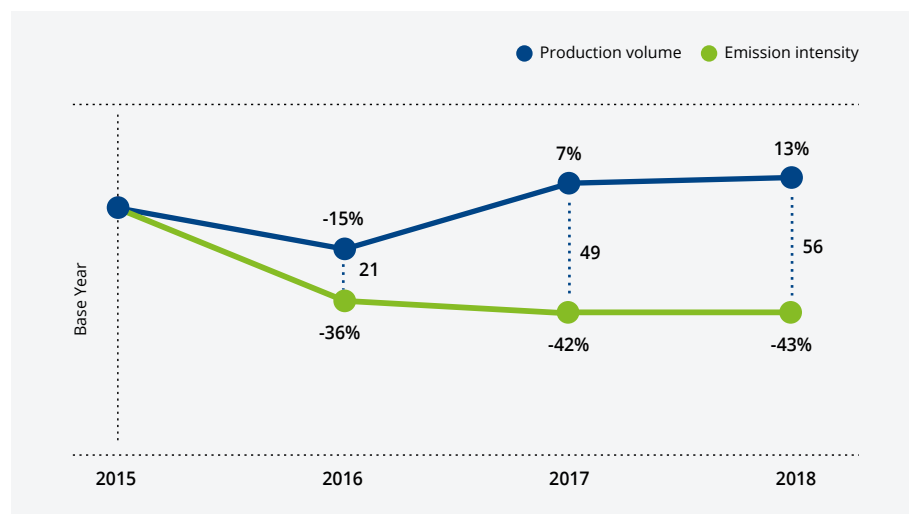
In our Cool operations, absolute emissions saw a slight increase of 3%, from our African and Asian plants, however we managed to further reduce emission intensity reaching a 43% reduction in relation to base year levels.

What further reinforces the growing efficiency of our Cool operations is the fact that the growth rate of our production volumes is complemented by an even greater decreased rate in our emissions intensity thus demonstrating the gradual decoupling between our production output and GHG emissions.

GHG emissions from Cool operations:
Total emissions and intensity per Standard Unit produced



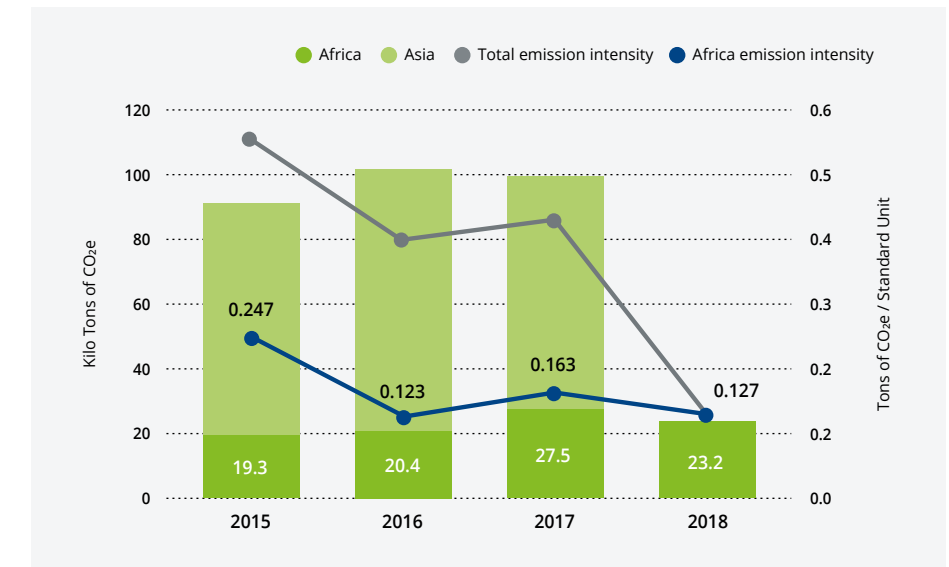
Evolution of production volumes in relation to emission intensity
Production in Standard Units, intensity in tonnes of CO₂e / Standard Unit



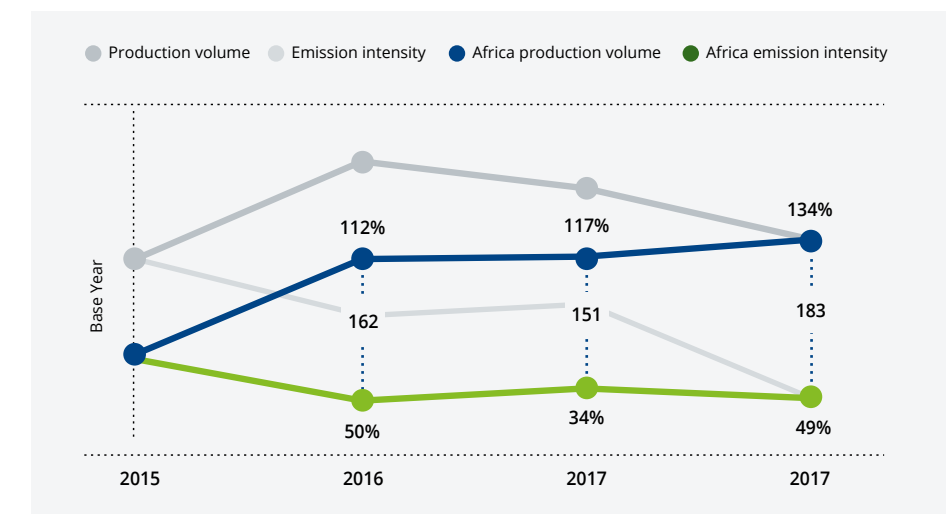
With the Jebel Ali plant no longer being part of our operations, total emissions from our Glass, Plastics and Crowns division dropped significantly by 76%.

Isolating our African operations, emissions dropped by 16% while emission intensity was 22% lower than 2017 levels. Emission intensity is steadily maintained below base year levels with this year demonstrating the highest intensity decrease in relation to the increase in production output. This is indicative to the growing efficiencies of our operations in Africa.

GHG emissions from Glass, Plastics and Crowns operations:
Total emissions and intensity per tonne of production



Evolution of production volumes in relation to emission intensity
Production in tonnes, intensity in tonnes of CO₂e / tonne of production



Environment

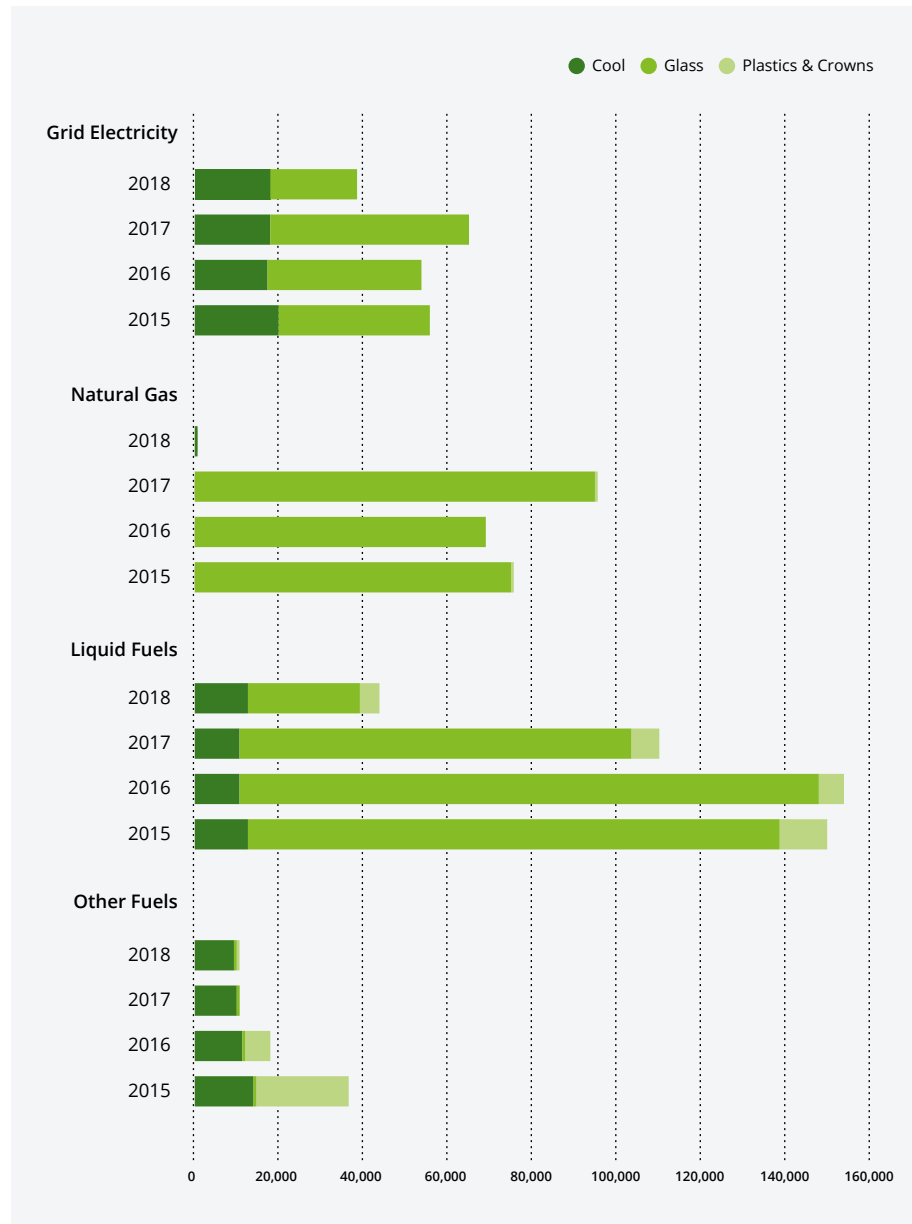
Energy efficiency of operations

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

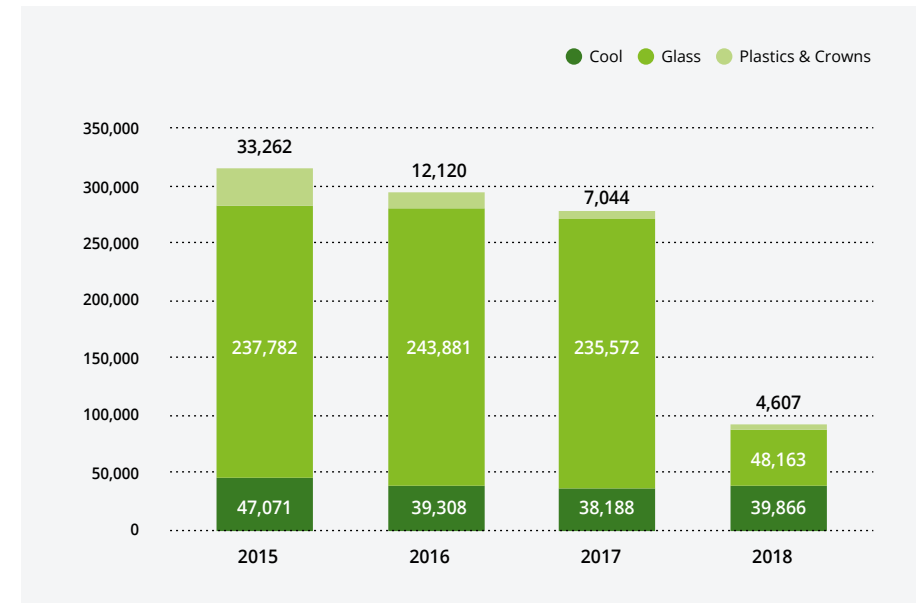
Having divested from our most energy intensive plant, our glass operations in Jebel Ali, 2018 brought significant reduction in our overall energy consumption as well as altered our energy profile. Overall consumption was reduced by 67% in relation to 2017.

Cool and Glass operations now take up 43% and 52% share in our energy profile while it used to be 13,5% and 84% respectively.

MWh of Energy consumption per source and company division



MWh of energy consumption per company division



MWh of energy consumption per company division

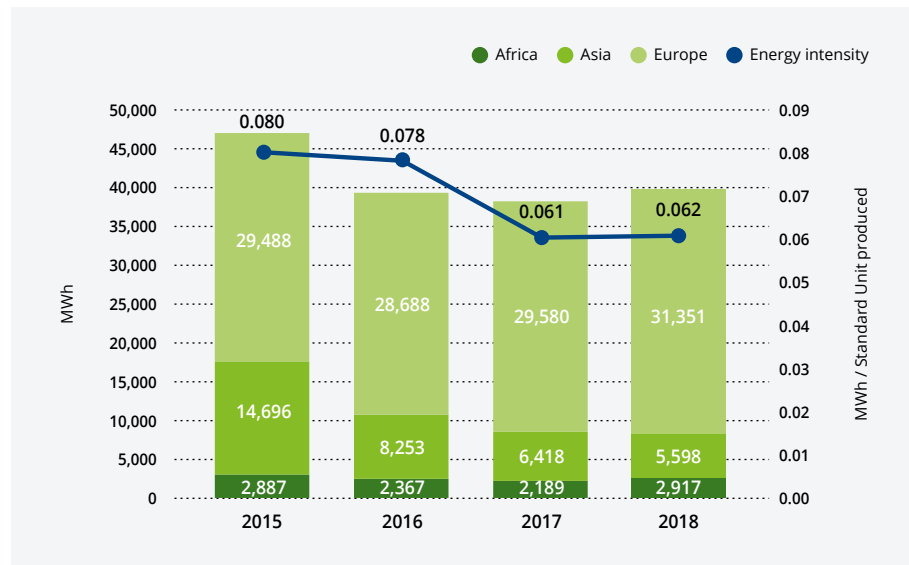
MWh	2015	2016	2017	2018
Cool	47,070.6	39,308.2	38,187.6	39,865.6
Glass	237,782.4	243,881.1	235,571.7	48,163.3
Plastics and crowns	33,261.5	12,120.4	7,044.2	4,607.4
Total	318,114.6	295,309.6	280,803.4	92,636.3

Environment

Energy efficiency of operations

Our Cool operations maintained their positive performance of 2017, increasing absolute consumption by 4%, mainly attributed to our operations in Europe, while further reducing energy intensity. Considering the 13% increase in production volume since our base year, 2018 has been the most energy efficient year.

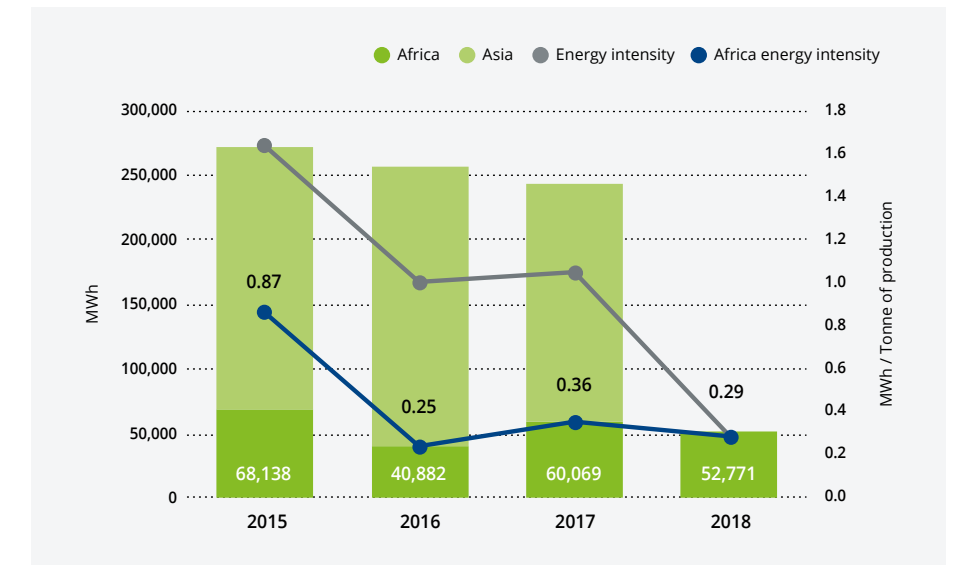
Energy consumption from Cool operations:
Production in Standard Units, intensity in MWh /Standard Unit



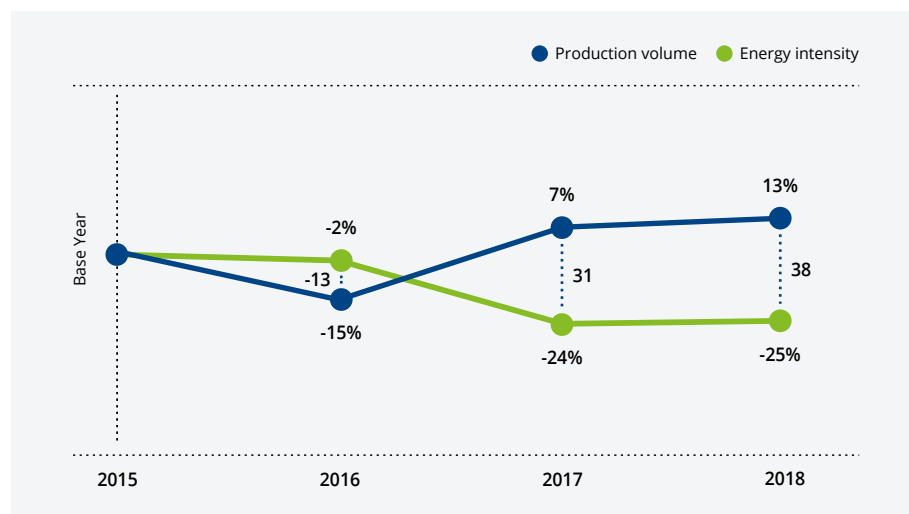
Without the plant in Jebel Ali absolute energy consumption in Glass operations has dramatically decreased by 80%. Considering our Africa operations alone, energy consumption decreased by 12% and energy intensity by 19%.

Considering performance in relation to base year levels, 2018 is the year demonstrating the best relationship between production increase and energy intensity.

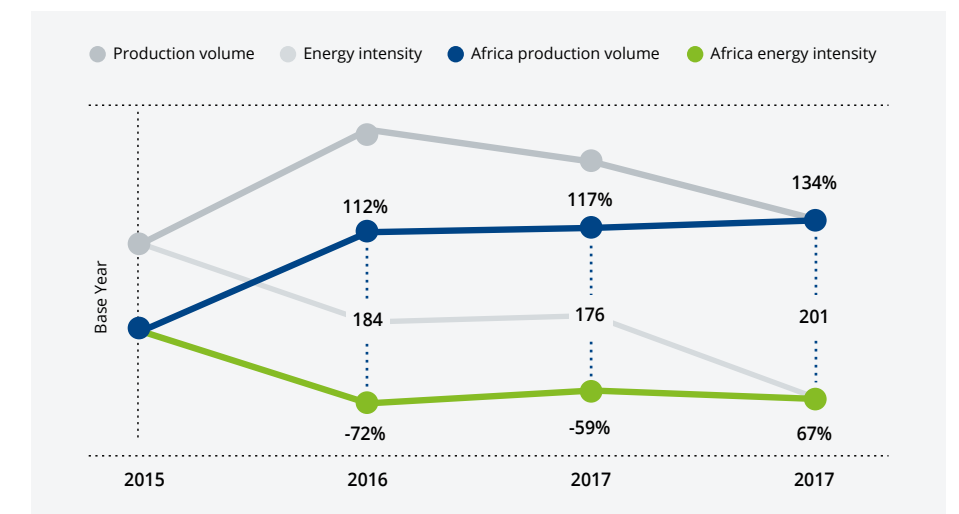
Energy consumption from Glass operations:
Energy consumption and intensity per tonne of production



Evolution of production volumes in relation to energy intensity:
Production in Standard Units, intensity in MWh /Standard Unit



Evolution of production volumes in relation to energy intensity:
Production in tonnes, intensity in MWh /tonne of production



Environment

Energy efficiency of operations

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

- Replacement of plant illumination with high efficiency LED lighting and motion sensors for automated operation
- Optimization of paint shops through condensing their operation to less hours of usage and installing higher efficiency machines
- Installation of lower energy consumption machines in high consuming areas of the manufacturing process e.g. metal processing
- Advancement of leakage detection systems e.g. in water, air, refrigerants
- Automation of heating and ventilation systems in the shop floor

Also on the product side we have made extended efforts to optimize the design, standardize the parts, reduce the weight of materials and packaging e.g. pallets. Those actions led mainly to reduction of material use, better warehouse arrangements and space usage optimization as well as more efficient logistics.

Apart from the regular investment we do every year in "green IT" systems in 2018 we initiated a bigger program extending through the Group ICM business and targeting improvement of our efficiencies in the internal processes along the value chain, from customer order to product delivery. That includes the areas of planning, raw material and final product transportation, warehousing and production. We expect this program to have a sizable positive impact on energy and emissions reduction within the products' lifecycle.

In 2018 we obtained again a "CO2 reduction certificate" in our ROM plant as partner in the "Green transport" program, aiming to substitute road transport with rail or sea or combination of different modes of transport. The certificate shows that we achieved more than double CO2 emissions reduction versus 2017.



Environmental protection expenditures

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

Certification of production

We are constantly looking for ways to reduce our impact on the environment whilst optimizing our performance.

In our on-going effort to manage our environmental responsibilities and as part of our environmental management system, over 85% of our operation facilities were certified as per ISO14001 in 2018, compared to 75% in the year before. Our plan remains for all facilities to be certified by 2019.



Environment

Resource management and efficiency

Materials management in Cool operations

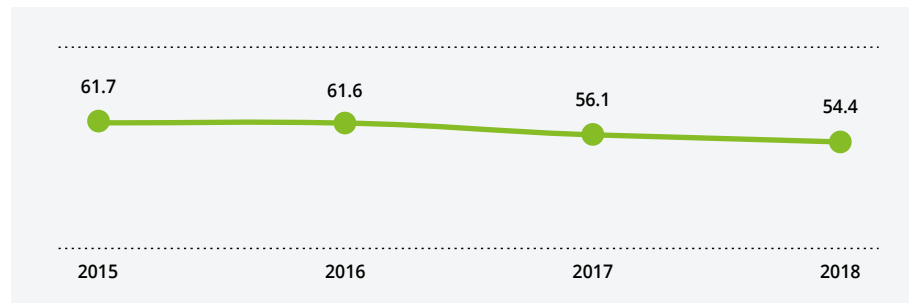
At Frigoglass, we recognized that our ICM operations are material-intensive. We have been monitoring and reporting on our material use since 2010 with the objective of maintaining the rates of material consumption over produced volume at low levels, despite varying product mix.

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

The evolution of our material consumption demonstrates the payoff of our strategies, with steady year by year reduction of the materials used per ICM standard unit sale. Specifically for 2018 we managed to reduce material intensity by a further 3% compared to 2017.

Materials efficiency in Cool operations:

Kg of materials used over Standard Units produced



Tonnes of materials used in Cool operations

Metals

	2016	2017	2018
Europe	10,066	13,106	14,619
Asia	6,330	6,012	5,250
Africa	2,127	1,743	1,977
Total	18,523	20,861	21,846

Plastic

	2016	2017	2018
Europe	1,105	1,438	2,399
Asia	2,490	2,311	1,327
Africa	163	120	0
Total	3,758	3,869	3,726

Insulation

	2016	2017	2018
Europe	1,196	2,288	1,913
Asia	624	633	731
Africa	320	238	340,5
Total	2,140	3,159	2,984

Glass

	2016	2017	2018
Europe	3,996	5,233	5,275
Asia	1,647	1,552	1,147
Africa	602	498	971
Total	6,245	7,283	7,392

Refrigerants

	2016	2017	2018
Europe	37	42	25
Asia	32	24	26
Africa	14	4	3,159
Total	83	70	54

Paint

	2016	2017	2018
Europe	100	81	87
Asia	41	34	19
Africa	12	5	1,86
Total	153	120	108

Materials management in Glass operations

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

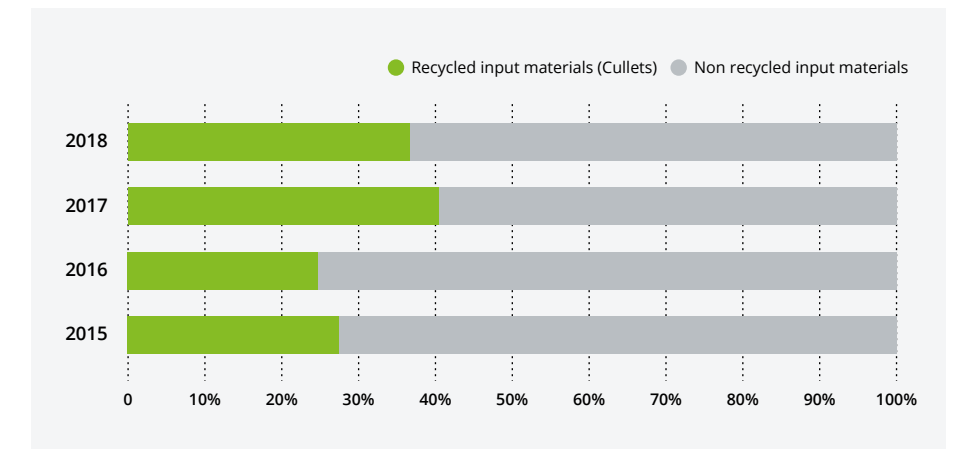
Water consumption management

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

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

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

Proportion of recycled materials in glass operations



Tonnes of materials used in Glass operations

Silica Sand

	2016	2017	2018
Asia	51,952	33,895	0
Africa	84,517	73,859	89,722
Total	136,469	107,754	89,722

Soda Ash

	2016	2017	2018
Asia	17,765	12,071	0
Africa	22,765	19,037	23,642
Total	40,530	31,108	23,642

Other

	2016	2017	2018
Asia	8,638	6,996	0
Africa	5,002	4,667	5,577
Total	13,640	11,663	5,577

Cullet

	2016	2017	2018
Asia	8,484	37,265	0
Africa	65,294	83,588	82,869
Total	73,778	120,853	82,869

Limestone Powder

	2016	2017	2018
Asia	12,850	8,923	0
Africa	20,988	17,620	21,978
Total	33,838	26,543	21,978

Environment

Waste management and control

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

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

In 2018, general waste was increased due to the increase in production and progress towards improving our waste intensity was slower in relation to 2017, however still lower than 2016 levels. In terms of recycling levels, we are on track with our goal to recycle 90% of our waste by 2020, achieving an 87.9% rate in 2018.

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

In 2018, we continued to limit the generation of hazardous waste associated with our production activities (at similar levels with 2017), while an additional 30.2 tonnes are attributed to the disposal of obsolete stock.

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

Tonnes of general waste generated in Cool operations

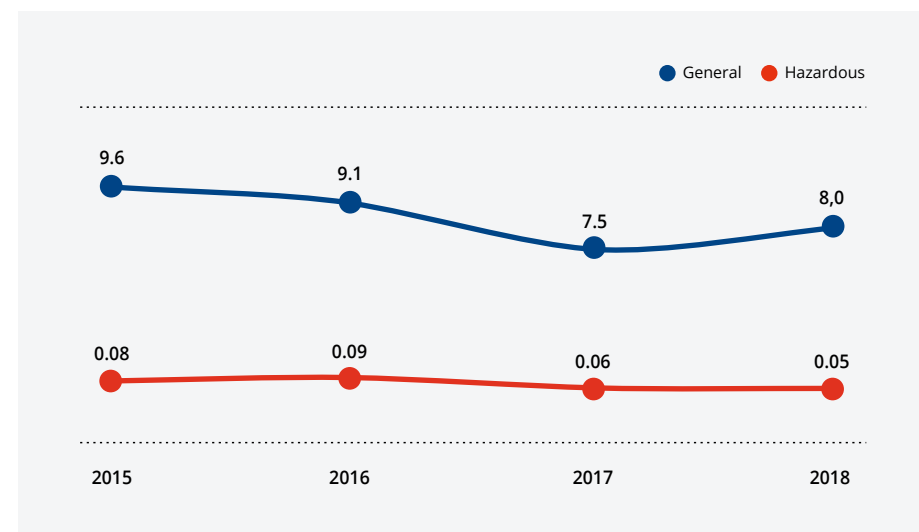
Tonnes	2014	2015	2016	2017	2018
General waste	4,585	5,668	4,554	4,721	5,327
Recycled general waste	2,767	4,848	4,022	4,043	4,681
% of recycled general waste	60.3%	85.5%	88.3%	85.6%	87.9%

Tonnes of hazardous waste generated in Cool operations

Tonnes	2014	2015	2016	2017	2018
Hazardous waste	65	45.7	43.2	34.8	34.8*
% change		-29.7%	-5.4%	-19.4%	0.0%

* Accounting only for hazardous waste associated with production activities

Kg of waste generated over ICM Standard Units produced



Environment

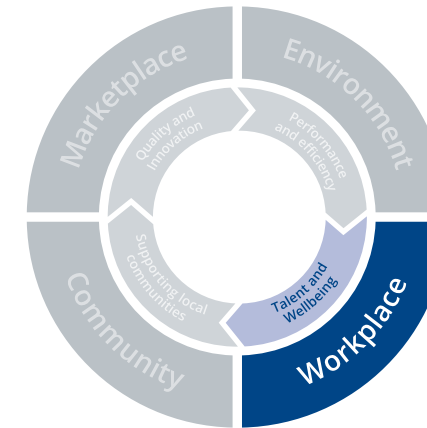
Commitments and targets

Commitment	Target	Progress in 2018	Status
Reduction of average energy consumption of Frigoglass ICM fleet vs. 2013 levels	Over 30% by 2022	28%	➔
Maintain low level of emissions intensity in Cool operations	Below 0.05	0.041	🔄
Maintain low level of emissions intensity in Glass operations	Below 0.5	0.127	🔄
Maintain low level of energy intensity in Cool operations	Below 0.08	0.06	🔄
Maintain low level of energy intensity in Glass operations	Below 0.7*	0.29	🔄
ISO14001 certification of operation sites	100% by 2019	Over 85%	➔
Increase share of recycled general waste in Cool operations	Over 90% by 2020	87.9%	➔

* Revised upon Jebel Ali business divestment

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

Workplace



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

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

The following table refers to Frigoglass permanent employees in operational sites and Head Offices for 2016 to 2018 (not including seasonal staff).

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

In 2018, Frigoglass Greece (Head Office & KA plant) and Frigoglass India were certified with the SA8000 Social Responsibility Standard. It is worth mentioning that zero (0) non-conformities occurred and we achieved a very high score (4.2/5).

Last year, Frigoglass Greece was also certified with ISO27001, the international standard for information security management systems.

Material issues:

- Workplace health and safety
- Diversity and equal opportunities
- Labour practices and human rights
- Employee satisfaction and wellbeing
- Training and development

Strategic priorities:

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

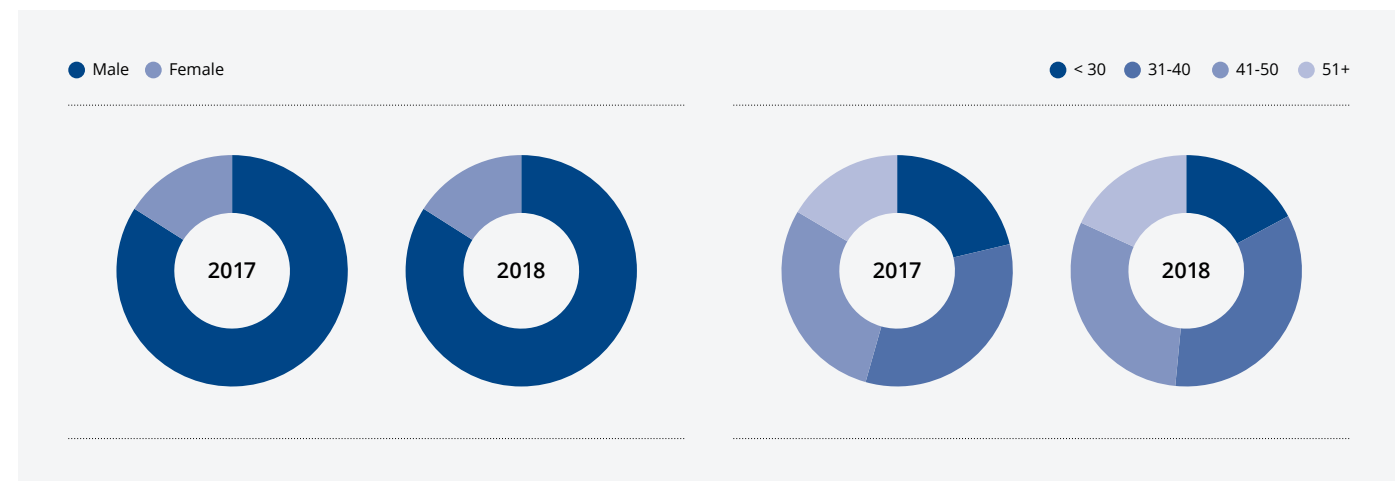
Related SDGs:



Workplace

	Permanent employees			Composition					
				Managerial			Non-managerial		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Head offices	105	75	77	53	43	44	52	32	33
Nigeria	817	737	737	82	76	78	735	661	659
Dubai	330	309	-	26	22	-	304	287	-
India	240	235	232	21	18	14	219	217	218
Indonesia	249	247	175	10	10	10	239	237	165
Greece	99	98	97	11	11	11	88	87	87
Romania	841	1,348	1,129	19	19	19	822	1,329	1,110
Russia	740	717	624	13	17	18	727	700	606
South Africa	285	337	279	11	23	7	274	314	272
Total	3,706	4,103	3,350	246	239	201	3,460	3,864	3,150

We are always looking for ways to attract qualified personnel, to respect their aspirations and we remain committed to their continued professional growth. The data below reports on the diversity of our people for 2018:



	Gender			
	2017		2018	
	Male	Female	Male	Female
Head offices	47	28	49	28
Nigeria	715	22	716	21
Dubai	307	2	-	-
India	232	3	228	4
Indonesia	212	35	148	27
Greece	89	9	88	10
Romania	956	392	799	330
Russia	623	94	542	82
South Africa	265	72	230	49
Total	3,446 84%	657 16%	2800 84%	551 16%

	Age group							
	2017				2018			
	<30	31-40	41-50	>51	<30	31-40	41-50	>51
Head offices	4	24	32	15	3	25	34	15
Nigeria	43	172	290	232	26	179	270	262
Dubai	55	101	96	57	-	-	-	-
India	49	126	57	3	45	116	62	9
Indonesia	55	148	43	1	25	100	48	2
Greece	0	6	51	41	-	7	46	45
Romania	415	343	382	208	332	318	327	152
Russia	177	301	158	81	105	282	144	93
South Africa	76	136	86	39	43	118	85	33
Total	874 21%	1,357 33%	1,195 29%	677 17%	579 17%	1,145 34%	1,016 30%	611 18%

Workplace

Labour practices and human rights

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

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

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

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

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

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

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



Workplace

Diversity and equal opportunity

We aim to foster an inclusive environment where our people can meet and exceed their expectations, regardless of race, gender, or socioeconomic background, and conversely benefit from diversity to deliver the highest value to our stakeholders.

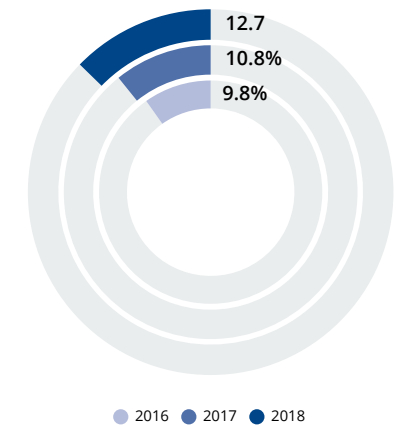
Diversity and inclusion are a vital part of our corporate culture. During the recruitment process, we undertake a number of steps to ensure workforce diversity without any form of discrimination based on gender identity, ethnicity, national origin, age, disability, marital status or any other characteristics protected by law. We do not tolerate any form of harassment, abuse or exploitation.

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

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

Frigoglass is committed to promoting gender diversity and equality in the workplace. We strive to provide equal job and advancement opportunities for men and women in our operations. Our goal is to become more gender balanced and gradually increase the representation of women in leadership positions. The table demonstrates our progress towards gender diversity in leadership positions with steady year by year increase of female representation, reaching 12,7% in 2018.

Female representation in governance bodies



	Governance bodies composition					
	2016		2017		2018	
	Male	Female	Male	Female	Male	Female
Head offices	7	0	43	0	6	0
Nigeria	76	6	68	8	72	6
Dubai	7	1	5	0	-	-
India	6	1	15	3	14	0
Indonesia	3	1	6	4	6	4
Greece	3	1	11	0	10	0
Romania	5	1	16	3	14	5
Russia	6	1	14	3	14	4
South Africa	7	1	20	3	9	2
Total	120 90.2%	13 9.8%	198 89.2%	24 10.8%	145 87,3%	21 12,7%

Workplace

Occupational health and safety

Occupational health and safety have always been a top priority for Frigoglass.

Our manufacturing operations are part of the heavy industry and consequently the work environment and several production processes in our facilities hold potential risks.

At Frigoglass, we aim to maintain high level of safety across the business whilst consistently improving our safety culture. It is of utmost importance to ensure that all employees and subcontractors working on our premises are aware of the hazards and potential risks, and always comply with safety standards and regulations. In this respect, at Frigoglass we:

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

We are committed to keeping workplace accidents at zero levels by applying and implementing various structural and technical measures, as well as conducting risk assessments on our facilities and

equipment. More specifically, risk assessments are conducted on a periodic basis in order to promptly identify and mitigate potential hazards. They include the following steps:

- Identify and record potential hazards
- Identification of groups of employees exposed to those hazards
- Evaluation of the severity of hazards
- Identify measures to mitigate risk
- Implement corresponding measures
- Re-evaluate and revise previously conducted risk assessment

All our plants operate according to concrete and comprehensive safety plans, which are subject to a strict approval process. To ensure the desired results, we monitor the accident frequency rates for all our plants and we are constantly working towards minimising them.

In 2018, 75% of our operational sites have been certified per OHSAS 18001. In line with our commitment to workplace health and safety, we target to obtain OHSAS 18001 certification for all the remaining plants by 2020. In all our plants we also implement a concrete and comprehensive safety management system, which is subject to strict approval processes. As part of this system, we closely monitor the accident frequency rates in all our plants and we are constantly working towards minimising them.

In 2018 injury and absenteeism rates per 1000 hours of work were 0,58% and 0,68% respectively compared to 0,62% and 0,31% in 2017.



Workplace

Employee training and career development



At Frigoglass we recognize the importance of employee training and development. We continuously try to provide our people with opportunities to grow professionally and resources to advance their career.

The company ensures that all employees are equipped with the right mix of knowledge, skills and abilities to fulfil their job requirements.

Frigoglass systematically invests in employee training, providing a wide range of training opportunities. We view employee training and development as an essential element of our success, as it effectively aligns action with objectives.

The company puts emphasis on the development of technical skills and is committed to supporting employee professional advancement.

We also provide training on ethical issues, such as anti-corruption, anti-competitive behaviour and human rights, which aim at further promoting an equal and fair working environment. The average hours of recorded training per employee in 2018 amounted to 22,6.

2018 was the second year of operation of the "Frigoglass Academy", the online platform that provides a wide range of training courses to our people. The program addresses all our permanent employees with computer access and in the following years will also cover those currently lacking access.

The program offers extensive training on our Code of Business Conduct, Values and core operating policies i.e. Human Rights, Labor, Environment, Speak-up and Health & Safety.

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

Workplace

Employee satisfaction

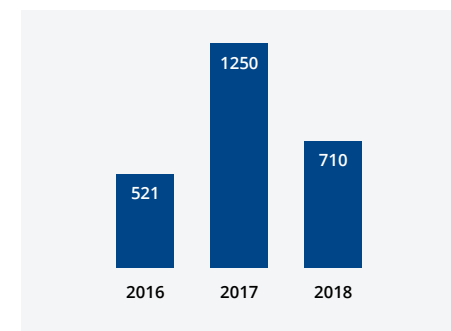
Creating value for our customers and communities begins with building and maintaining strong relationships with our people.

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

Employee turnover



New employee hires



The employee turnover and new hires for 2018 are presented in the tables below. The numbers are affected by each year's changes in production shifts.

	Employee turnover					
	2016		2017		2018	
	Voluntary	Total	Voluntary	Total	Voluntary	Total
Head offices	13	20	6	16	3	12
Nigeria	264	578	30	44	31	44
Dubai	26	30	31	38	-	-
India	14	19	19	19	23	19
Indonesia	0	0	0	2	5	5
Greece	0	0	0	0	0	2
Romania	85	324	88	640	247	820
Russia	31	31	30	36	49	106
South Africa	19	23	20	21	37	17
Total	452	1,028	224	816	395	1025

	New hires					
	2016		2017		2018	
	Number	%	Number	%	Number	%
Head offices	13	12.4	20	26.7	10	13
Nigeria	44	5.4	32	4.3	27	3,7
Dubai	23	7	15	4.9	-	-
India	13	5.4	16	6.8	21	9,1
Indonesia	11	4.4	0	0	4	2,3
Greece	0	0	1	1	0	0
Romania	319	37.9	1,130*	106.8	602*	53,3
Russia	47	6.4	16	2.2	9	1,4
South Africa	50	17.7	20	5.9	37	13,3
Total	521	14.1	1,250	30.5	710	21

Workplace

Commitments and targets

Commitment	Target	Progress in 2018	Status
Maintain zero grievances about discrimination	Zero	Zero	🔄
Reduce injury rate	Below 0.5%	0.58%	🔄
OHSAS18001 certification of operational sites	100% by 2020	75%	➔
Successful pass of Frigoglass Academy program and testing by our permanent employees	100% of permanent employees	100%	🔄

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



Community



Supporting local communities

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

We have a long-standing tradition in supporting local communities, either directly through donations or by making in-kind investments in the local infrastructure. As part of our community investment strategy, every year we donate coolers to charity organizations and support local schools with infrastructure improvements.

Our commitment is further highlighted by the in-kind investments we make every year in the area of our Nigerian plant, whereby we annually pledge 30,000 to 40,000 Euros contributing to the construction of classroom blocks, community town hall renovations as well as the purchase of market stalls and school desks.

In Greece, where our headquarters are located, we continued the successful initiative "Cool for Good" for fifth year in a row, donating beverage coolers to charity organizations and nonprofit institutions, and supported hundreds of people in need.

Frigoglass Romania has implemented a CSR program with strong impact on the local community.

The CSR program has enabled our company to support its mission within the communities where we work and live, helping to improve lives around us. During 2018, we sponsored infrastructure projects for schools of Ciacova and neighboring villages, which included the endowment of the first aid office of Ciacova High School and the construction of bathrooms for the Petroman Primary School. We also offered basic sports equipment to six schools of the greater area, contributing to the health and wellness of hundreds of students. Frigoglass family is proud to be part of such projects that bring smile and happiness to children.

Last but not least, at Frigoglass we also make significant efforts towards employing staff from the local community in which we operate in. Above 90% of our workforce is of local origin and all employment contracts offer wages above local average.

Also in our procurement strategy we do a significant effort to support local companies. Collectively as a Group over 40% of all our suppliers worldwide in 2018 are of local origin and we are planning to at least maintain these levels for 2019.

Material issues:

- Supporting local communities
- Community relations and engagement

Strategic priorities:

- ✓ Hiring local workforce
- ✓ Supporting local suppliers
- ✓ Investing in local communities

Related SDGs:



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United Nations Global Compact

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	102-47 List of material topics	Materiality analysis	32	●		
	102-48 Restatements of information	There have been no restatements in this year's report				
	102-49 Changes in reporting	About this report	6	●		
	102-50 Reporting period	About this report	6	●		
	102-51 Date of most recent report	Frigoglass Sustainability report 2017		●		
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	102-53 Contact point for questions regarding the report	Contact information	102	●		
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Contact information

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