



2015 GROUP SUSTAINABLE DEVELOPMENT REPORT





“Sustainability
is about ecology,
economy and equity”

Ralph Bicknese



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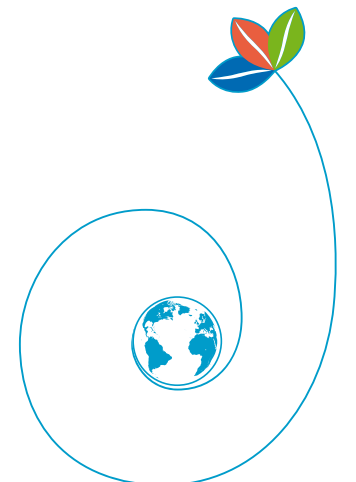
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MESSAGE FROM THE CHAIRMAN



Marco Giovannini
Chairman & Chief Executive Officer

In Guala Closures first report published 5 years ago, I announced the decision to commit the Group to a path of sustainable development.

Our objective was to strengthen and enhance our international leadership in the closure market, investing in the excellence of our products, innovation and human capital.

Thus integrating into all our processes and culture the fundamental decision to focus on the environment.

We set environmental, social and economic objectives to be achieved by the end of 2015 and the results are encouraging.

We have already done a lot, but there is much more to be done to maintain our leadership and continue to grow virtuously and responsibly.

In our journey to achieving excellence, the 5 year programme presented in this report now involves the entire Group, the collective effort of 4000 people who with their passion and determination are strengthening our position today and building our future, and to whom I extend my deepest gratitude.

Ad maiora semper!

MESSAGE FROM
THE GROUP CHIEF OPERATING OFFICER



Franco Bove
Group Chief Operating Officer

With this fifth Report we conclude our first Sustainability Programme and present the new Programme 2016-2020. On these pages (p. 122 to 126) you will find the 2011-2015 Programme results,

quite positive both in terms of reaching our objectives, but also for our “**Best Practices**” which we had resolved to implement and for the promotion of our **internal sustainability culture**.

However, in this report we want to mainly talk about the future with special emphasis on the actions of the entire Group.

In 2011, we set 12 indicators and 23 objectives, considering primarily the Italian operations (10 indicators out of 12), but with the aim to expand it internationally. The internationalisation process of the sustainability policies had already started in 2014 with two strategically important shared objectives on a global level:

- **Calculation of carbon footprint**, according to **GHG Protocol**, of all Guala Closures Plants (Scope I-II 2014-2015, certified by Bureau Veritas),
- Implementation of **new monthly KPIs: environmental and social, energy consumption, waste production, water drawing, accidents and welfare**. During that period, we also developed a **management system** and an holistic **efficient measuring system** for our “sustainable” KPIs, providing effective management tools for all our business affiliates.

These KPIs and the data collected in **2014** and **2015** are the platform for the 2016-2020 Sustainability Programme, established entirely at Group level. In order to expand upon it, we have set in motion a **process of sharing** and **consultation** with our main Stakeholders, both local and international, and we will apply the **GRI-G4** standard in our next Report.

The objectives illustrated on pages 52 to 75 have been selected on one hand, considering experience gained in the first five years, and on the other, adapting certain indicators within an international context. They represent the minimum level to be reached and can be revised during the course of the Programme.

Among the environmental objectives, we consider **CO₂ emissions, energy consumption** and **waste reduction** to be of fundamental importance. We are aiming for **ISO 14001** environmental certification as well as that which certifies food safety **ISO 22000** for all the Group’s plants.

The success factors are the same as those we have applied in the past years (see Best Practices Video): involvement of **Management** and **employees, defining quantitative and measurable objectives, internal training** and **communication**, and naturally, the **Annual Report** which, in an official and transparent manner, will account for all activities and results obtained.

I would like to take the opportunity to thank all the people who have contributed to the success of the first Sustainability Programme and the publication of this Report, as well as sending the invitation to all people within the Guala Closures world, in all countries, to commit themselves to do good and do their jobs in the most sustainable way possible, involving our **customers** and **supply partners**.

This is the only way we will succeed in guaranteeing a long life to our company as well as reaching the ambitious objectives expected of us.



COMPANY OVERVIEW
KEY FIGURES



Sales network
in over **100** Countries

520,5 mln
Turnover 2015
€

14 bn
Closures sold
in 2015

19 Countries
26 Production plants

GUALA CLOSURES GROUP
Updated to **December 31 2015**

Over **80** patents

3,996
Employees worldwide

6 Product Categories

5 Research and development centres

COMPANY OVERVIEW

GUALA CLOSURES GROUP WORLDWIDE

GCL Holdings S.C.A.

Europe **Luxembourg** Holding Headquarters

Closures Production

Europe

- Italy** Basaluzzo • Magenta
Spinetta Marengo • Termoli
- Bulgaria** Kazanlak
- Poland** Wloclawek
- Spain** Jerez de la Frontera • Olerdola
- Ukraine** Sumy
- United Kingdom** Broomhill • Kirkintilloch

North America **California** Fairfield

South America

- Argentina** Chivilcoy
- Brazil** Sao Paolo
- Chile** Santiago de Chile
- Colombia** Bogotà
- Mexico** San José Iturbide

Oceania

- Australia** Acacia Ridge • Braybrook
- New Zealand** Auckland

Asia

- China** Beijing
- India** Ahmedabad • Daman • Goa

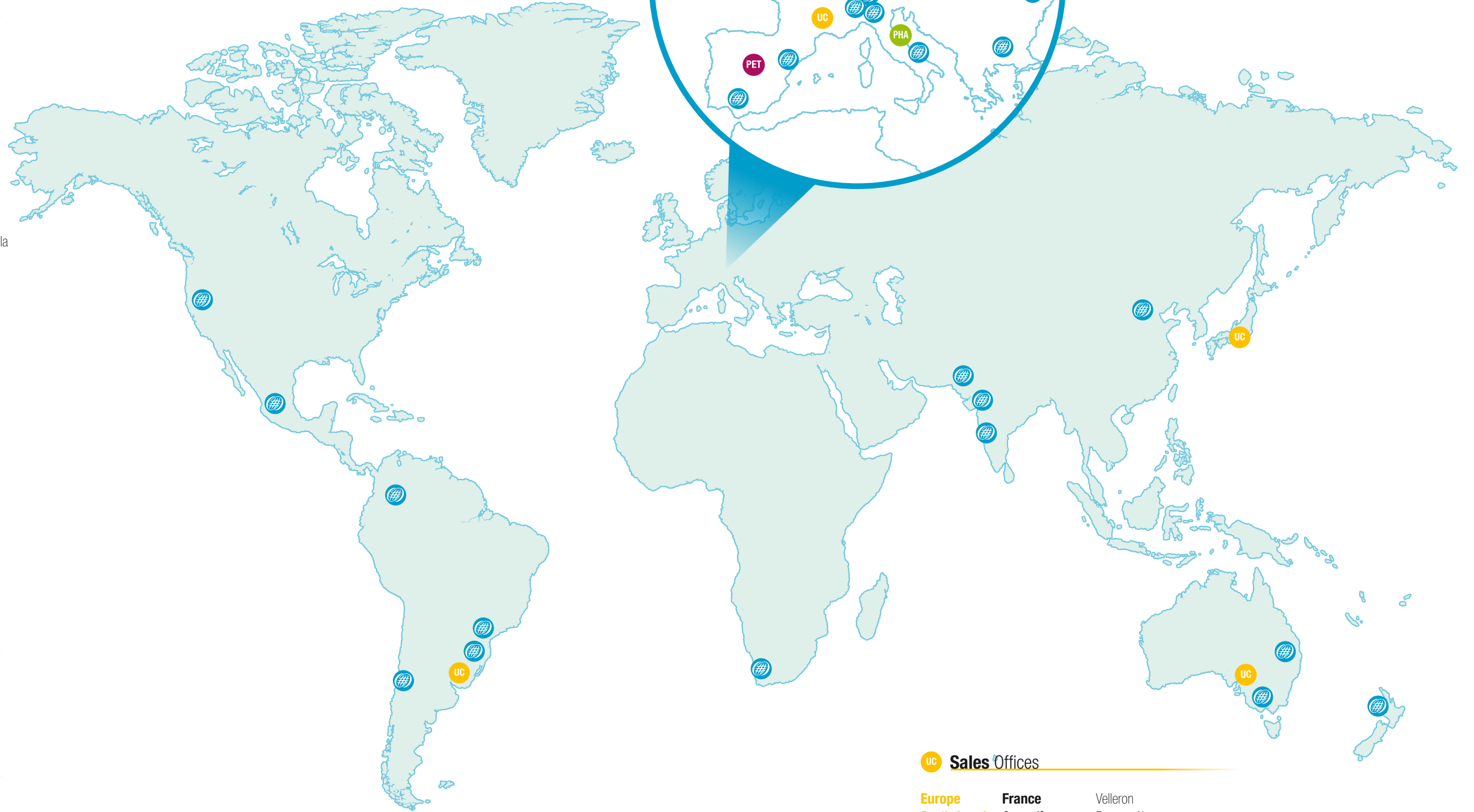
Africa **South Africa** Cape Town

Pharma Production

Europe **Italy** Vasto

PET Production

Europe **Spain** Alcalà de Henares



Sales Offices

Europe **France** Velleron

South America **Argentina** Buenos Aires

Oceania **Australia** North Adelaide

Asia **Japan** Tokyo



COMPANY OVERVIEW
MISSION AND VALUES

EXCELLENCE
INNOVATION
SUSTAINABILITY



We manufacture closures that are able to **protect** and **enhance** our Customers' products.

We continuously develop **Research, Innovation** and **Quality** to anticipate market expectations and those of our partners and Customers.

We have achieved **international leadership**, which we will continue to develop, thanks to our **vision**, safeguarding product quality and product safety all in the interest of consumers and producers. Safety is guaranteed by our counterfeit-proof closures.

We pursue our mission by applying an **accountability** policy for our stakeholders by taking concrete action based on the following **values**:



"Protect your quality. Create your value"

COMPANY OVERVIEW
OUR STORY BEGAN IN 1954



Guala is Founded for the production of plastic components



Marco Giovannini is at the helm



Guala Closures Group is established and sponsored by private investors



The **Aluminum Division** is established

Guala Closures North America Inc. is established to sell products on the US and Canadian markets

Guala Closures is listed on the stock market: **22 November 2005**



The **new production plant** is inaugurated at **Spinetta Marengo HQ**



The **Pharma division** is established with head office in **Vasto**



Guala Closures Group celebrates **15 years** in the business and **60 years** in the business for the **Guala Group**



GCG present at EXPO Milan



Opening **Guala Closures DESIGN STUDIO Italia** at **Basaluzzo**

1954

1960

1998

2000

2003

2004

2005

2006

2007

2008

2009

2010/11

2012

2014

2015

...→

The **first patented models** of **non-refillable** closures are produced



After Spain, Mexico, Brazil, Colombia and India, international expansion continues into **Argentina, China** and **Russia**

Global Cap SpA is acquired
Guala Closures Group now has **21 production plants** worldwide

New sales offices are opened in **North America** and **France**, and new production plants in **New Zealand** and **Australia**

Acquisition of the **Technologia Closures** plant in the **Ukraine**
Guala Closures exits the **Italian stock market**

Eastern Europe expansion: Guala Closures acquisition of **Danik** and **DGS Bulgaria** and **Poland**

Acquisition of **Metalprint in Magenta** (Italy), Degreasing, cutting, and lithography plant

Acquisition **Metal Closures Industries** in **South Africa**

Inauguration of the **first production plant** in **Fairfield, California**, featuring modern and avant-garde **Design Studio**

New offices and HQ in **Luxembourg**

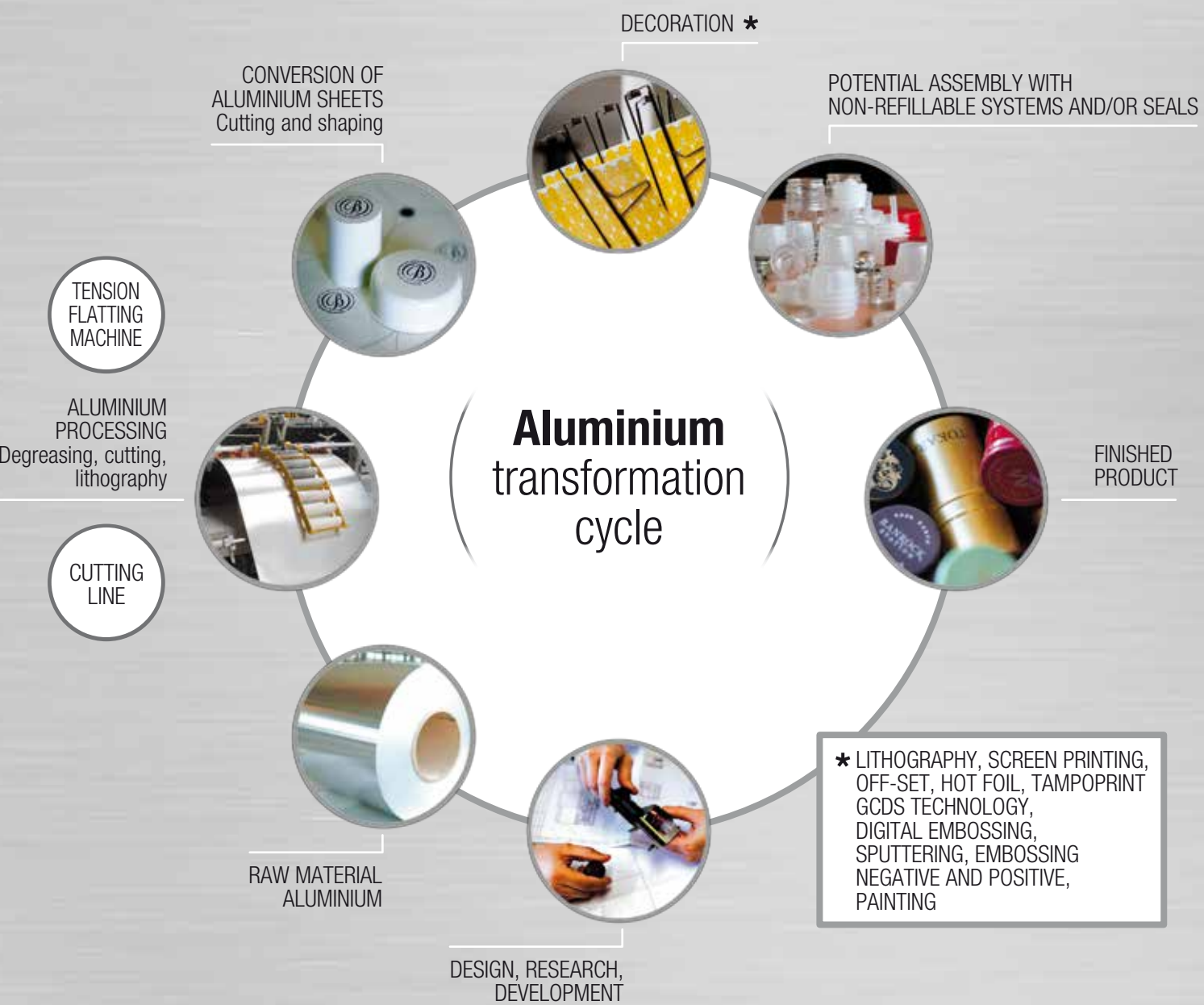
New plant opening in **Santiago de Chile**



COMPANY OVERVIEW
PRODUCTION PROCESSES

Guala Closures is leader in the closure production market, with **over 14 billion** units produced per year. The **two main transformation processes** applied by Guala Closures are characterised by the raw materials used: **aluminium** and **plastic**.

The main categories of closures are produced from these processes: **Safety, Roll On** and **Luxury**. The combination of aluminium and plastic processes are being used more frequently in order to obtain the maximum potential from both.



COMPANY OVERVIEW TECHNOLOGIES

The Group invests in **cutting-edge technology** and **production processes** both in terms of quality and environmental impact.

The Magenta Plant



The Italian production plant in Magenta plays an important strategic role in the production of aluminium closures in that it supplies alone **56%** of the aluminium sheets used by the Group each year: **in 5.5 of the week's working days, it is capable of cutting 15,000 tons of aluminium throughout the year.**



The plant uses the latest cutting-edge technology available on the market for the **pre-treatment of the aluminium coils** and thus is able to produce the highest quality sheets **without using chrome.**

At the same time, Magenta uses a system which **recovers and neutralizes the acids produced during the degreasing process**, reducing the environmental impact even more (waste, water consumption, and energy).

Design Division, Innovation and Quality



The Group's "Research, Development and Innovation" division is working to achieve a **flexible automation system**, to be used for the smaller scale production where there is no sense in developing a specific production line.

The reason is to allow for small and quick changes to the flexible automated production line, in order to satisfy diverse production needs, optimizing costs and production time and guaranteeing environmental benefits in terms of: less space utilized, lower consumption, a lower turnover in machinery, thus, a reduction in raw materials.

In 2016 a prototype will be developed for the new flexible automation system.



Introducing Metal Sputtering Technology



Over the past few years the Group has invested in metal "**sputtering technology**" which allows closures to be decorated by a thin pure metal coating or a metal coating in a specific colour.

The process developed by Guala Closures consumes less uv coatings and results in very low atmospheric emissions.

The process is under constant development and now uses a very low level of **solvents.**



In addition to the initial sputtering lines introduced to the Group, in **2015 3 further lines** have been set up in **Italy, Mexico** and the **Ukraine.**

Guala Closures' aim is to roll out this technology across the Group.

Design Studio



GCDS technology, developed by Guala Closures engineers, combines **digital printing, plasma** and **UV technology** for the application of color, logos, and customisable graphics on aluminium closures. This is the first time that such techniques have been used on **cylindrical and moulded surfaces.**

This type of manufacturing is applicable to the quantities of any size lot, **even just 1,000 units**, catering to the needs of smaller wine producers and/or to customers who request small-scale quantities for special events or special editions, reducing costs and maximising the customisation potential of the product.

The first plant equipped with Design Studio technology was inaugurated in **Fairfield, California** in 2014. Since 2015, Design Studio has also been in Italy, thanks to the installation of a digital printing machine in the **Basaluzzo** plant.



**COMPANY OVERVIEW
PRODUCTS**



Guala Closures safety closures help to combat the increasingly common problem of drink counterfeiting. This illegal phenomenon impacts all countries worldwide, it consists of the **refilling and substitution of the original product**, causing not only enormous economic damage to the company, but above all it is of serious risk to the health and safety of consumers.

As **world leader** in the production of safety closures, Guala closures prides itself in its consolidated expertise thanks to continuous research in solutions and technology, designed to:

Prevent refilling of bottles with counterfeit by using **NON-REFILLABLE SYSTEMS**

Ensuring **SECURE ATTACHMENT** of the closure to the bottle: **CAPPING SYSTEMS** (snap-on, screw-on, roll-on)

Identify any potential opening of a bottle: **TAMPER-EVIDENT SYSTEMS AND SMART PACKAGING**

NON-REFILLABLE SYSTEMS
A series of internal valve systems of varying complexity dependent on market need prevent the bottle from being re-filled and the original product replaced with the counterfeit version.

CAPPING SYSTEMS
Guarantee that the closure is **SECURED** to the bottle.

"Roll-on"
The aluminium closure is rolled on the glass with specific rollers which form the aluminium to the exact shape of the glass.

"Snap-on"
The closure is secured by vertical pressure.

"Screw-on"
The closure is screwed on.

TAMPER-EVIDENT SYSTEMS
Different types of Tamper-Evident systems are available to enable the consumer to see if the bottle has been opened.

SMART PACKAGING
Highly sophisticated systems, such as Laser applications, microchips, matrix data codes, RFID, NFC provide information on the product and its traceability by interacting with the final consumer.

External
Internal
Cork T.E.
Breakage bridges
Tear-off
Indicator

NEW IN 2015

"BIKINI" CLOSURE
Bikini is a plastic closure composed of two parts. It is available in the OP (open pourer) or NR (non refillable) versions, using the in-bore system, and is Tamper Evident equipped. Bikini is particular in that it can be customized: the two parts of which it is composed come in different colors and the finishing can either be shiny or opaque, even metallic. Especially interesting is the bas-relief on the top through which the underlay can be seen. Thus, the possibility to display the different chromatic effects by changing each components.

NEW IN 2015

"SUNRISE" CLOSURE
The tear off Tamper Evident System lets the consumer interact with the closure and at the same time check potential tampering with the bottle; also, to avoid refilling with other liquids, the Sunrise Closure is provided with an internal valve. The closure is also distinguished by its captivating design, obtained thanks to the use of techniques such as hot foil and silk-screen print on the top and side of the closure.

Smart and Sustainable Design

During the production of safety closures for customers who sell their products in different geographic locations, it is necessary to consider the various levels of safety measures required by local regulations with respect to **counterfeiting**.

Guala Closures offers a design which is easily adaptable just by adding a few parts, even in markets with the strictest regulations, such that there is no need to either alter the bottle itself, nor the machinery used in the production of the various models, with **obvious economic** and **environmental benefits**.



Roll On* Closures



Number on in the World, Guala Closures produces around **8,6 billion** aluminium closures a year; from the simplest screwcap to the more complex versions equipped with components in different materials with particular aesthetic or safety features.

The company provides customisable products using the most advanced decoration techniques such as: **lithography, hot-foil, relief or bas-relief punching**, which bring together **design, high quality** and **innovation**.

The Recyclability of Aluminium

Aluminium is a material that has excellent **quality** and **sustainability** features.

On the one hand it preserves and protects the bottle contents, such as taste, aroma and quality; on the other it preserves the product itself after it has been opened.

At the same time, aluminium can be **recycled continuously without losing** either its **characteristics or features**.

The various recycling processes require about **95% less energy** compared to its original production.

Today, the percentage of recovery and recycling of aluminium in Europe is at an average of 45%, and depending on local collection systems, treatment, and recycling of waste, it can reach a peak of up to 85%.

In many countries aluminium is collected together with glass, since both materials are often used together in different types of packaging (for example in wine bottles, jam jars, etc) and after which, they are separated and re-cycled individually.

* or **Standard** Closures



Wine Developers

Under the Wine Developers trademark, Guala Closures presents a global supply which includes the widest range of **wine closures**, and an endless number of **decorations**. A **trio of new ORT** (Oxygen Transmission Rate) liners has been introduced for improved control of quality, performance and sustainability.

The **new liners** have already been used by certain French customers, who have found the product performance to be very good.



Guala Closures is able to offer closures which meet various permeability needs, therefore guaranteeing the desired evolution of each type of wine after bottling.

The production quality of the new range of liners is guaranteed by completely traceable raw materials, approved by the **European Union** and by the **American Food and Drug Administration**.

Wine Developers promotes an **eco-responsible** approach, due to the replacement of **tin** with **aluminium**, a **highly recyclable material**.

To discover all the benefits of aluminium screwcaps:
www.winedevelopers.com



Luxury* Closures



Guala Closures is a global benchmark for the production of premium closures for an extensive range of products such as: whisky, vodka, tequila and important wine labels etc.

This position has been established by a sustained research effort on materials and decoration techniques.

Guala Closures distinguishes itself primarily as a **partner to its customers** in the conception and creation of their projects, accompanying them every step of the way, providing solutions, materials and state of the art techniques.

NEW IN 2015

"MATERIAL EFFECTS"

Using the latest trends in decorating, Guala Closures wanted to recreate an illusion of natural materials for its closures.



Based on this concept, the new closure "marble effect" was conceived for Johnnie Walker XR, exploiting masterbatch features (granules made of plastic material) and to establish a random fusion of materials to create a unique aesthetic impact. This outer section of the closure is assembled to a metallised Gravitas (heavy weight dense plastic) core giving the product weight and a cold to touch finish. Gravitas materials add a distinctive sense of value to the appearance of customer products.

NEW IN 2015

"3D EMBOSING"

Innovative printing system which combines the flexibility of digital printing with the high value-added impact of metal sputtering.



It is possible to decorate quality closures in plastic and aluminium with an embossing tactile effect and a shiny or opaque metallic finish. Initially through the use of an ink-jet printer a series of layers are deposited on the parts to be decorated which then undergo polymerization using UV light. These layers provide a tridimensional texture to the surface which can be customized as per customer request. In the following phase, a metal layer of a few nanometers is deposited on the parts, enough to add a "mirror-like" finish. Finally, a spray coating is applied for mechanical strength and decoration durability. This system has made it possible to combine the production of parts with a high aesthetical and decorative impact using techniques of low environmental impact.

* or **Decorative** Closures



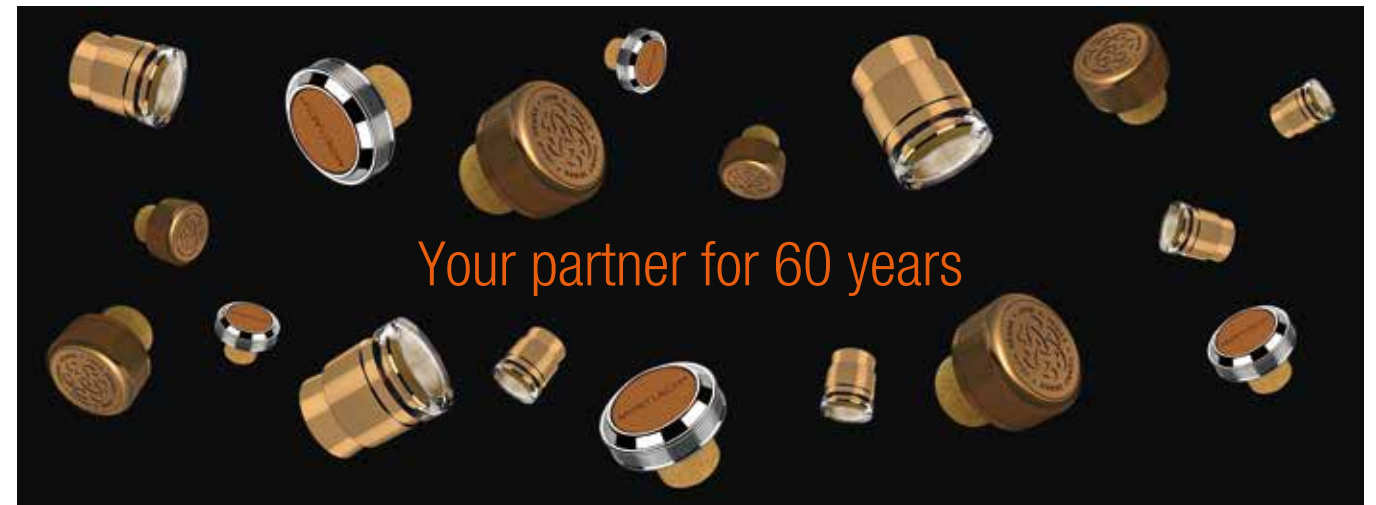
The process of Metallic Sputtering



Sputtering is considered to be the most innovative and the most environmentally sensitive process for applying films of metallic layers to aluminium and plastic.

The Process is very flexible and stable and allows layers of varying thickness to be deposited to realise a number of optical decorative finishes.

The metal coating adheres very securely to plastic and aluminium surfaces and is given scratch resistance by the application of robust uv coatings.



Your partner for 60 years

COMPANY OVERVIEW MARKETS

Guala Closures products are manufactured and distributed worldwide and cover 6 product categories: **Spirits, Wine, Water and beverages, Oil and Vinegar, PET** and **Pharma**.

The quoted percentages derive from the Group's 2015 turnover with the named categories accounting for **97.4%** with the balance of **2.6%** from other revenues.

64.4%

SPIRITS

Numerous customisable closure models, which through sophisticated anti-counterfeiting and tamper-evident technologies, protect brand image and consumer health.



www.savethespirits.com

OIL AND VINEGAR

Long, short, plastic and plastic and aluminium closures enable perfect pouring. Closures are available with a tamper-evident seal and a system of valves which prevent contamination and refilling.



www.salvaolio.com

2.0%

10.3%

WATER AND BEVERAGES

Aluminium closures for beverages in glass bottles, fizzy and non-fizzy fruit juices and non-alcoholic beverages with generic or "tamper evident" closure systems, which indicate whether the bottle has been opened.



1.6%

PHARMA

Products for the pharmaceutical and cosmetic sectors, ranging from aluminium snap-off caps to rubber caps, single-dose phials and bottles in PET.



www.pharma-trade.it

18.5%

WINE

Screwcaps which guarantee the best evolution conditions for each type of wine over time. They can include specific liners which permit different degrees of oxygen permeability and infinite decoration options.



www.winedevelopers.com
www.savethewines.com

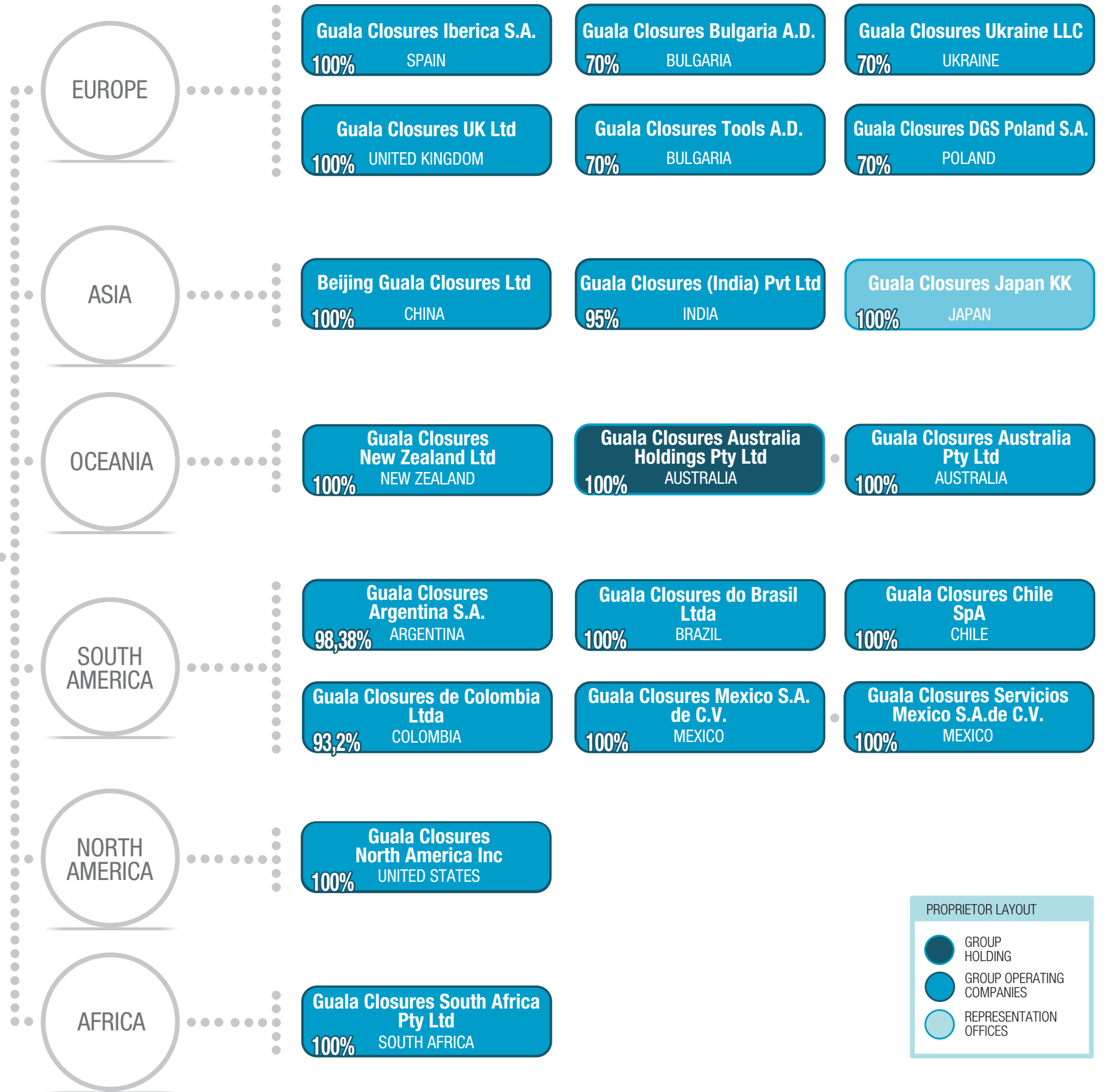
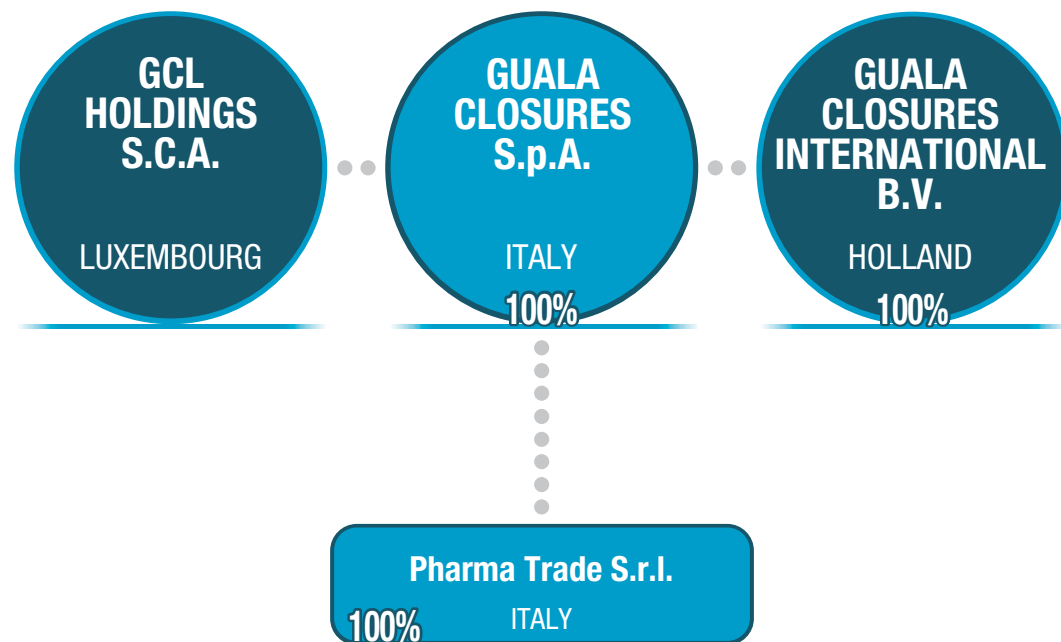
0.6%

PET

Customized containers in PET, available in various shapes, volumes and colours, such as bottles, templates, canisters, flasks and miniatures for very diverse sectors which undergo very strict control measures.



COMPANY OVERVIEW
GOVERNANCE



PROPRIETOR LAYOUT

- GROUP HOLDING
- GROUP OPERATING COMPANIES
- REPRESENTATION OFFICES





Corporate Structure

GCL Holdings S.C.A. is an associated company owned by 3 financial institutions with **11.7%** of the share held by the Group's managers.

GCL Holdings S.C.A. controls the joint-stock company **Guala Closures S.p.A.**, which owns **Pharma Trade S.r.l.** entirely and **Guala Closures International B.V.** with its head office in Holland.

Guala Closures International B.V., however, is the parent company which controls all the companies belonging to the the Group.

Board of Directors

GC Holdings S.C.A. Board of Directors is in charge of managing all companies and deciding the Group's strategic and organizational direction, as well as verifying the existence of the needed controls to monitor the Group's activities.

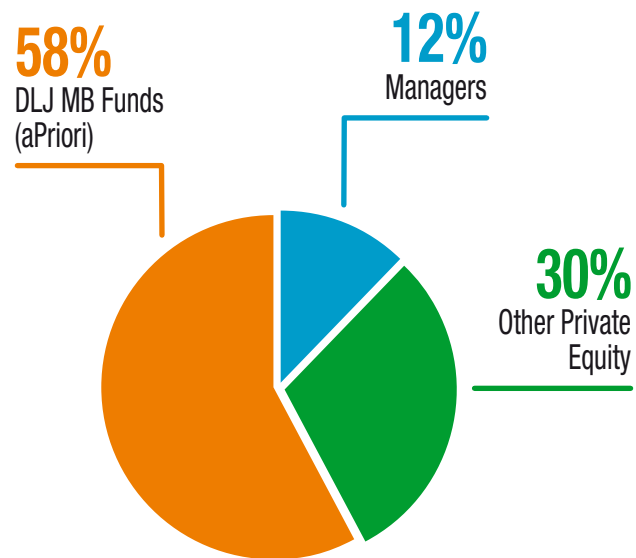
The Board is made up of **11 members**, who represent the company shareholders (and indirectly the Group) and among the board members **Marco Giovannini** was nominated **CEO** and holds the Group's most senior position.

Shareholders' Meeting

The ordinary and extraordinary **Shareholders' Meeting** is usually convened by the Board of Directors. Its task is to decide on and approve the actions of the board of directors.

The **Ordinary Shareholders' Meeting** meets once a year to approve the financial statements.

The **Shareholders' Meeting** also deliberates on specific legal matters and on the company's statute deciding on **statutory matters** and **capital increases** for example.



MEETS EVERY MONTH

The Remuneration Committee

Its task is to submit the **remuneration policy** and **managerial duties** to the Board of Directors relating to the Group companies.

It is composed of **3 members**.

Internal Auditing Committee

Its task is to define the **guidelines** for the Group's **internal audit system** and ensure its implementation.

It is composed of **4 members**.

The COMEX Executive Committee

It meets each month and has the task to analyse management progress and the achievement of set objectives.

It is composed of the Group's **CEO, COO**, and **CFO** and other **Group key department heads** (Corporate General Secretary, Marketing, Human Resources, Administration and Finance, Management Control, Technical Departments, R&D, Purchasing, Sales).

In addition, the Group's **Country General Managers** are invited periodically.

Each subsidiary is established **according to national local laws**.

The Role of the Country Manager Group

Each unconsolidated subsidiary of Guala Closures International is established respecting national local laws. In general, for each country in which Guala Closures operates, there is a company-owned enterprise which manages the local plant.

The Group nominates a **Country Manager** for all its business units.

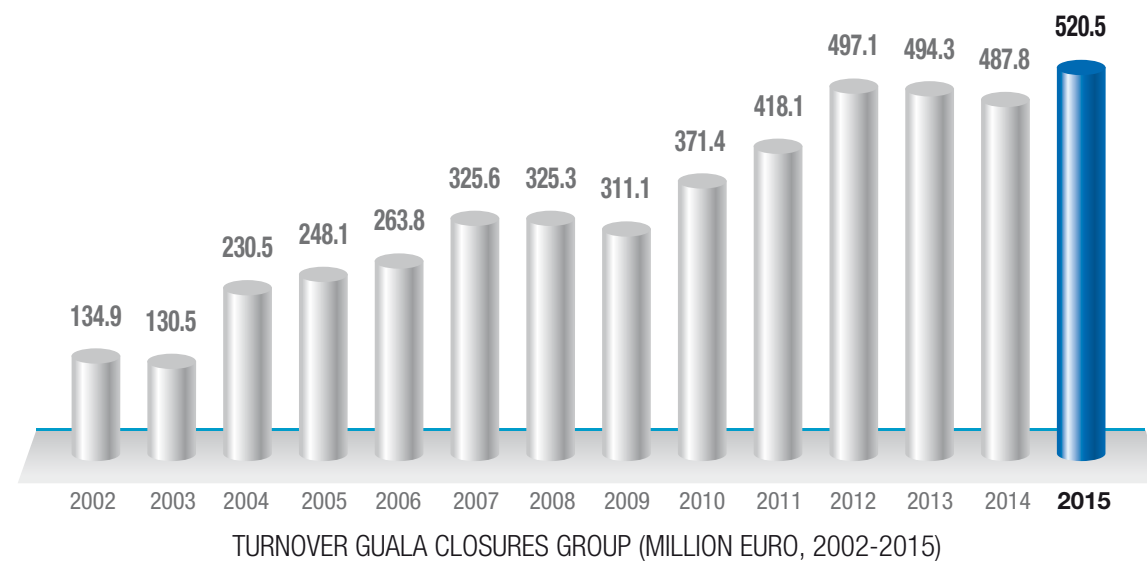


COMPANY OVERVIEW ECONOMIC DATA

Turnover

In 2015, the Group recorded net revenues of Euro **520.5 million**, + **6.7%** compared to 2014, notwithstanding the appreciation of the Euro against major currencies in which it operates.

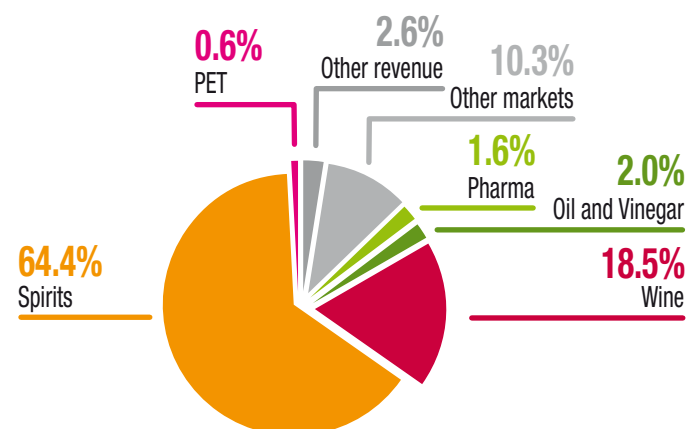
With a steady exchange rate compared to the previous year, net revenue was equal to 530,9 million, which is **8.8%** higher than 2014, due to the further penetration of safety closures and the sustained transition from corks to aluminium closures for wine bottles.



Revenues per Market Sector in 2015

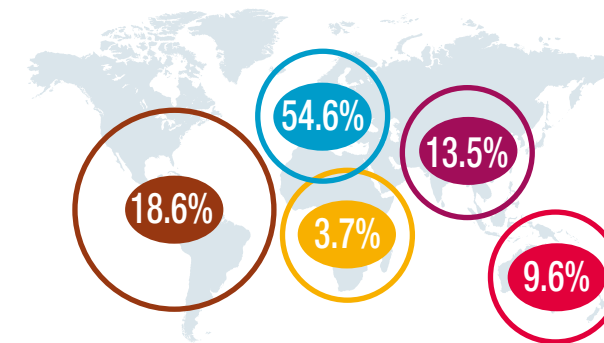
The spirits and wine markets represent more than 80% of the Group's revenue.

The Group's consolidated financial statements are accessible to the public following the link:
<http://www.gcl-holdings.lu/investor-relations/2015>



Revenues per geographic area 2015

The European market remains the main market for Guala Closures based on production site.



EUROPE	54.6%
LATIN AMERICA AND NORTH AMERICA	18.6%
ASIA	13.5%
OCEANIA	9.6%
AFRICA	3.7%

Revenues per product 2015

SAFETY CLOSURES	44.8%
STANDARD CLOSURES (ROLL ON)	28.9%
WINE CLOSURES	18.5%
DECORATIVE CLOSURES (LUXURY)	3.0%
OTHER	2.6%
PHARMA CLOSURES	1.6%
PET	0.6%

Investments

In 2015 in order to promote future growth, the Group made net investments (net payables for investments) of **22.6 million Euro** (33.5 million Euro in 2014).

Most of the Group's main investments on extending production refer to **Italy, Poland, India, Ukraine, China** and **Mexico**.

More specifically, in **2015** the main investments were made on **sputtering technology** in **Italy, Ukraine** and **Mexico**, to increase India's production capacity, to introduce new projects in different countries and to improve safety.

Financial Statement Certification

The overall economic data has been taken from the Group's consolidated financial statements.

The **financial statements** are certified by **KPMG**, which audits the content and confirms its compliance with **International Financial Reporting Standards**.



SUSTAINABILITY STRATEGY 2016-2020 IMPLEMENTATION PROCESS AND TOOLS



Management Systems

The first Sustainability Program developed by Guala Closures was completed in 2015 with satisfactory results: **18 objectives achieved, 4 of which partially, 1 on hold, 2 eliminated, and 2 unrealized**, of the initial 23 identified.

The initial **23 objectives** were related to **12 indicators; economic, social and environmental**.

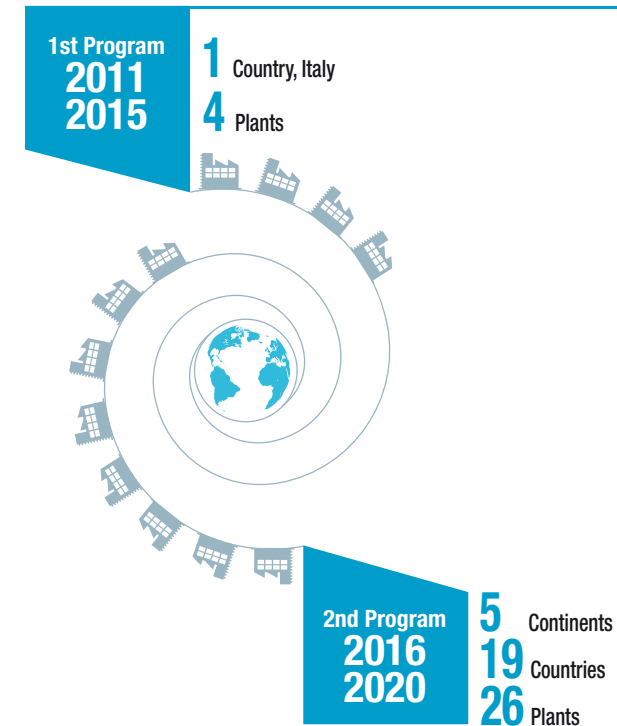
All these objectives were applied to the Group's Italian area except the ones concerning Innovation and Customer satisfaction which were applied to the entire Group.

A new phase has begun, with the application and **distribution of environmental and social sustainability** values within the Guala Closures Group, through the definition of a new Sustainability Program relating to the 5 year period **2016-2020** and the setting of **new objectives** to be applied at **global level**.

Guala Closures has reported on the Programme's progress in its annual Sustainability Report, a publication developed in accordance with the **International Standard GRI** (Global Reporting Initiative) in the 3.1 version since 2011. In line with the wider scope of the Sustainability Strategy, the report will also cover activities across the entire Group. At the same time this provides an opportunity to begin the transition process towards a new version of the GRI standard, **GRI-G4 version**, which will be adopted next year.



With this in mind, as series of objectives have been defined for the direct involvement of Guala Closures' main stakeholders:



The **involvement of Stakeholders** has proved to be **essential** for identifying new objectives to be reached through the 2016-2020 Sustainability Program.

These objectives have been determined according to GRI-G4 indicator list and the decision to extend the reporting perimeter from Italy to the entire Group.

The Sustainability Programme 2016-2020 **involves the Group's 26 plants, distributed among 19 countries in 5 different continents**.

The Implementation Tools and the new Sustainability Program 2016-2020

The path to implementation of the new Sustainability Program will require the coordination and development of numerous activities which will need to be handled by the head office in relation to those enterprises who respond to Guala Closures Group directly.

For this purpose, a **set of tools** have been developed which will prove **indispensable** for achieving all the **sustainability objectives** set for **2020**:



SUSTAINABILITY STRATEGY 2016-2020 THE GREEN BOARD

The Green Board

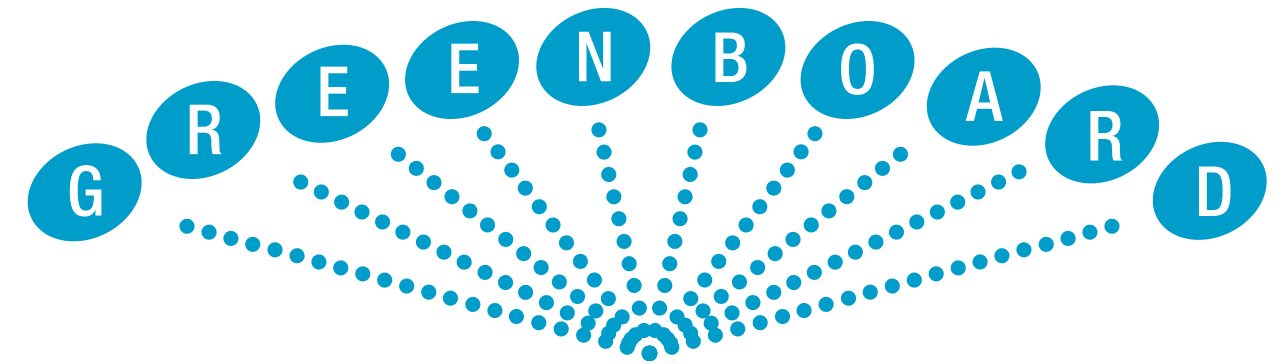
The first step towards guaranteeing an effective implementation of the new Sustainability Strategy is creating an entity within the Group which presides over all the necessary activities for its implementation.

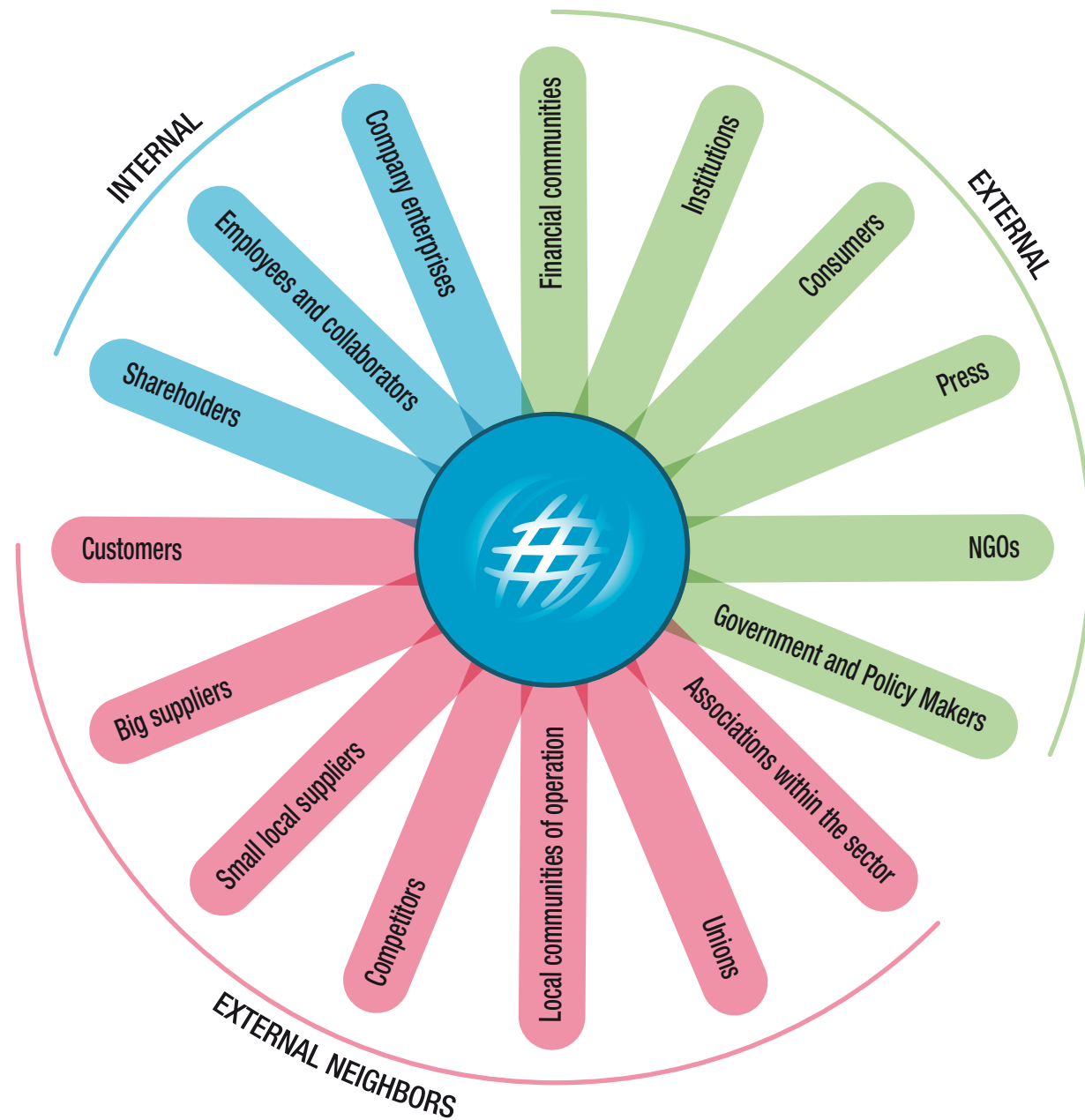
In 2015, a “Green Board” was established composed of top executives which carry out the company’s key functions for the achievement of objectives set by the Sustainability Program 2016-2020.



Green Board Tasks

The Green Board meets on a monthly basis and carries out the following tasks:

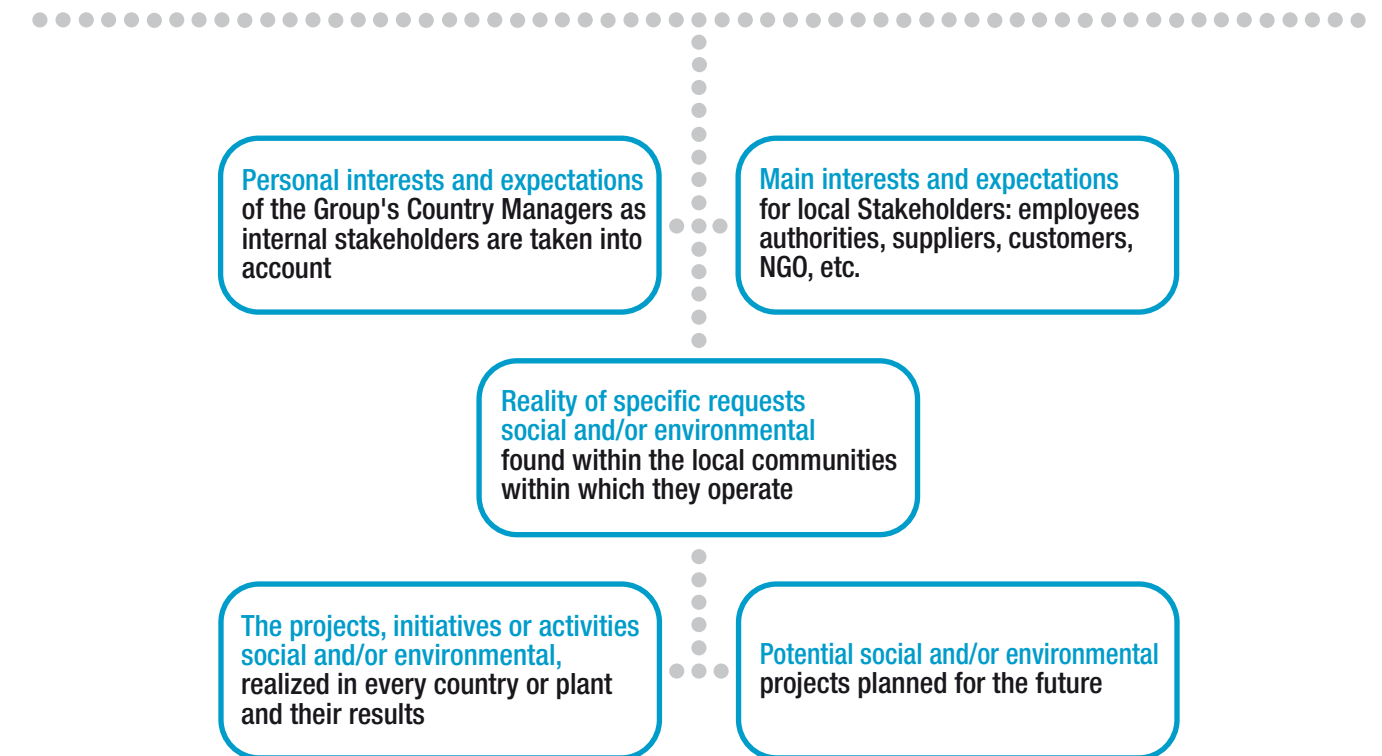




Communication with the Group's enterprises

To gain a better understanding of the main issues, **economic**, **social** and **environmental**, it is necessary to involve the **Country Managers** in the process of collecting and assessing data derived from key Stakeholders such as employees, Governments, local communities and suppliers.

Guala Closures has thus undertaken the process of requiring the **Country Managers** to collect specific information by completion of a questionnaire. The aim is to gather information relating to:



The **results of the completed survey** are currently being evaluated and will be a valuable input into optimising the **Sustainability Strategy**.



Group Policies

Guala Closures Group has for some time now adopted internal policies in relation to Environment, Quality and Safety.

The **Sustainability Program 2016-2020** has provided the opportunity to promote and apply these policies in an increasingly more effective way. The policies, principles and values are listed below:



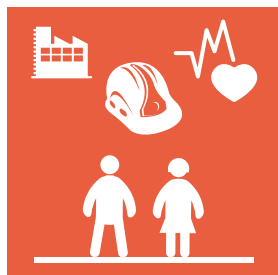
Environmental Policy

- Evaluate, monitor and control environmental impact.
- Increase awareness and involvement of all in environmental protection.
- Develop eco-friendly innovative products and processes.
- Reduce consumption and optimise processes.



Quality Policy

- Anticipate and respond to customer expectations.
- Develop cutting edge products in order to combat counterfeiting.
- Promote continuous improvement in quality, costs and efficiency.
- Uphold a firm respect of laws and regulations, procedures and adopted company policies.



Safety Policy

- Minimize risks to safeguard integrity of health and well-being of employees.
- Prevent accidents, injuries and occupational disease.
- Spread and consolidate a safety culture among all collaborators.
- Promote responsible behaviour.



Food Safety Policy

- Guarantee hygiene and food safety of products and processes.
- Involve suppliers in guaranteeing hygiene and product suitability.
- Pass on objectives and information on product hygiene.

Assessment Tools

In order to improve performance and achieve objectives set by the Sustainability Programme, they need to be measured and assessed.

In all of the Group's plants there is a standardized procedure used for the collection and assessment of data based on a common set of **procedures** and **management systems**.

The Group employs both management systems as well as tools, such as the application of **ISO** standards or **TEA software** which allows for the collection and periodic evaluation of **environmental impact** including **carbon footprint**.

Evolution of the "TEA" Tool (Tool for Environmental Analysis)

The "TEA" Tool allows for the collection and analysis of pertinent data from **environmental indicators**.

This instrument, created to monitor CO₂ emissions from the Group's plants and the environmental impact of Guala Closures products through the analysis of **Life Cycle Assessment**, has evolved through time, becoming a real management tool for environmental data, allowing the periodic analysis of the Group's environmental performance.

"TEA" applies a strict and functional method for environmental information collection which allows for regular monitoring. Up until 2015, "TEA" was used only in Italian plants.

From 2016, the tool will become increasingly used at **all Guala Closures plants worldwide**, collecting data on a monthly basis, which allows for the monitoring of progress made on objectives set for the improvement of environmental performance.

The constant monitoring of environmental performance of all plants constitutes the fundamental factor for the **implementation of the Group's Sustainability Strategy** and **the assessment of its results**.



Certifications

The effective implementation of the **Sustainability Strategy** requires the adoption of advanced management systems in all of the Group's plants to guarantee the quality and safety of Guala Closures products and their use in order to reduce the environmental impact of the production processes.

As part of the new Sustainability Programme, the Group undertakes the **commitment to respect** the following certification processes for its plant.

Almost all of the Group's plants are **certified ISO 9001**, half have obtained the **ISO 22000 certification**, and some **ISO 14001**. The table below records those plants which have obtained the above-mentioned certifications for each continent in which Guala Closures operates.

The objective is that to obtain all 3 certifications for all its plants by 2020.

CONTINENTS	TOTAL PLANTS	ISO 9001	ISO 14001	ISO 22000
EUROPE	13	12	3	6
ASIA	4	4	0	3
OCEANIA	3	3	0	1
SOUTH AFRICA	1	1	0	1
NORTH AMERICA	1	0	0	0
SOUTH AMERICA*	4	4	0	2
TOTAL	→ 26	→ 24	→ 3	→ 13

2020 OBJECTIVE
100% PLANTS CERTIFIED

* The Santiago de Chile plant has not yet been considered since activity began at the end of 2015.



ISO 9001

- Independent internationally recognized standard for the management of Quality currently used by over 750,000 organizations in 161 countries.

ISO 14001

- Independent internationally recognized standard for environmental management systems (SGA), which defines the modality and minimum content of a system aimed at management and continuous improvement of environmental impact of an organization.

ISO 22000

- International standard which defines the requirements of a management system for safety and food hygiene applicable to producers of packaging and products which come in contact with foodstuffs as well as plants and machinery used for the production of these.

New ISO and Management Systems

In 2015 two of the ISO standards were revised:

- **ISO 14001: 2004 regarding Environmental Management Systems**
- **ISO 9001: 2008 regarding Quality Management Systems.**

Both standards have been revised according to the the **High Level Structure (HLS) developed in the ISO** offices in order to guarantee increased uniformity across all management systems, calling for a common structure with identical sequences and classification of standard rules.

Guala Closures will take full advantage of the timing of this change as it will enable all plant renewals and new plant certifications to reflect the new standard.

The new structure for the two management systems therefore will contribute to the adoption of the environmental and quality management systems, which are consistent and perfectly compatible, creating an effective implementation tool for of the **Sustainability Strategy 2016-2020**.

SUSTAINABILITY STRATEGY 2016-2020

SUPPLY CHAIN CONTROL AND CUSTOMER RELATIONS

The Supply Chain

Coordinating the operational activities in 26 production plants across 5 continents requires specific planning and certain control applied through **procurement services**.

Guala Closures consumes large quantities of raw materials in its production purposes. For this type of supply, the Group provides an indicative price ceiling considered acceptable for the different materials and its minimum requirements on quality, leaving each individual business the option to choose the local supplier they find most convenient.

- ALUMINIUM**
 - Guala Closures needs ca 30,000 tons of aluminium per year. 56% of which is purchased in coils from the Magenta plant for pretreatment and sheet cutting and then is sent to various production plants. The remaining 44% of the required aluminium sheets are purchased by the Group's 11 plants directly from local suppliers.
- PLASTIC**
 - For plastics, the Group uses a centralized computerized system which periodically verifies that costs of the same plastic materials (Polythene, polypropylene, polycarbonate, carbonates, etc) are similar for all plants: thus, there is a centralized control of purchase prices received from local suppliers.
- LINERS**
 - The Group recommends acceptable ceiling prices.
- COATING MATERIAL AND INK**
 - The Group recommends acceptable ceiling prices.
- GLASS SPHERES**
 - Most glass spheres are sourced from China with a small back up from Germany.
- PLANTS AND EQUIPMENT**
 - The Group uses its control more as a sales support, whereas the technical choices are handled by the local plant.

With exception of the material mentioned in the chart, the remaining purchasing operations for the most part are independently managed by the different business units (es. packaging, transport and office furniture, etc.).

Control of Suppliers

The Guala Closures Group has about a 1000 suppliers. Before taking on a trade relationship with Guala Closures, suppliers have to **provide technical and financial information** which is then evaluated before selection, and once a business relationship has been established, they are regularly checked by a formal audit process. The Group's testing is based mostly on the quality of production processes.

It is appropriate to mention that of 1000 suppliers, about a hundred appear among the **Top Players** on a global level within the Group's 4 main interest purchasing categories (aluminium, plastic, liners, and coating material) another 300-400 suppliers are small local producers, whose production amounts to a small percentage of total procurement expenditure and thus do not need specific controls.

For the remaining suppliers, the Group makes periodic checks in line with contractual agreements.



Customer Relations

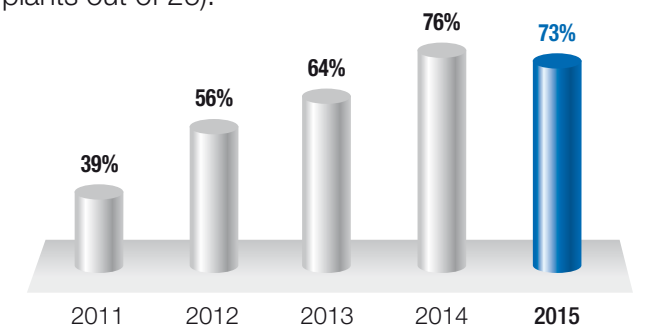
Guala Closures has always been attentive to customer needs. The company has received increased requests from customers to ensure it has the appropriate certifications on quality, safety and environmental management systems.

Thanks to the **survey** conducted among the Group's **Country Managers**, it has been possible to calculate how many **Business Units** (countries within which Guala Closures operates) have received the request to obtain and demonstrate a **certain certification** and/or to have assessed their **environmental impact** by at least one of their main customers.

STANDARD	REQUESTS PER B UNIT
LIFE CYCLE ASSESSMENT	2
WATER FOOTPRINT	1
CARBON FOOTPRINT	4
ISO 14001	6
ISO 9001	11
SA 8000	3
OHSAS 18001	4
ISO 22000	2
SEDEX	2
OTHER	5

As shown on page 44, all the Group's plants will be 14001 and ISO 22000 certified by 2020.

Registration of Guala Closures plants on the SEDEX platform has been one of the factors contributing to the performance indicators of the first Sustainability Programme: from 2011 to 2015 there has been a progressive increase from **39%** of the plants registered to **73%** (19 plants out of 26).



The percentage of operating offices registered slightly decreased in 2015 because of the closing of Torre d'Isola and the lack of new applications.

SEDEX

SEDEX is an international non-profit organization which manages an on-line database in which its users make available and share information with each other on 4 key areas:

- work standards
- environment
- health and safety
- work ethics

The purpose is to create a navigable platform which is simple and effective enabling the supply chain to make information available in relation each to its ethical and responsibility practices.

SUSTAINABILITY STRATEGY 2016-2020 INTERNAL COMMUNICATION ON SUSTAINABILITY

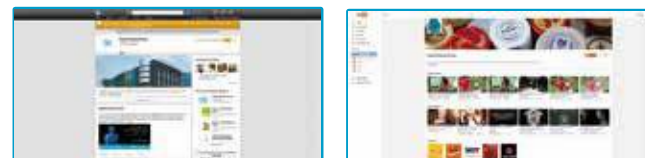
Internal Information on Sustainability

Guala Closures is aware of the value of its human resources and thanks to them, the company continues to grow and improve.

Proactively informing, motivating and involving all employees, and encouraging involvement with implementing the Group's Sustainability Strategy, is a key factor contributing to the **achievement of the objectives** defined by the **Sustainability Programme**.

THE MAIN COMMUNICATION TOOLS

TOOLS/CHANNELS	PERIODICITY AND CONTENT
<ul style="list-style-type: none"> ● NEWSLETTER 	<p>The internal newsletter is a quarterly publication and it is the main tool used to regularly share projects, initiatives and key information on the Sustainability Programme. Accompanied by an editorial, the newsletter features a space dedicated to individual plants, taking a closer look at specific topics and to enable information to be discussed within the Group.</p>
<ul style="list-style-type: none"> ● INFOCARDS 	<p>Printed postcards used to publicise the Sustainability concept. This simple and manageable format can be easily shared with companies and distributed at trade fairs and events.</p>
<ul style="list-style-type: none"> ● SUSTAINABILITY REPORT 	<p>The information supplied by the consolidated balance sheet is combined with the economic data provided by the Sustainability Report. This document contains information on how the Group manages and mitigates the environmental and social impact of its business activities. The document is published in 3 languages: Italian, English and Spanish permitting a wider distribution.</p>
<ul style="list-style-type: none"> ● WEBSITE 	<p>The Group's website offers an extensive amount of information, ranging from products to markets, from policies to the code of ethics, to information on sustainability with company contact information.</p>
<ul style="list-style-type: none"> ● SOCIAL MEDIA <ul style="list-style-type: none"> ● YOUTUBE ● LINKEDIN ● FACEBOOK 	<p>Guala Closures uses social networks to publish information and filmclips to illustrate its world.</p>



The Video on the 6 Best Practices

In 2014 a video was made to illustrate the **6 Best Practices** which were used in the first Sustainability Programme across Guala Closures' Italian plants and operations.

The video, which last 7 minutes and was introduced in 3 languages, summarises the work done in the first 4 years of the **Sustainability Programme**. It was made primarily for the Group's employees and it has **5 main objectives**:

1. Promote and spread sustainability as a company value
2. Illustrate the 6 Best Practices put in place by the sustainability model implemented by Guala Closures
3. Underline people's fundamental roles
4. Highlight the main results achieved
5. Transmit the Group's modern, dynamic and innovate image

More than 3,000 visualisations

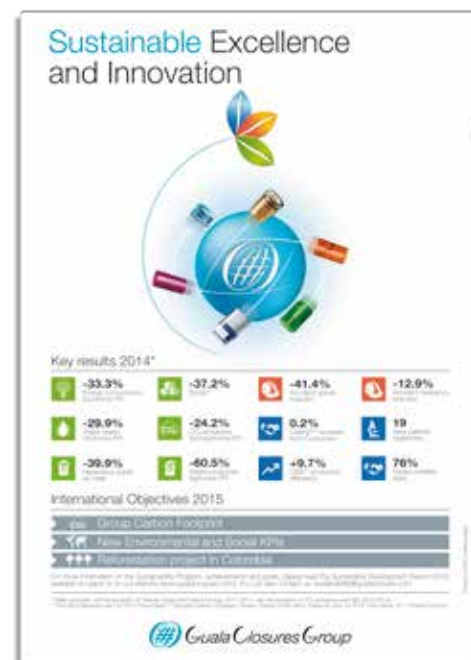
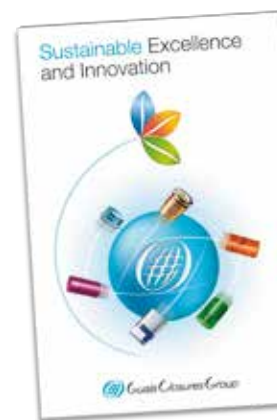


www.youtube.com/gualaclosuresgroup

2015 COMMUNICATION IN FIGURES

3 Newsletters
700 copies in Italian
Digital Version
English

1.000 Infocards and
100 Posters in Italian
and English



900 paper copies
in English

1,300 paper copies
in Italian

400 paper copies
in Spanish

Sustainability Report

Guala Closures has been publishing its Annual Report for 5 years now to communicate its **social, environmental** and **economic performance** in relation to the work done by its Italian business unit.

The Reports until now have also been used as a communication tool, both internal and external, to illustrate the progress made by the first Sustainability Programme 2011-2015.

Consistent with the adoption of the new Sustainability Programme responsibilities and activities need to be extended globally across the Group. This Sustainability Report, provides a complete picture, and for the first time reflects the application and implementation of the **sustainable environmental, social and economic principles of all the Group's plants**. In order to plan future improvements it is necessary to capture information and data across the entire Group.

The very action of collecting the data for the annual report in itself has become a useful tool for defining the Group's strategy.

Guala Closures commits itself to reporting on the progress made by the **Sustainability Programme 2016-2020** by publishing an **Annual Sustainability Report** based on a **global view** of its operations.

Reference Standard

The first 4 Sustainability Reports were prepared according to the international GRI guidelines (Global Reporting Initiative) 3.1 Version.

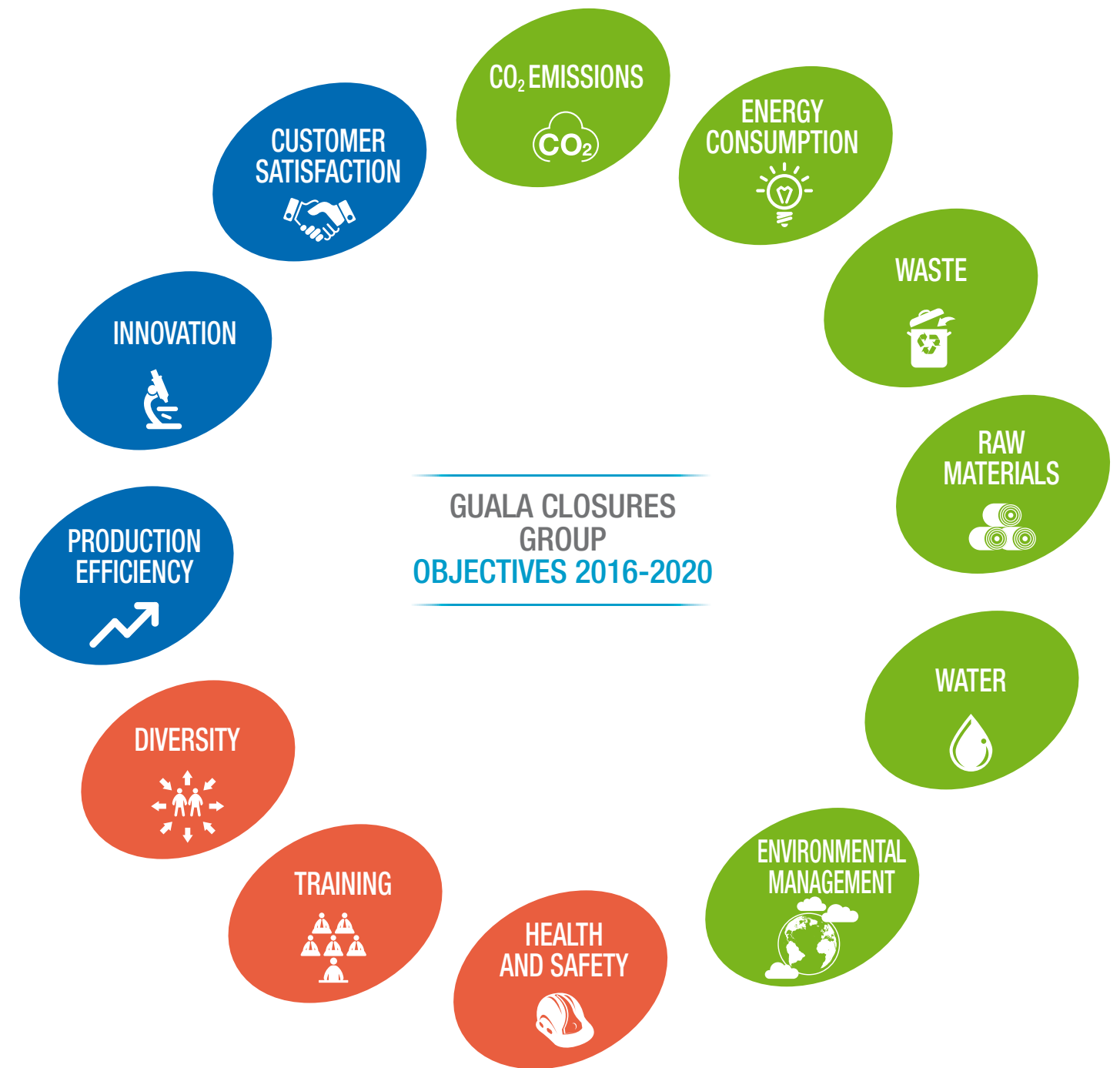
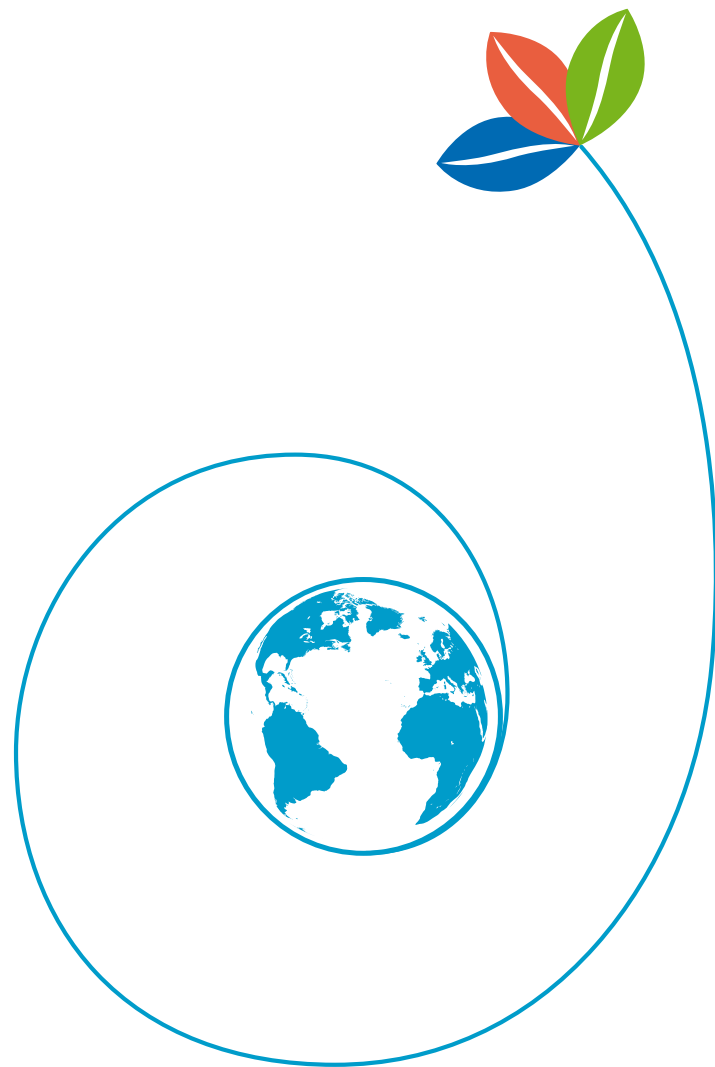
The GRI is a non-profit organisation that seeks to promote a sustainable economy and has introduced a method to draw up a sustainability report which today is internationally recognised.

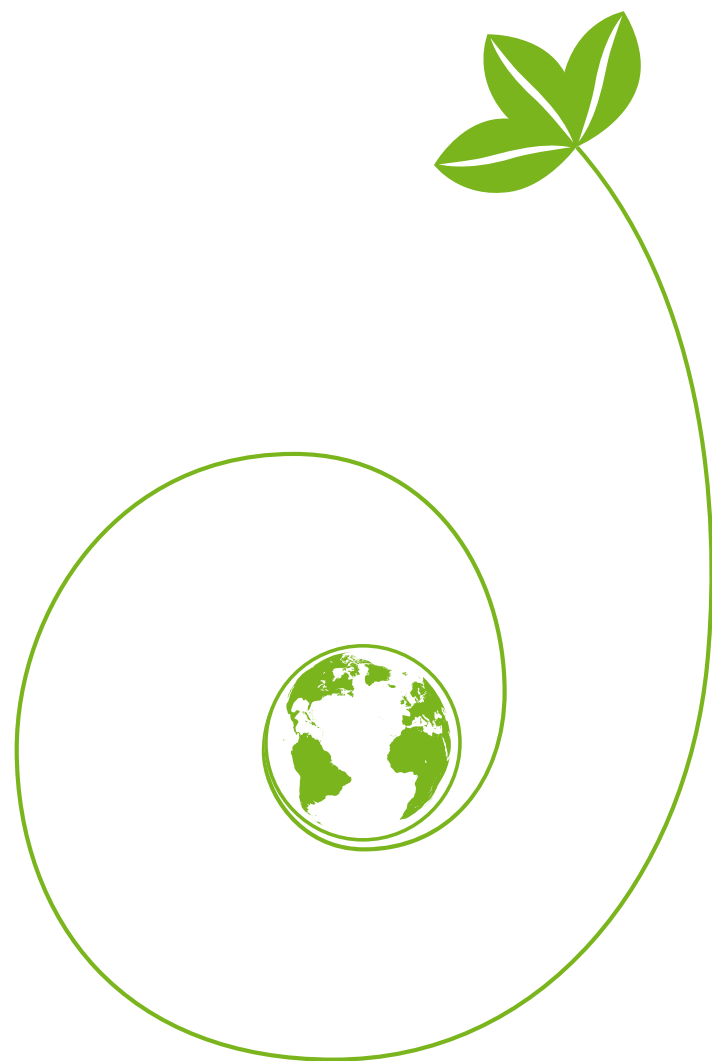
Starting in **2016**, however, in order to define a **Sustainability Report** drawn up according to **GRI guidelines**, it is necessary to use the new version, **GRI-G4**.

The new standard will be applied in full starting with the 2016 edition.

Your opinions and suggestions are important.
You can write to us at any time at the following email:
sustainability@gualaclosures.com







CO₂ EMISSIONS



ENERGY CONSUMPTION



WASTE



RAW MATERIALS



WATER



ENVIRONMENTAL MANAGEMENT



CO₂ Emissions

Guala Closures started to calculate its greenhouse gas emissions in 2012, initially just for the Italian plants and, from 2014, for those of the whole Group.

Direct and indirect emissions from energy consumption (Scope I and II)



The Group obtained **certification⁽¹⁾** of the calculation of direct and indirect climate-changing emissions from energy consumption in 2015, recording the following figures:

CO ₂ EQ. EMISSIONS (TON) 2015		
Scope I	Scope II	Total
38,365	131,795	170,160

It is important to assess Group performance by determining the total emissions generated to manufacture one unit of finished product. In **2015**, this indicator was **2.48 tons** of CO₂ eq. per ton of finished product (ton CO₂ eq./tonPF).

OBJECTIVE 2020

To **reduce** CO₂ eq. emissions (Scope I and Scope II) generated to produce one ton of finished product by **25%**.

-25% CO₂ EMISSIONS

Reducing other indirect emissions (Scope III)

These are emissions generated by the **products** and **services used**: they are not directly controlled and it is very difficult to accurately quantify that are not directly controlled by the organisation in question, it is very difficult to quantify them accurately.

Therefore, even though Guala Closures had collected the data needed to calculate the emissions, it did not submit the inventory of emissions classified as Scope III to an external audit. This will be done by 2017.

In any event, in order to reduce the extent of these emissions, the Group has to work with all its Supply Chain members, seeking to optimise loads and logistics and to carefully select its suppliers.

CO ₂ EQ. EMISSIONS (TON) 2015	
Scope III	Total Scope I, II, and III
521,484	691,644

OBJECTIVE 2017

To **obtain certification** of the Group's indirect CO₂ emissions (Scope III).

CERTIFICATION SCOPE III

OBJECTIVE 2017

To **develop partnership** projects with suppliers to reduce the usage of raw materials and transport.

PARTNERSHIP PROJECTS

⁽¹⁾ The calculation has been audited and certified by the international third party entity **"Bureau Veritas"**, performed correctly in accordance with the criteria dictated by international standard ISO 14064, as regards the emissions encompassed by Scope I and II of the standard.



Energy Consumption

Energy consumption is an extremely important performance indicator for any manufacturing company as it is one of the main sources of **climate-changing gas emissions** and it has a significant influence **on fixed production costs**.

It is important to consider a number of factors when assessing a company's energy performance: in addition to quantifying total consumption recorded in a given year, it is necessary to also relate production activities to energy consumption.

This is why the **reduction objective** that Guala Closures has set itself for **2020** is expressed in **energy consumption per finished product**.

In **2015**, the Group recorded a figure for energy consumption per finished product of **17.51 GJ/Ton** certified by Bureau Veritas.

OBJECTIVE 2020

To **reduce energy consumption** per finished product by **25%** with respect to 2015.

-25% ENERGY CONSUMPTION

This objective will be achieved by **renewing production machinery** and **systems**, installing equipment with improved **energy efficiency**, innovating production processes, designing products requiring less energy intensive manufacture and also by experimenting with new raw materials etc.

Another very important factor to bear in mind is that linked to the **source of the energy generated**, as different energy sources have different impacts on the environment. In particular, the energy generated by renewable sources, for example **solar energy** and **wind power**, are known as "clean" because they do not entail the emission of greenhouse gases into the atmosphere.

OBJECTIVE 2020

To facilitate the **supply of renewable energy** in all Group plants.

RENEWABLE ENERGY



Waste

The production of waste is a very important environmental performance indicator for Guala Closures. In **2015**, the Group generated an average of **190 kg of waste** per ton of finished product. This figure is **7%** lower than that recorded in 2014, which was 205 kg/ton.

OBJECTIVE 2020



To **reduce** the quantity of **waste** generated per **finished product** by 30% compared to 2015.

-30%
WASTE
PRODUCTION

Although it is impossible to reduce the amount of hazardous waste to zero, the Group is actively working to reduce it to a practical minimum.

In fact, in **2015**, the quantity of **hazardous waste** generated fell by 58% compared to 2014, falling from **15%** of total waste produced to **6.4%**.

OBJECTIVE 2020



To **further reduce** the percentage of **hazardous waste** with respect to the total (<5%).

<5%
HAZARDOUS
WASTE

Lastly, the third important performance indicator for waste is that linked to its ultimate destination, to a **dump** or **recycle**.

In **2015**, the figure improved considerably over the previous year, with the percentage of **waste** sent to the **dump** falling from **20%** to **12%**.

OBJECTIVE 2020



Eliminate waste sent to the dump.

0
WASTE
IN DUMP



Raw Materials

The scarcity of resources at global level, combined with ever increasing production demand, makes optimising the use of the resources **employed strategic**, both in terms of reducing the quantity of the material needed to make one product unit and in terms of the recovery or reuse of the recycled material.

SCRAP

For Guala Closures, the experience of the first Sustainability Programme highlighted the importance of optimising production processes in order **to reduce scrap to a minimum**, the element that has the most direct impact on raw material waste.

“Scrap” means all semi-worked, semi-finished and finished products, which, during production, process changes, adjustments, fine-tuning of machinery and quality control, are found not to comply with the required characteristics and are therefore rejected. In addition to these, it is necessary to include scrap generated by claims, laboratory testing and obsolete stock.

In **2015**, the Group recorded a percentage of scrap of **2.06%** of the overall total, therefore including both material produced and that rejected.

This figure confirms the positive downward trend recorded for scrap since 2013, when the Group figure was **3.21%**.

RECYCLED ALUMINIUM

The raw materials mainly consumed by Guala Closures are aluminium and plastic.

Aluminium is a material that can be **recycled repeatedly** without losing its structural and quality characteristics, whereas to date, it is almost impossible for plastic to maintain its original properties after repeated recycling.

In **2015**, an impressive **49%** of the aluminium processed in Italy at the **Magenta⁽¹⁾** plant **was recycled**.

The figure for the quantity of recycled aluminium used by the entire Group is currently being audited.

It will be measured annually and reported.

⁽¹⁾ Magenta machines around 56% of the aluminium employed by the Group.

OBJECTIVE 2018



To bring the percentage of **scrap** at Group level **to below 1%**.

<1%
SCRAP

OBJECTIVE 2020



To **reduce total CO₂ emissions** generated by the production of aluminium using **recycled aluminium** or **aluminium certified** as produced with **reduced CO₂ emissions**.

**PREFERENCE
FOR RECYCLED
OR LOW CARBON
EMISSION
ALUMINIUM**



Water Consumption

Water is a natural resource of fundamental importance to our planet, and its consumption is an important performance indicator for any manufacturing company.

This is why Guala Closures reports its water consumption even though, in terms of closure production, it is not a truly material aspect.

Guala Closures uses little water, and only for two of the industrial processes used to make closures:

- 1 The cooling of plastic molding presses
- 2 The degreasing of aluminium coils

A large part of the Group's water consumption is recorded in Italy, where the **Magenta** plant performs the **degreasing operations for over 50%** of the aluminium processed by the Group, and in **India**, the business unit dedicated exclusively to the production of plastic closures. **Italy** and **India** alone are responsible for 75% of the Group's total water consumption.

The commitment to reduce the amount of water drawn will therefore focus on these two countries.

Italy has already achieved excellent results in 2011-2015, managing to reduce the quantity of **water consumed per finished product by over 52%** compared to 2011.

In 2015, the Group consumed an average of **3.54 m³** of water per finished product, a figure that represents a **reduction of 11.5%** compared to **4 m³** consumed in 2014.

OBJECTIVE 2018



To **reduce** the quantity of **water drawn** per finished product by **20%** compared to 2015.

-20%
WATER
DRAWN



Environmental Management

OBJECTIVE 2020



To **obtain ISO 14001 certification** for all Group plants.

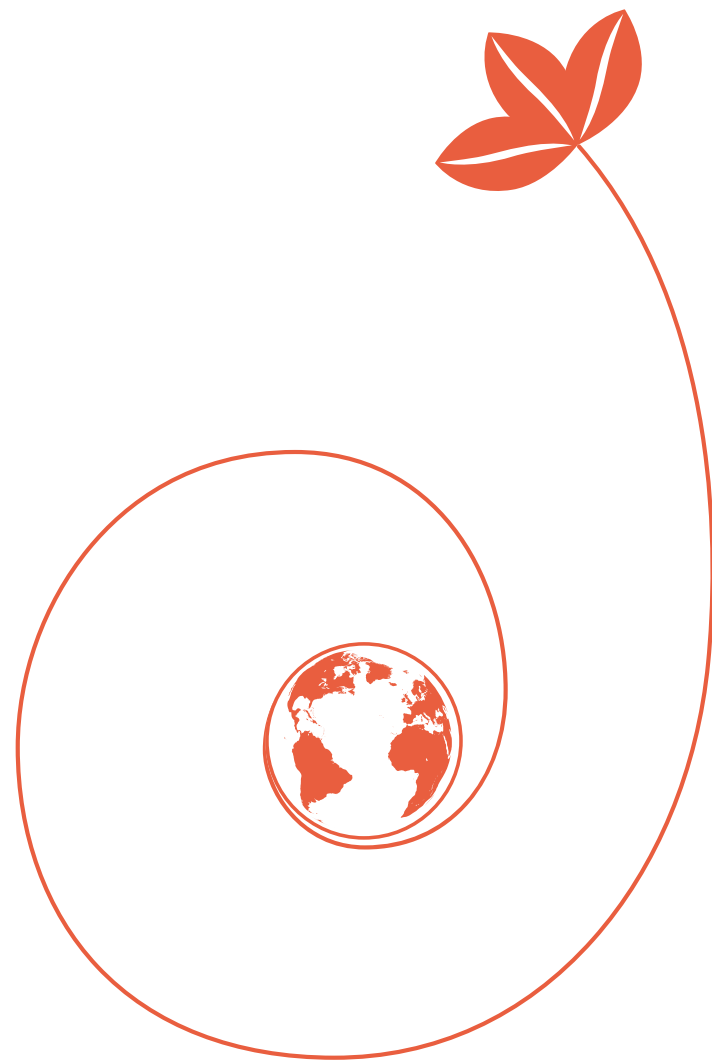
100%
ISO 14001
CERTIFICATION

Summary of Environmental Objectives*



- To reduce CO₂ eq. emissions (Scope I-II) per finished product (ton CO₂ eq./ton FP) by 25% **2020**
- To certify indirect CO₂ emissions (Scope III) **2017**
- To develop partnership projects with suppliers to reduce the usage of raw materials and transport **2017**
- To reduce energy consumption per finished product (GJ/ton FP) by 25% **2020**
- To facilitate the supply of renewable energy **2020**
- To reduce the waste generated per finished product by 30% **2020**
- To reduce hazardous waste with respect to total waste produced <5% **2020**
- Zero waste in the dump (kg) **2020**
- To decrease the percentage of scrap to below 1% **2018**
- To increase the quantity of recycled and/or low environmental impact aluminium with respect to the total employed **2020**
- To reduce the water drawn per finished product (m³/ton FP) by 20% **2018**
- To obtain ISO 14001 certification for all Group plants **2020**

* All objectives shown in % improvement refer to 2015.



HEALTH AND SAFETY



TRAINING AND CONTINUOUS IMPROVEMENT



DIVERSITY



Health and Safety in the workplace

Guala Closures believes that it is important to guarantee a safe and adequate working environment and conditions, to provide the necessary **training to employees** on **health** and **safety** matters and to adopt the most effective **safety procedures** to prevent and limit **accidents in the workplace**.

The performance indicators traditionally used in this area are the following **accident indicators**:

- 1 THE ACCIDENT FREQUENCY INDICATOR**
This is represented by the number of accidents per 1,000,000 hours worked.

In **2015**, the Group recorded the following figures:

FREQUENCY INDICATOR 9.04
- 2 THE ACCIDENT GRAVITY INDICATOR**
This is represented by the number of days of absence per 1,000 hours worked.

GRAVITY INDICATOR 0.30

OBJECTIVE 2020



Given that the health and safety objective is always that of **reducing the number of workplace accidents to zero**, the Group undertakes to put into practice all of the measures needed to **reduce the accident frequency indicator** by at least **15%** compared to 2015.

-15%
ACCIDENT
FREQUENCY

Safety Management

Adopting an **effective management system** for the Health and Safety of workers can help improve safety in the workplace. SEDEX accreditation, which has already been obtained for 73% of Group plants, requires compliance with and the communication of several international criteria relating to workplace health and safety. Our primary objective is to obtain **SEDEX accreditation for 100% of plants** by 2017.

Furthermore, a working team will be set up to establish a **minimum safety standard** at Group level, taking into account the very diverse situations and laws in the various parts of the world in which the Group operates.



Training and Continuous Improvement

Personnel training is fundamental to guarantee innovation and the continuous improvement of the Group. It is essential to increase the skills and the knowhow that transmit the modus operandi and the values that Guala Closures has made its own.

In **2015**, the Group **provided 148,758 hours of training**.

In 2015, the **average training per capita** out of a total of 3,996 employees was therefore **37.2 hours**.

The highest per capita average relates to the hours of training provided to blue collar workers: this figure is no surprise given the type of jobs performed by the latter necessarily require additional safety measures and operator training (operating of machines, production procedures and similar) with respect to the other professional categories considered.

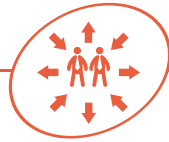
CATEGORY	NUMBER OF EMPLOYEES	TRAINING HOURS	HOURS PER CAPITA
EXECUTIVES	195	4463	22.9
WHITE COLLAR	873	22894	26.2
BLUE COLLAR	2928	121401	41.5
TOTAL	3996	148758	37.2

OBJECTIVE 2018



To **provide 2 hours of training** per Group employee, to **make them aware of** and **involve them** in the **Sustainability Programme**.

2 HOURS
SUSTAINABILITY
TRAINING



Diversity

Gender, age, cultural origins and professional diversity is a phenomenon that contributes wealth to the work environment and should be encouraged and stimulated through policies formed at Group level.

In December **2015**, the Group employed a total of **3,996 employees** and **723 temporary workers**.

BREAKDOWN OF EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE

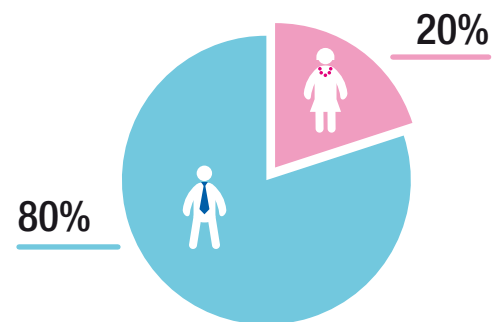
EMPLOYEES BY PROFESSIONAL CATEGORY		AVERAGE AGE	
EXECUTIVES	5%	EXECUTIVES	47
WHITE COLLAR	22%	WHITE COLLAR	40
BLUE COLLAR	73%	BLUE COLLAR	39

DIVERSITY POLICY

Of the **3,996 employees**, around **20%** is represented by women. Of these only **17%** hold **executive** positions and **27%** **white collar** positions.

PERCENTAGE OF WOMEN BY PROFESSIONAL CATEGORY

EXECUTIVES	17%
WHITE COLLAR	27%
BLUE COLLAR	19%



In the next report the Group will adopt the **Standard GRI-G4** which has **diversity** as an **important indicator**.

The 2016 Report will contain a description of the activities that the Group has committed to undertake, which seek to increase the awareness and the acceptance of people of different ages, genders and religions, operating in the multinational context that characterises our Group.

OBJECTIVE 2020



To **promote awareness campaigns** to **facilitate the integration** of diverse groups, with specific regard to gender, age and religious diversity.

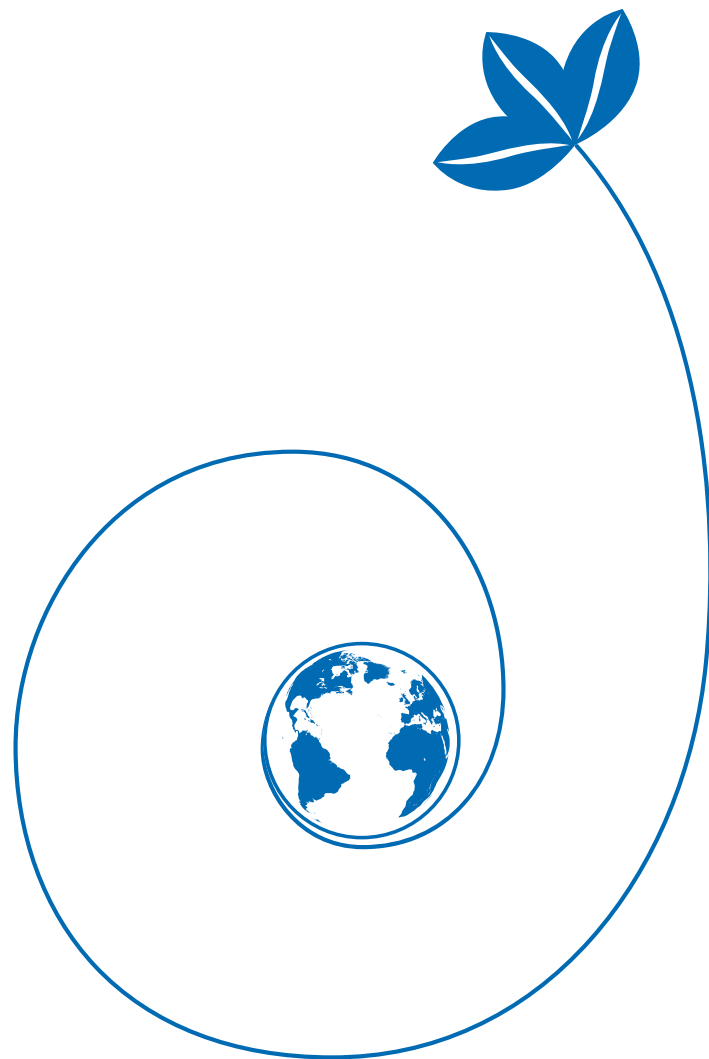
Summary of Social Objectives*



- To reduce the accident frequency indicator by 15% **2020**
- 100% of employees with 2 hours of training on the Sustainability Programme **2018**
- To strengthen the programme for the development of internal resources **2020**
- To promote awareness campaigns for diverse groups to facilitate their integration **2020**

* All objectives shown in % improvement refer to 2015.





PRODUCTION EFFICIENCY



INNOVATION



CUSTOMER SATISFACTION



Production Efficiency

Overall Equipment Efficiency (OEE) is the indicator that Guala Closures uses to measure and monitor **its production efficiency** and the **performance of its machines, production lines** and, more generally, of its plants.

OEE measures to what extent machine downtime is due to events such as **set-up, testing, sampling, ordinary and extraordinary maintenance, cleaning, quality performance** and **reworking**, quantifying their influence on **the production efficiency** of a machine or production line.

OEE is calculated as the ratio of **output** and **saturated input** and highlights inefficiencies due to organisation, maintenance, production and quality.



The performance as regards this Group indicator is fairly similar between its plants and business units, recording figures that range from a minimum of **64.3%** to a maximum of **77%** per Continent.

In **2015**, Overall Equipment Efficiency recorded a figure of **73.8%** for the Group as a whole⁽¹⁾ calculated on the basis of weighted averages of the OEE of each plant.

OBJECTIVE 2018  To bring Overall Equipment Efficiency to over **85%**.

>85% OEE

⁽¹⁾ For 2015, the plants of Vasto (Italy), Fairfield (USA), Kazanlak (Bulgaria), Sumy (Ukraine) and Wloclawek (Poland) were excluded as the measurement of this indicator for them started in 2016.



Innovation

The Group's Italian head office in **Spinetta Marengo** and the **Kirkintilloch** plant in the **UK** host the majority of the resources employed in the research and development of new products, materials and processes.

The **“Design, Innovation and Quality”** Division works in synergy with all of the other company departments and provides design support to all Group entities.

Guala Closures also develops **exclusive partnership projects** with some of its main Customers with a view to researching and developing innovative and high-performing solutions that meet their specific requirements.

Over the **past 5 years**, the Group has registered an impressive **26 designs** at the patents office, **7 of which in 2015**.

At present Guala Closures holds over **80 patents**.

OBJECTIVE 2020  To **develop** at least **26 new** patentable **ideas**.

26 NEW PATENTS



Customer Satisfaction

OTIF

OTIF (On Time In Full) measures Guala Closures' ability to deliver the right quantity of goods requested (In Full) in accordance with the deadlines agreed with Customers (On Time).

It is a fundamental performance indicator for the Group, which it seeks to constantly improve and to achieve **100%**.

ON TIME IN FULL

OTIF is calculated as the ratio of the orders processed and the total orders received by each Group plant.

The overall OTIF is calculated as the ratio of the total number of orders processed correctly and the total number of orders.

In **2015**, the **On Time In Full** reached a figure of **84.3%** for the Group as a whole⁽¹⁾ calculated on the basis of weighted averages of the OTIF of each plant. The performance of this Group indicator is fairly similar between its plants and business units, **recording very good figures in Latin America and Oceania.**

OBJECTIVE 2018

To bring OTIF to above **95%**.

**>95%
OTIF**

SEDEX

To complete SEDEX accreditation for all Group plants, which numbered 19 (out of 26) at the end of 2015.

OBJECTIVE 2017

All plants **SEDEX** accredited.

**100%
SEDEX**

ISO 22000

ISO 22000 is an international standard, applied on a voluntary basis by parties that operate within the value chain of the food sector.

The standard guides companies in the adoption of management systems that seek to guarantee compliance with several minimum requirements such as risk assessment and the control of critical points (HACCP) and **food safety.**

All Guala Closures products will come into contact with consumer beverages and consequently, having this certification represents a **guarantee of the quality** and **safety** of its products which is extremely important to Group Customers.

At present **50%** of Group plants are already **ISO 22000** certified.

OBJECTIVE 2018

To **obtain ISO 22000** certification for all Group plants.

**100%
ISO
22000**

Summary of Economic Objectives

- Overall Equipment Efficiency (OEE) >85% **2018**
- To develop at least 26 patentable ideas **2020**
- On Time In Full delivery (OTIF) >95% **2018**
- All plants SEDEX accredited **2017**
- ISO 22000 for all Group plants **2018**

⁽¹⁾ For 2015, the plants of Vasto (Italy), Fairfield (USA), Sumy (Ukraine) and Wloclawek (Poland) were excluded as the measurement of this indicator for them started in 2016.





GUALA CLOSURES GROUP
TABLE OF GROUP INDICATORS & OBJECTIVES
2016-2020

	INDICATOR	DESCRIPTION	OBJECTIVES*	DEADLINE
ENVIRONMENTAL	● CO ₂ Emissions	● Atmospheric emissions of plants and CO ₂ equivalent	● To reduce CO ₂ eq. emissions (Scope I-II) per finished product (ton CO ₂ eq./ton FP) by 25%	2020
			● To certify indirect CO ₂ emissions (Scope III)	2017
			● To develop partnership projects with suppliers to reduce the usage of raw materials and transport	2017
	● Energy consumption	● Consumption of all sources used	● To reduce energy consumption per finished product (GJ/ton FP) by 25%	2020
			● To facilitate the supply of renewable energy	2020
	● Waste	● Waste produced, type and final destination	● To reduce the waste generated per finished product by 30%	2020
			● To reduce hazardous waste with respect to total waste produced <5%	2020
● Zero waste in the dump (kg)			2020	
● Raw materials	● Raw materials, accessory, auxiliary and packaging materials	● To decrease the percentage of scrap to below 1%	2018	
		● To increase the quantity of recycled and/or low environmental impact aluminium with respect to the total employed	2020	
● Water	● Water drawn	● To reduce the water drawn per finished product (m ³ /ton FP) by 20%	2018	
● Environmental management	● Environmental management systems	● To obtain ISO 14001 certification for all Group plants	2020	
SOCIAL	● Health and Safety	● Accident frequency and gravity	● To reduce the accident frequency indicator by 15%	2020
	● Training	● Type and quantity of training given	● 100% of employees with 2 hours of Sustainability Programme training	2018
			● To strengthen the development programme for internal resources	2020
● Diversity	● Gender and cultural differences	● To promote awareness campaigns to facilitate the integration of diverse groups	2020	
ECONOMIC	● Production efficiency	● Efficiency of production systems	● Overall Equipment Efficiency (OEE) >85%	2018
	● Innovation	● Innovative capacity	● To develop at least 26 patentable ideas	2020
	● Customer Satisfaction	● Customer Satisfaction	● On Time In Full delivery (OTIF) >95%	2018
			● All plants SEDEX accredited	2017
		● ISO 22000 for all Group plants	2018	

* All objectives shown in % improvement refer to 2015.



COMPENSATION PROJECTS GREENHOUSE GAS EMISSIONS

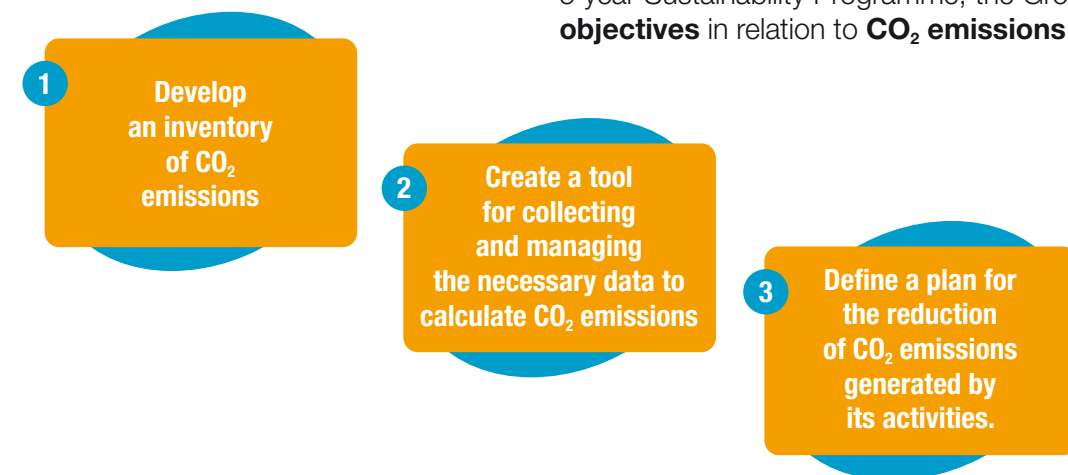


Climate-Changing Gases

Guala Closures had started to pay particular attention to the issue of **greenhouse gases** and the **fight against global warming** prior to approval by the first Sustainability Programme.

Already in **2008** the Group commissioned its first study **LCA** (Life Cycle Assessment) on one of its closure types, the **Divinum**.

In **2011**, in order to identify what environmental objectives needed to be achieved by the end of the first 5 year Sustainability Programme, the Group set itself **3 objectives** in relation to **CO₂ emissions**:



With these objectives in mind, the Group has started to develop a **tool for data collection** (TEA) as well as an account of the **CO₂ emissions generated** by its Italian plants from 2012 and those generated by all the Group's plants from 2014.

Guala Closures has also developed two other LCA studies: the first in 2012 on **wine closures** and the second in 2014 on **oil closures**.

Besides having **reduced CO₂ emissions** by **36.6%** generated by its Italian plant activities (see page 124), Guala Closures **has compensated for over 75,000 tons of CO₂** (see pages 80-81) between 2011-2015.

The **“Reduction-Compensation”** strategy will be retained in the new Programme.

Measuring

In **2008 Guala Closures** was already aware that the first step towards developing an effective climate-changing emissions reduction strategy needs to measure the extent of its own impact.

There are two important measuring tools developed at an international level to calculate CO₂ emissions:

A **GHG inventory** developed according to the **ISO 14064** international standard which allows the calculation of **total emissions** generated by all the Group's activities by dividing them into **3 macro-categories**:

Scope 1. GHG direct emissions

Those which come from facilities within the organisational boundaries (combustion plants, private generators, emissions from production process).

Scope 2. GHG indirect emissions by energy consumption

Those resulting from power generation, heat, and significant vapour release and that used by the organisation.

Scope 3. Other GHG indirect emissions

Those related to employee travel, product transport, materials, people, waste, activities carried out externally, all "end of life" emissions, production of raw materials and purchased material and use of products by consumer/customer.

B **LCA**

Calculation made on the lifecycle of one or more products selected specifically as those being most representative of a company's or the Group's main activities according to **ISO 14040-14044** international standards: this methodology is used to identify the main **factors impacting the environment** caused by the production of a particular product during its entire **production cycle** (raw material extraction, production, distribution), **consumption** and **end of life** (disposal). The complete assessment includes the impact of greenhouse gas emissions.

These two tools combined allow Guala Closures to understand which of the phases of its production cycle in relation to the products being produced, generate the most significant amounts of CO₂. Thus, strategically identifying in which phase/area or activity it is best to intervene in order to obtain the highest reduction levels.



CO₂ Emission Compensation Benefits

When selecting to fund projects for the partial compensation of greenhouse gases generated by its activities, Guala Closures pays particular attention **not only to the environmental effects**, but also the **social** and **economic** situations in those locations in which it operates.

Environmental Benefits

CO₂ compensation, planting, upgrading abandoned and unproductive land, recovery of **natural eco-systems** or support in the production of **renewable energy**.

Social Benefits

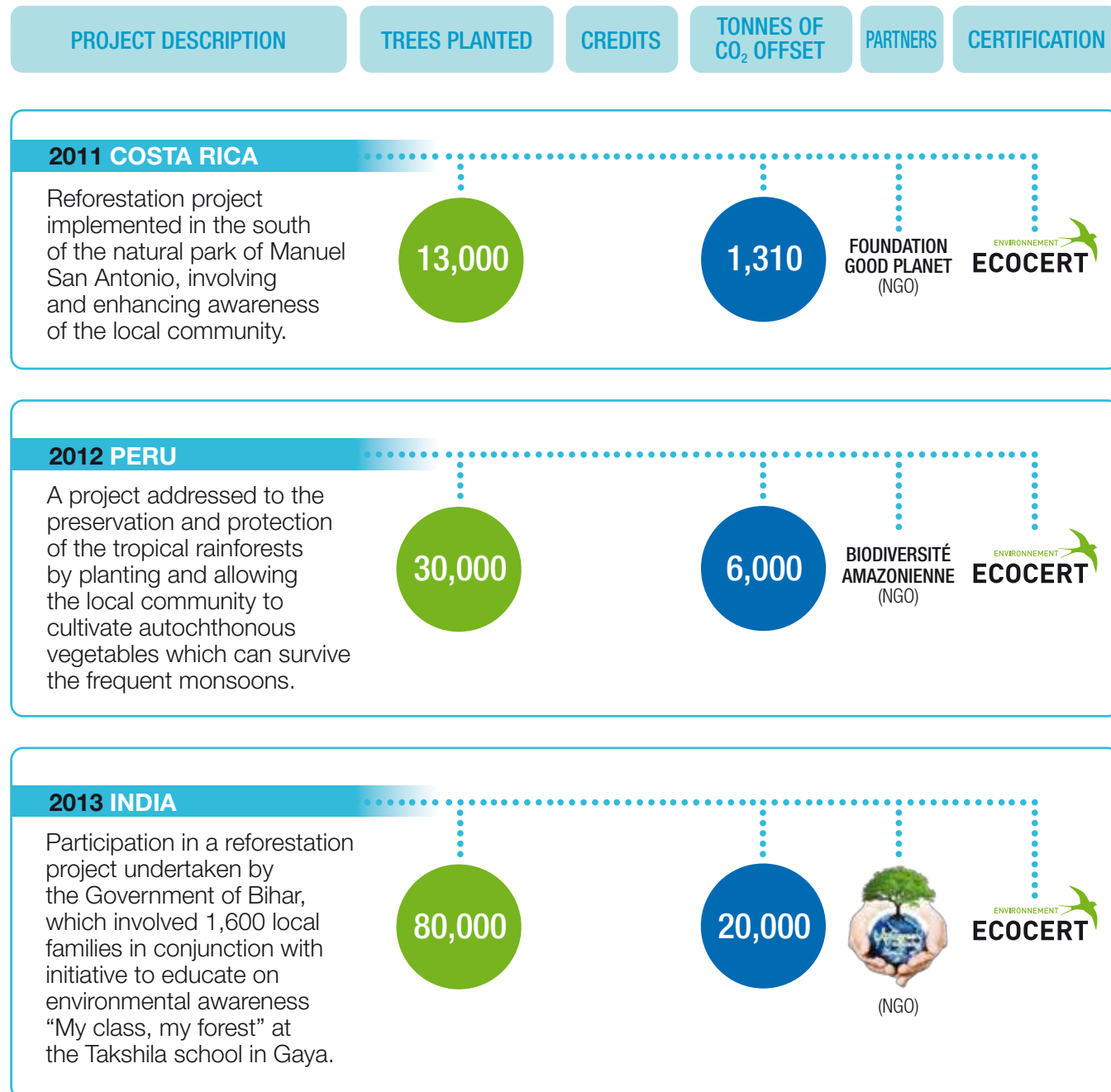
Improving **quality of life for local communities** involved through **work** and **education** on environmental conservation and the benefits obtained in safeguarding it.

Economic Benefits

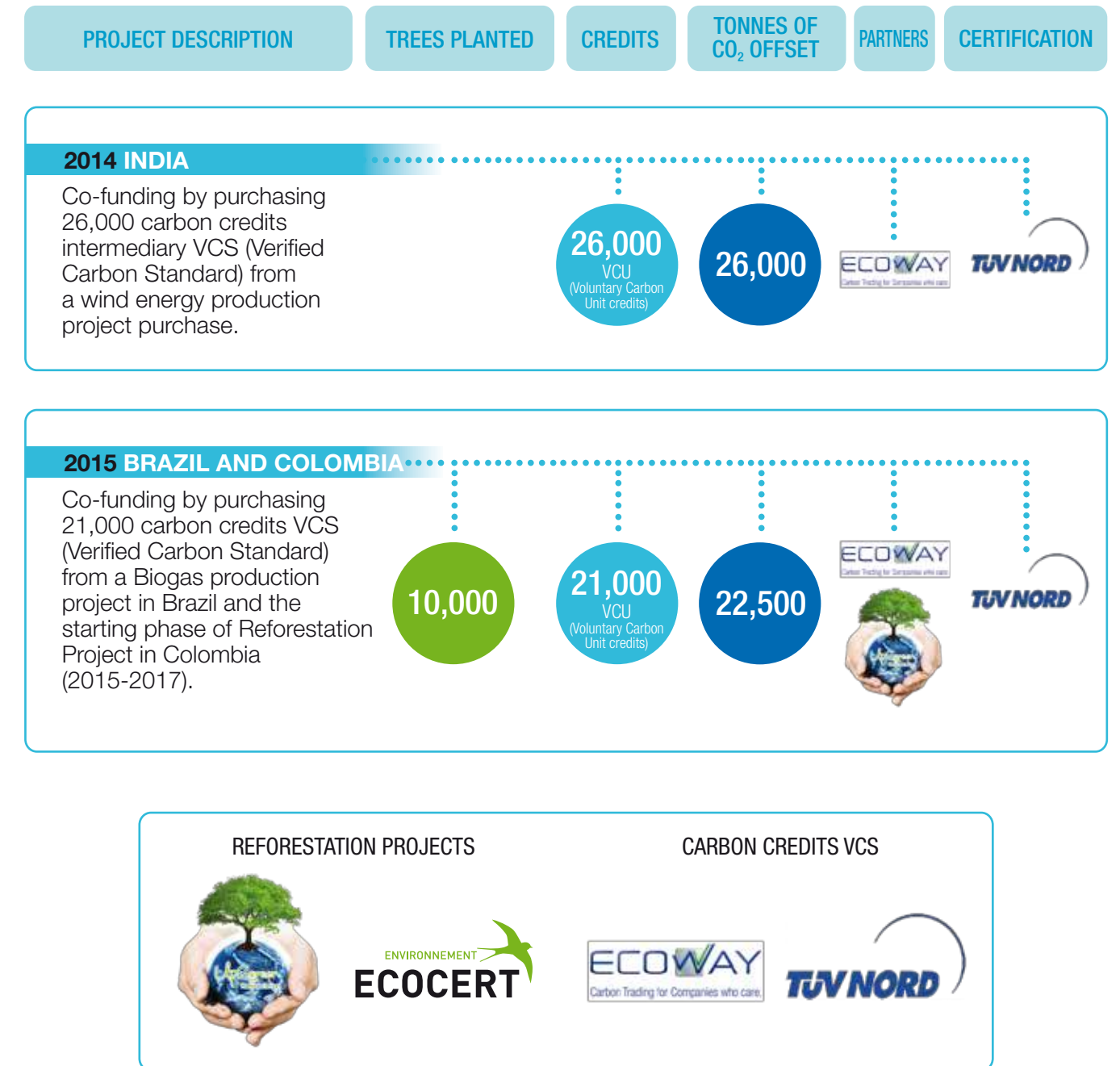
Support with local economies: families involved are paid for planting and safeguarding plantations which will also grow fruit, and from those sales, they will receive an alternative **set income for years to come**.

COMPENSATION CO₂ EMISSIONS

Besides taking on the commitment to reduce CO₂, Guala Closures, has decided to compensate for its share of these emissions by funding **reforestation projects** and/or **converting energy** produced into renewable sources preferably in those developing countries where the Group operates, actively involving local communities.



From **2011 to 2015**, over **75,000 tons of CO₂** have been compensated for through reforestation projects or purchasing carbon credits. These projects have been developed with influential partners and controlled by certified international independent agencies.



2011-2015 REFORESTATION PROJECTS COSTA RICA, PERU, INDIA, COLOMBIA

Costa Rica 2011

Reforestation project implemented in the south of Manuel San Antonio natural park, involving and enhancing awareness of the local community.



- 2011
- ▶ **13,000** trees planted in Manuel San Antonio natural park
- ▶ **1,310** tonnes of CO₂ offset

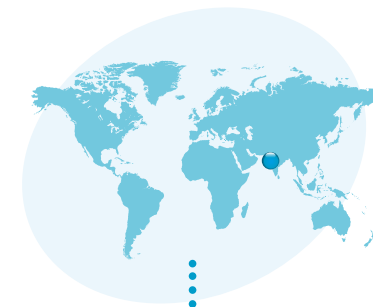


Peru 2012

A project carried out in the Yanaya-cu-Maquia National reserve, in the Loreto region, province of Requena, Sarayacu and Maquia district, northwestern Peru.



- 2012
- ▶ **30,000** autochthonous trees planted
- ▶ **6,000** tonnes of CO₂ offset
- ▶ **Project 100%**
 Guala Closures Group



2013

- ▶ **80,000** trees planted to regenerate 73 hectares of land
- ▶ **20,000** tonnes of CO₂ offset
- ▶ **1,600** families involved
- ▶ **Project coordinated** by Up2green Reforestation

India 2013

As part of a wider reforestation project undertaken by the **Government of Bihar**, Guala Closures funded the purchase and planting of 80,000 trees, to recover 73 hectares of non-productive land. **Over 1,600 local families** have been involved. Furthermore, Guala Closures sponsored an educational initiative promoted by **Up2green Reforestation "My class, my forest"** at the **Takshila** school in **Gaya**, with the objective to increase awareness and conduct young people towards **respect** and **protection of the environment**.



2014

- ▶ **26,000** VCU credits Voluntary Carbon Unit
- ▶ **26,000** tonnes of CO₂ offset

India 2014

A project co-funding through carbon credit purchase to reduce greenhouse gases using wind energy.





2015-2017 REFORESTATION PROJECT IN COLOMBIA

Starting in 2015, Guala Closures decided to invest in a **three-year reforestation project** in **Colombia** devised and coordinated by the NGO **Up2green Reforestation**.

The project, which is **100% funded by Guala Closures**, has three objectives:

1

Compensate for 15,000 tonnes of CO₂ by planting 100,000 fruit and timber trees.

2

Generate income for local populations involved in the reforestation activities, contributing at the same time in education and awareness of climate change.

3

Preserving the wealth of local biodiversity thanks to the safeguarding of the Amazon forests.

2015
2016
2017



100,000 trees
10,000 in Amazon
90,000 in the IPIALES mountains



Over **15,000** tonnes of CO₂ offset



Work and income for over **350 families**



Benefits, biodiversity, and local **eco-systems**



Project 100%

Guala Closures Group

The first part of the project began during **2015** in the Amazon, where **10,000 trees** were planted in the native communities of San José del Río and Santa María Amacayacu.

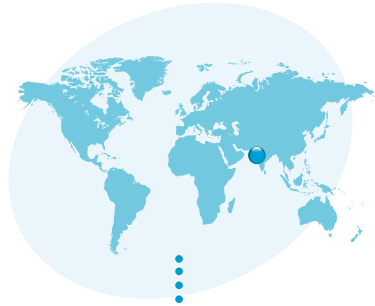
The second phase will take place between **2016** and **2017** in IpiALES in the Andes where **90,000 trees** will be planted. This area was chosen because at an altitude of 3000 meters, the lack of trees creates drastic problems in water retention, causing serious consequences to local agriculture.

The project was developed by Up2green based on the involvement and direct collaboration with the local population in order to **identify their main needs**.





On the whole, **350 local families** will be actively involved in the evolution of the project during the three year period.



2016 FROM SCHOOL TO THE FIELDS



2016

- ▶  **300** Classes
15,000 students
- ▶  **15,000** fruit trees
20% of which forestry preferably autochthonous
- ▶  **Benefits**, biodiversity and local **eco-systems**
- ▶  **Project coordination**
Up2green Reforestation and 3 India NGOs

In **2016**, “**From School to the Fields**” project takes off. Funded by Guala Closures India within the new policy regarding social responsibility. It will take place in the Indian States of Gujarat and Goa, where Guala Closures India has 2 production plants.

For the educational part, **300 classes** with about **15,000 students** between the ages of 9 and 13 will participate. The 15,000 trees will be planted in 16 villages in the Tapi and Gujarat districts, south of Gujarat.



“ My **class** my **forest** ”

www.myclassmyforest.org



YouTube

Videos the reforestation project are available on our youtube channel:
www.youtube.com/gualaclosuresgroup

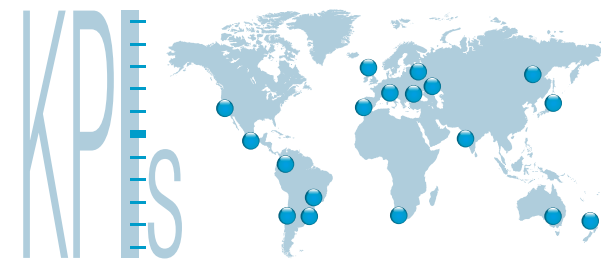
For further information: sustainability@gualaclosures.com



THE WORLD OF GUALA CLOSURES GROUP PLANTS OVERVIEW



2016-2020
A new challenge
for all Group companies
with the new
Sustainability Programme



In this edition of the Sustainability Report, Guala Closures extends the scope of reporting to all of the **Group's Business Units** and **Plants**.

For some time now, Guala Group companies have adopted initiatives and projects that seek to improve their **economic, social** and **environmental** performance, each consistent with the characteristics of the local scenario in which they operate.

However, up until now, as the scope of reporting was limited to the Italian Business Units, these initiatives could not be fully covered in the Group Sustainability Report.

From this year on, as well as extending the scope of reporting and drawing up the new 2016-2020 Sustainability Programme, we have added a new and important chapter dedicated to the various companies that are part of the Group, to draw attention to the most significant **activities and performance** in terms of sustainability.

Argentina

Guala Closures Argentina S.A.



The company is **98.38%** owned by the Group. The plant is located in **Chivilcoy** and produces Roll On closures.



Daniel Garcia, Argentina
Country Manager

“Guala Closures Argentina recognises the importance of continuous dialogue with its main stakeholders to improve the social, economic and environmental performance of its plant, especially with its key customers and suppliers, as well as with the trade unions.”

In addition, the company **provides support to the local community** it operates in through annual donations to local charities (around 3,500 euro planned for 2016) and by guaranteeing supplementary **medical care and assistance** to its employees (over 8,000 euro envisaged in 2016).

Lastly, to meet the needs of the adjacent market in Chile, in **2015** we opened a new facility in **Santiago de Chile.**”



-7.7% production of waste per finished product compared to 2014.

-32 Ton/ton FP of waste compared to the Group average (2015).

plant surface area	m² 12,000	closures
number of employees	249	Roll On for wine
		international customers
		Bacardi, Beam Global, Diageo, Fratelli Branca, Pernod Ricard
		local customers
		Fratelli Branca, Grupo Penaflo, Cartavio Rhum, Vina San Pedro

Reducing the environmental impact of production activities

In **2015**, Guala Closures Argentina **replaced** the majority of its high-energy consumption lightbulbs with **high efficiency lightbulbs** and developed improved production processes in order to reduce aluminium waste and raw material usage.

The company **reuses 100%** of the aluminium scrap it produces.



Australia

Guala Closures Australia Pty Ltd



The company is wholly owned by the Group. The two plants, **Acacia Ridge** and **Braybrook**, produce Roll On closures.



Steven Ness,
Australia
Country Manager

"Guala closures Australia makes a lot of effort to reduce the environmental impact of its activities, mainly by focusing on the energy efficiency of its plants and on reducing scrap."

We recently entered into a partnership with **Treasury Wines**, an Australian wine producer and transporter to optimise our goods loading operations, therefore **reducing the amount of space occupied per shipment.**"



-0.98 GJ/ton FP compared to the Group average (2015).

-0.37 ton CO₂ eq/ton FP compared to the Group average (2015).

-3.44 m³/ton FP of water compared to the Group average (2015).

plant surface area Acacia Ridge	m ² 2,619	closures Roll On for spirits and wine
number of employees Acacia Ridge	23	international customers Diageo, Campari, Pernod Ricard, Treasury Wines, Lion Nathan
plant surface area Braybrook	m ² 9,626	local customers VinPac International, Casella
number of employees Braybrook	118	

Reducing the environmental impact of production activities

In **2015**, Guala Closures Australia obtained **good results** after implementing numerous measures and improvements in its plants and to its production activities.



Energy consumption

Installation of LED lightbulbs for plant lighting.



Atmospheric pollution

The lower consumption of electricity resulting from the installation of LED lights also leads to lower CO₂ emissions resulting from the production of electrical energy.



Waste

Monthly monitoring of the aluminium scrap generated and continuous efforts to reduce the quantity of the same. All aluminium, tin, liners, paper and cardboard waste and scrap is recycled by means of delivery to a third party, which uses it for other purposes. In 2015, the following were therefore recycled:

Aluminium 897 Mton, Tin 947 Mton, Liners 54 Mton, Cardboard 50 Mton.



Brazil

Guala Closures do Brasil Ltda



The company is wholly owned by the Group. The plant in **San Paolo** produces Safety closures.



Ivan De Nadai
Brazil
Country Manager

“Right back in 2013, Guala Closures do Brasil launched a process of transition towards the **purchase of energy produced from renewable sources**, which has already led to a significant reduction in CO₂ emissions.

Furthermore, together with our main customers and suppliers, we have designed and produced new models of innovative and more sustainable Safety closures. In fact, in 2014 we launched the **Wave** safety closure, which as well as protecting the Cachaça, is more sustainable as it facilitates the recyclability of the polyethylene used in its production process. Lastly, in 2015, we worked to replace the polyethylene produced from oil with a **vegetable-based plastic material** (sugar cane).”



-10.87 GJ/ton FP compared to the Group average (2015).

-1.97 m³/ton FP of water compared to the Group average (2015).

-2.05 ton CO₂ eq/ton FP compared to the Group average (2015).

-169 ton/ton FP of waste compared to the Group average (2015).

plant surface area	m ² 11,286	closures	Safety for spirits and Roll On for wine
usable surface area		international customers	Pernod Ricard, Diageo, Bacardi, Campari, Capel, Tres Leones
built surface area	m ² 6,758	local customers	Müller, Asteca, Paratudo, Fante
number of employees	80		

Reducing the environmental impact of production activities

Since **2013**, Guala Closures do Brasil has procured a part of its energy requirement from **clean energy produced from renewable sources** and has certified the quantity of greenhouse gas avoided in this way: 800 tons CO₂ eq. less in **2015** and, overall, 1,932 tons CO₂ eq. less from **2013** to the end of **2015**.



Bulgaria

Guala Closures Bulgaria A.D.



The company is **70%** owned by the Group. The plant in **Kazanlak** produces Safety closures.



Mihaylov Tancho
Bulgaria
Country Manager

*“Guala Closures Bulgaria really seeks to limit the environmental impact of its activities: in 2015, it already recorded energy consumption and raw material usage figures that were **lower** than the Group average.*

*The company is also involved in **social projects** to support the **health and safety of workers**, their families and the community it operates in.*



As a result of the focus on this area, the Kazanlak **did not record any accidents in 2015.**”

-6.4 GJ/ton FP compared to the Group average (2015).

-0.6 ton CO₂ eq/ton FP compared to the Group average (2015).

-1.1 m³/ton FP of water consumed compared to the Group average (2015).

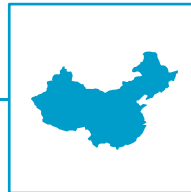
-86 ton/ton FP of waste compared to the Group average (2015).



plant surface area	m² 6,500	closures	Safety for spirits
number of employees	240	international customers	Mey Alkolu Ickiler San Ve. Tic. A.S. (Turkey)
		local customers	Vin Prom Peshetera

China

Beijing Guala Closures Ltd



The company is wholly owned by the Group. The plant in **Beijing** produces Safety and Roll On closures.



Giorgio Vinciguerra
China
Country Manager

“Working in the Chinese culture, which is so different to that of Italy represents a challenge that Guala Closures has undertaken thanks to the continuous dialogue with the main local authorities and stakeholders: we meet the local trade union and Industrial

Committee representatives a number of times each year so that we are always informed of any legislative changes in our sector.

*Furthermore, we have forged strong relationships with our local suppliers and we attend the annual meetings of the **Chinese Packaging Association.**”*

Reducing the environmental impact of production activities

China is faced with an increasingly serious air pollution problem, which is now close to unsustainable levels for the health of its citizens. Beijing Guala Closures is therefore working to reduce the polluting emissions generated by its production activities. More specifically, in 2015 **air purification filters** were installed in the injection moulding department and in the suction piping system with a total investment of almost 10,000 euro per year.

-7.1 GJ/ton FP compared to the Group average (2015).

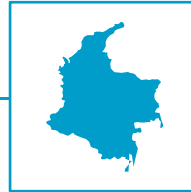
-142 ton/ton FP of waste compared to the Group average (2015).



plant surface area	m² 4,512	closures	Safety, Roll On for spirits and oil
number of employees	67	international customers	Diageo, Nestlé, APU
		local customers	Tuopai, Gujing, Langjiu

Colombia

Guala Closures de Colombia Ltda



The company is **93.2%** controlled by the Group and has a plant in **Bogotá** that produces Safety closures.



Antonio Jose Ramirez
Country Manager

*"Guala Closures Colombia operates in an environment that has some social and environmental problems. Aware of this situation, we are proud to have set in motion a three-year reforestation project which, in addition to offsetting 15,000 tons of CO₂ emissions, will also guarantee considerable social benefits by generating **work** and **income** for over **350 families**."*

In 2015, in particular, we planted 10,000 trees in the Amazon in the indigenous communities of San José del Río and San Martín de Amacayacu."



- 9.4%** water consumption per finished product compared to 2014.
- 32.9%** production of waste per finished product compared to 2014.
- 8.59** GJ/ton FP compared to the Group average (2015).
- 2.13** ton CO₂ eq/ton FP compared to the Group average (2015).
- 1.48** m³/ton FP of water compared to the Group average (2015).
- 128** ton/ton FP of waste compared to the Group average (2015).

plant surface area **m² 3,000**
number of employees **94**

closures
Safety for spirits
international customers
SAV (Sociedad Agroindustrial del valle), ILSA, Diageo Venezuela (TOG)
local customers
FLA (Fabrica de Licores de Antioquia), ELC (Empresa de Licores de Cundinamarca), ILC (Industria licorera de Caldas)

Guala Closures Colombia commitment to sustainability

Guala Closures Colombia's commitment to sustainability was proven by an award it received as part of the **"Programa de reconocimiento a la excelencia ambiental distrital"** (Programme to acknowledge a district of environmental excellence) promoted by the **Environmentally Sustainable Business Network** association, whose objective is to improve the environmental quality of the city of Bogotá.

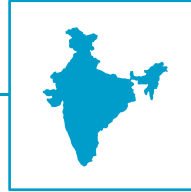
The company is committed to improving its environmental performance by further **reducing energy consumption, minimising scrap** and investing in a **water treatment** plant, which will be installed in 2016.

Guala Closures Colombia also focuses on the **reuse of all of the materials** employed in its production activities: **it recycles packaging, it resells the used oil and produces pallets from plastic scrap.**



India

Guala Closures (India) Pvt Ltd



The company is **95%** owned by the Group. It has three plants in **Goa, Daman** and **Ahmedabad**, which produce Safety closures.



David Stevenson
India
Country Manager

"Guala Closures India operates in an exciting and dynamic country which does have social and environmental challenges including poverty, illiteracy, lack of water and waste accumulation.

*Aware of this situation, we are proud to have set in place a detailed **CSR plan**, which, with the active involvement of the local communities, has generated and will continue to **generate social and environmental benefits.**"*



-1.1% water consumption per finished product compared to 2014.

-0.26 ton CO₂ eq/ton FP compared to the Group average (2015).

-2.9% production of waste per finished product compared to 2014.

-166 ton /ton FP of waste compared to the Group average (2015)

-7.61 GJ/ton FP compared to the Group average (2015).

The 3 Indian plants have recorded some of the lowest accident frequency and gravity indices of the whole Group.

plant surface area Goa	m ² 17,153	closures	Safety for spirits
number of employees Goa	458	international customer	Diageo, Pernod Ricard
plant surface area Daman	m ² 3,174	local customer	Radico, Alcobrew, ABD, Tilaknagar
number of employees Daman	141		
plant surface area Ahmedabad	m ² 9,480		
number of employees Ahmedabad	450		

Reducing the environmental impact of production activities

In **2015**, Guala Closures India obtained excellent results following the adoption of various measures and improvements in its plants and to its production activities.



Energy consumption

The Government has approved an underground cable from the Sanquelim substation to our factory in Goa.



Waste water

A rainwater harvesting system has been installed at Ahmedabad. A waste water treatment system has been installed in Goa.



Water usage

A programme to monitor the use of water has been launched as a first step towards reducing usage.



Raw materials usage

Significant efforts are being made by R&D to improve design and to reduce the production of scrap, specifically by using a different material from 2015.



Waste

The production of waste in Ahmedabad has fallen by 0.7%.



Mexico

Guala Closures Mexico S.A. de C.V.



The company is wholly owned by the Group. The plant in **San José Iturbide** produces Safety, Roll On and Luxury closures.



Hector Courcuera
Mexico
Country Manager

*“For many years, Guala Closures Mexico has been seriously committed to reducing its environmental impact and to improving living conditions in the communities it operates in. Our plant has been certified by the Government as a **“Green Plant”***

*since 2010, and since then, this certification has been renewed every two years following the necessary government audits. From a social perspective, we have undertaken various solidarity projects for our employees, who are offered supplementary healthcare plans and study grants for their children. Furthermore, we promote initiatives addressed to the young and to protected categories of workers, who are periodically given the opportunity to receive in-company training. This commitment has also been formally acknowledged by the **Mexican Labour Ministry**, which has certified Guala Closures Mexico as an **“Empresa Incluyente.”***



-2.37 GJ/ton FP compared to the Group average (2015).

-0.61 m³/ton FP of water consumed compared to the Group average (2015).

Mexico also has one of the lowest frequency of accidents in the workplace indicator of the Group (2015).

plant surface area **m² 15,000**

number of employees **280**

closures
Safety, Roll On and Luxury for spirits and wine

international customers
Bacardi, Pernod Ricard, Campari, Brown-Forman, Beam Suntory

local customers
Cuervo, Grupo Corona

Reducing the environmental impact of production activities



Energy consumption

In 2014, the conversion of the decorative department from LPG to natural gas led to a significant reduction in atmospheric emissions and energy consumption.



Water consumption

Continuous monitoring of consumption. Conversion towards a system of waterless urinals to limit water consumption.



Waste water

Waste water is sent to a treatment plant that renders it fit for irrigation.



Atmospheric pollution

A plan is currently under implementation to improve the air purification filters.



Waste

Measurement of the hazardous waste generated, of plastic bags, cardboard, wood and aluminium scrapped or left over and implementation of a programme to recycle and reuse all of this material. 95% of raw material scraps are either sold to be reused or reused internally.



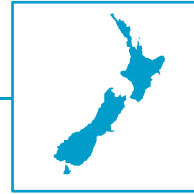
Raw material usage

Continuous monitoring of scrap and implementation of a programme to reduce both aluminium and plastic resin scrap.



New Zealand

Guala Closures New Zealand Ltd.



The company is wholly owned by the Group. The plant in **Auckland** produces Roll On closures.



Tomasz Malarczyk
New Zealand
Country Manager

*"Guala Closures New Zealand recognises the importance of the **active involvement** of its **main stakeholders** to reduce its impact on the environment and it is thanks to various joint projects that we have been able to launch recycling and recovery programmes for **cardboard, pallets** and **aluminium closures** recovered from our Customers."*

*We have also managed to significantly reduce the use of vans for road deliveries **by optimising shipments** by combining orders and preferring **sea transport**."*



- 11.1%** of energy consumption per finished product compared to 2014.
- 17.1%** of total CO₂ eq. emissions generated compared to 2014.
- 19%** of CO₂ eq. emissions per finished product compared to 2014.
- 0.69** GJ/ton FP compared to the Group average (2015).
- 2.52** m³/ton FP of water compared to the Group average (2015).

plant surface area	m² 4,619	closures	Roll On for wine
number of employees	42	international customers	Constellation Brands, Treasury Wine Estate, Lion Nathan
		local customers	Villa Maria Estate, Yealands Wine Estate, Foley Family Wines, Wairau River and many more

Reducing the environmental impact of production activities



Energy consumption

Optimisation of production hours: from 7/7 production time has reduced to 5/7 plus overtime; against an increase in production of 2.3% measured in terms of finished products; more efficient gas consumption meters installed on all production machinery; adoption of a power management system in order to reduce the waste of electricity due to the inefficient use of the same.



Waste

Reuse of cardboard boxes and pallets with the majority of our customers; recycling of the aluminium closures recovered from several of our customers; recycling of paper, cardboard, aluminium and glass used internally.



Raw materials

Reduction of aluminium and liner scrap due to an improvement in the quality of the raw materials used and of internal coatings.



Air pollution

The release of polluting gas has fallen due to:

- **the reduction of energy consumption;**
- **the reduction of the use of road transport.**

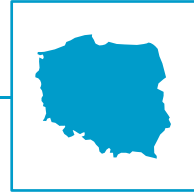


Social commitment

- Guala Closures New Zealand sponsors local **charity associations** that support **families and children** in disadvantaged economic conditions, through cash donations.
- In addition, the company has made several **cash donations** to tackle the crisis situations resulting from natural disasters (earthquakes).

Poland

Guala Closures DGS Poland S.A.



The company is **70%** owned by the Group. The plant in **Wloclawek** produces Safety and Roll On closures.



"Guala Closures DGS Poland really believes in the importance of supporting the community it operates in.

Krzysztof Grzadzziel
Country Manager
Therefore, in 2015 we worked with **20 NGOs, charity organisations and local schools**, which are mostly engaged in providing support to those with disabilities, single mothers, those with epilepsy, or which operate to promote European integration, allocating well over **110,000 euro**.

In 2016, we intend to **support local NGOs** that are engaged in social inclusion projects, by allocating **over 140,000 euro**."



-53.6% waste produced per finished product compared to 2014.

-2.77% m³/ton FP of water compared to the Group average (2015).

-164 ton/ton FP of waste compared to the Group average (2015).

plant surface area	m² 50,843	closures	Safety and Roll On for spirits, wine and beverages
number of employees	675	international customers	Accolade, Bacardi, Encirc, Kingsland, Stumbras, Pernod Ricard
		local customers	CEDC, Stock Polska, Sobieski, Polmos Bielsko-Biala

Reducing the environmental impact of production activities

In **2015**, Guala Closures DGS Poland implemented a series of projects to optimise its plant, which led to a **6% reduction in energy consumption**:

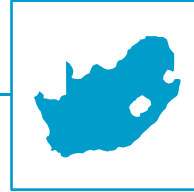
- Adoption of infrared drying technology;
- Installation of LED lightbulbs;
- Installation of inverters;
- Installation of systems to continuously monitor the temperature of the drying ovens;
- Modernisation of roof coverings, which has improved thermal insulation.

In addition, **new LTG afterburners have been installed** to reduce harmful atmospheric emissions.



South Africa

Guala Closures South Africa Pty Ltd



The company is wholly owned by the Group. The plant in **Cape Town** produces Safety, Aluminium and Luxury closures.



Giuseppe Carosini
South Africa
Country Manager

“At Guala Closures South Africa we are well aware that we operate in a situation characterised by serious social problems, especially as regards poverty and gender inequality, and environmental issues such as waste management and the lack of water.

*In addition, we meet local trade union representatives weekly, who are extremely active with regard to **equal opportunities, minimum wage, working conditions and training.**”*

*We therefore forge solid relationships with our main suppliers to **reduce the production of waste**, working together to **reduce the amount of material used for packaging** and the **thickness of the aluminium and of the paint** used in our production processes and we also work with Cape Town’s City Council to measure and reduce our atmospheric emissions.*



plant surface area	m² 12,000	closures	Safety and Roll On for spirits, wine and beverages
number of employees	230	international customers	Diageo, Glaxo Smithkline, DCSL, UDV, SAB
		local customers	Distell, KWV, DGB, RX, Accolade

Reducing the environmental impact of production processes

In **2015**, the company concluded a project that had begun in 2011, in partnership with its distributors, to neutralise the CO₂ emissions in the atmosphere by planting **“spekboom”** or portulacaria afra, a succulent plant that only grows in South Africa and which is able to absorb around 4.2 tons of CO₂ per year per hectare (around 100 times more than a hectare of pine trees of the same size). The project has guaranteed the offsetting of **over 3,000 tons of CO2 over the next 5 years.**



Furthermore, Guala Closures South Africa installed an **incinerator** to reduce its polluting atmospheric emissions and is assessing the opportunity of adopting renewable energy sources, by installing **photovoltaic panels** at its production plant from 2017.



Roll On Tamper Evident closures

In **2015**, **Roll On TE** was launched on the South African market, the first **Roll On** closure equipped with a **tamper evident** system to counter counterfeiting.



Spain

Guala Closures Iberica S.A.



The company is wholly controlled by the Group. It has three plants, **Olerdola**, which produces Roll On closures, **Jerez**, which produces Safety closures and **Alcalà**, which produces PET containers.



Armando Finis
Spain
Country Manager

*“Guala Closures Iberica maintains close relations with its key Customers, who are increasingly interested in sustainable development and prefer working with us due to our commitment to the **environment**, by involving us in joint projects.”*

For example, we have been included in the **Miguel Torres Sustainability Programme**, because we implemented a five-year plan to reduce our CO₂ emissions”.



-5.3% water consumption per finished product compared to 2014.

-0.52 ton CO₂ eq/ton FP compared to the Group average (2015).

-9.1% of waste generated per finished product compared to 2014.

-2.69 m³/ton FP of water compared to the Group average (2015).

-4.93 GJ/ton FP compared to the Group average (2015).

-26 ton/ton FP of waste compared to the Group average (2015).

plant surface area Jerez **m² 6,200**

closures
Safety for spirits, wine, beverages and oil

number of employees Jerez **48**

international customers
Pernod Ricard, Diageo, Beam Global, Bacardi

local customers
Miguel Torres, DZ Licores, Gonzalez Byass

plant surface area Olerdola **m² 5,000**

closures
Roll On for spirits, wine, beverages and oil

number of employees Olerdola **91**

international customers
Nestlé Waters, SABMiller, Coca Cola Hellenic, Heineken

local customers
Grupo DAMM, Miguel Torres, Mahou, Goja

Reducing the environmental impact of our production activities

In **2015**, Guala Closures Iberica launched a series of investments for the renewal of the production machinery in the Jerez and Olerdola plants, which should guarantee energy savings of between 5 and 10% of the total:

- Installation of new serigraphy machinery**
- Elimination of cooling machines (towers)**
- Installation of a frequency converter for water pumps**
- New air compressors**

Furthermore, Guala Closures Iberica now **regularly reuses the plastic scrapped** during the extrusion process and the PELD (Polyethylene at low molecular density) recovered from the injection process (in this case within the percentages allowed to guarantee the suitability of the material for contact with food).

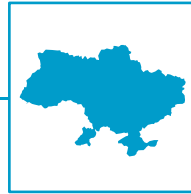


Social commitment

- Guala Closures Iberica guarantees **subsidies to all employees with school age children** to help them face the cost of the same.
- In addition, at the Jerez plant, **collections of food** for soup kitchens are organised at least once a year, and each month a **contribution is made to the religious congregation** that collects food and clothes.

Ukraine

Guala Closures Ukraine LLC



The company is **70%** controlled by the Group. The plant in **Sumy** produces Safety, Roll On and Luxury closures.



Volodymyr Zayets
Ukraine
Country Manager

"Guala Closures Ukraine makes significant efforts to reduce its social and environmental impact.

*In recent years we have been committed to significantly reducing the **production of waste**, seeking to recycle the majority of scrap material.*

*At the same time, we seek to contribute to the wellbeing and the growth of the community in which we operate: in 2015, we funded the renovation of the **intensive care department** at the **paediatric hospital** in **Sumy St. Zinaida.**"*



-2.29% m³/ton FP of water compared to the Group average (2015).

plant surface area	m² 24,154	closures	Safety, Roll On and Luxury for spirits, wine and beverages
number of employees	594	international customers	Bacardi, Diageo, IDS, SPI
		local customers	Nemiroff, National Vodka Company, RUST, Khortitsa

Reducing the environmental impact of production activities

To reduce energy consumption, the company has developed a project to **procure energy from renewable sources** by adopting a heating system fuelled by garden waste.

A **waste water** treatment system has also been developed. As regards the reduction of waste, Guala Closures Ukraine employs scrap material for the production of safety closures, mixed with virgin raw materials at a ratio of around **30/70**.

Furthermore, in 2015, the company organised for the following quantities of materials to be **recovered** and **reused**:

Material	Tons recovered
○ Glass	0.064
○ Fluorescent lights	0.1
○ Urban waste	413.7
○ Aluminium scrap	1,742
○ Plastic scrap	31
○ Polyethylene scrap	19.2
○ Other scrap	6.65
○ Paper	6
○ Used oil	0.15
○ Tyres	0.06
○ Batteries	0.01



Social commitment

- In 2015, Guala Closures Ukraine invested around 35,000 euro in a charity fund for **medical treatments** and plans to invest around 50,000 euro in 2016 in a fund for children with serious illnesses.
- Furthermore, **all employees are insured against accidents and are covered by healthcare insurance.**
- The company also **guarantees financial assistance** to all its employees for special events: weddings, birth of a child, long illnesses, rehabilitation, loss of a partner etc.

United Kingdom

Guala Closures UK Ltd



The company is wholly owned by the Group. The two plants in **Broomhill** and **Kirkintilloch**, produce Safety, Luxury closures and Aluminium closures.



Ken Moran
UK
Country Manager

*"Guala Closures UK is involved in numerous projects and initiatives relating to both environmental and social **sustainability**. We share our work on sustainability with our customers, regularly audit our suppliers on environmental issues and are members*

of numerous trade associations.

*For example, we are working on an initiative with the **Confederation of British Metalworkers** to reduce the **number of accidents**, we send annual data to Valpak, the Association for packaging waste and we are a member of **Alupro**, the Aluminium Packaging Recycling Organisation."*



-0.69 GJ/ton FP compared to the Group average (2015).

-2.54 m³/ton FP of water compared to the Group average (2015).

Guala Closures UK has also recorded one of the Group's lowest accident frequency and gravity indicators (2015).

plant surface area **m² 9,012**

number of employees **187**

closures
Safety and Luxury closures for spirits, Roll On closures for wine

international customers Diageo, Chivas, Pernod Ricard, Edrington, Dewars Bacardi, Grants, Beam Suntory, Accolade, Encirc & Kingsland

local customers
Loch Lomond, Inverhouse, Broxburn Bottlers, Burns Stewart & Glen Turner

Reducing the environmental impact of our production activities

In **2015**, Guala Closures UK achieved excellent results by implementing various measures and improvements in its plants and to its production activities.

Energy consumption

Installation of a voltage optimisation system in each of the 3 transformers on the production site.
Installation of low voltage LED lighting in approximately 60% of the plant, including corridors, offices, bathrooms and production areas.
Installation of Barrel Jackets on injection moulding machines in order to reduce heat loss and therefore also energy consumption.
Implementation of various projects to better control electricity consumption.
For example, by reprogramming the aluminium Baling machine, the plant recorded a 98% reduction in the energy consumed by this machine.

Raw material usage

In 2015, raw material usage fell by 2%.

Water consumption

A water management system was installed to reduce water consumption in the washrooms.

Waste

Over 90% of the waste generated is recycled internally or externally.
For example, plastic is reground so that it can be reused, often to create disposable stations for painting lines. Solvents are recovered and reprocessed as thinners by an external waste management partner.

Air pollution

Since 2012 the plant has implemented a project to reduce the quantity of VOC and particulate generated by production processes.
The reduction has been achieved by a transition to the use of water-based paint and UV technology.

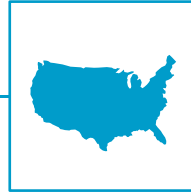


Social commitment

- Guala Closures UK offer an extensive and comprehensive training service to employees ranging from critical safety training and leadership development to improving general social skills such as basic IT and literacy.
- Health and wellbeing has been a key focus since 2014 with the achievement of the **Healthy Working Lives Silver** award. Key activities included smoking cessation classes, mental health counselling, provision of physiotherapist support, health related educational programmes and group activities such as organised hill walks.
- In **2015**, Guala Closures UK joined the **Movement to Work** programme, which provides work experience for young unemployed people to help them build skills and confidence to secure work in future. Additionally, support is provided to local charities, which include the **Salvation Army** and local **Food Bank**.

USA California

Guala Closures North America Inc.



The company is wholly owned by the Group. The single plant in **Fairfield**, California, produces Roll On closures.



Simon Yudelevich
USA
Country Manager

"We are one of the Group's small business units. We specialise in the **decoration and branding of aluminium closures** for wine bottles.

Our plant uses an innovative technology, digital printing, which means that we can produce even small batches of **just 1,000 units** in a very efficient manner, with very low levels of CO₂ emissions and of raw material scrap, while at the same time guaranteeing an infinite choice of designs to be studied and developed with the Customer.

Thanks to this very close working relationship with our Customers, we often have the opportunity to make them aware of the Group's commitment to **sustainability**, by showing them the **Programme** and the **Annual Reports** that illustrate the results."



After its inauguration in 2014, Guala Closures North America has had time to perfect and optimise its consumption, achieving impressive reductions:

-89% of energy consumption per finished product.

-92% of CO₂ eq. emissions per finished product.

-85.4% of waste production per finished product.



plant surface area **m² 1,000**

number of employees **7**

closures
Roll On for wine and closures for spirits

international customers
Constellation, Bacardi, Campari, Brown-Forman

local customers
The Wine Group



Guala Closures
DESIGN
STUDIO
USA

Italy

Guala Closures SpA



Guala Closures SpA is wholly owned by **Guala Closures Luxemburg Holdings S.C.A.**



Gianni Ferrari
Italia
Director

“After having concluded the first Sustainability Programme with excellent results, Guala Closures Italia will continue to work to improve its environmental and social performance and therefore contribute to achieving the objectives set by the Group.”

*In 2015, for example, the company had an **energy audit** conducted for its three main production plants and undertook a series of projects with a view to further reducing its consumption. More specifically, in the past year, the total consumption of the Italian plants as a whole **fell by 6% in terms of electricity** and by **3.6% in terms of gas**.*

The results of the 2011-2015 Programme are illustrated in more detail on pages 122-127.”

Holding company and plants

Guala Closures Luxemburg Holdings S.C.A. in turn controls Guala Closures International, the holding company of all of the other Group companies. The company owns and directly manages 4 plants in Italy, located in **Spinetta Marengo, Magenta, Termoli** and **Basaluzzo**. In addition, Guala Closures SpA also wholly owns **Pharma Trade S.r.l.**, which manages a single plant in Vasto that produces packaging for medicines.



Measures implemented to improve the environmental performance of Italian plants

SPINETTA MARENGO

- A project to replace all of the plant's lightbulbs with LED ones was launched and should lead to an estimated saving of 48% of total electricity consumption for lighting.
- In 2015, a variable speed compressor was also installed, which should lead to significant energy savings.

plant surface area **m² 22,000**
number of employees **238**

closures
Safety and Roll On for spirits and beverages

international customers
Diageo, Pernod-Ricard, Bacardi, Brown-Forman, Nestlé Waters, Hennessy

local customers **S.Pellegrino, Amuchina, Smeraldina, San Benedetto, Norda, Ponti, Ramazzotti, Campari, Branca, Gancia, Caffo**



TERMOLI

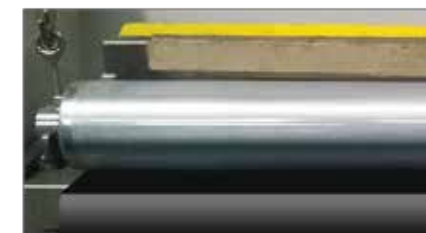
- The insertion of low acoustic impact nozzles to control compressed air is underway, which will guarantee a reduction of 6 db at each emission point and a 45% reduction in the consumption of compressed air.
- In collaboration with the Magenta plant, an Anilox, controlled dosage roller has been adopted for painting, which has led to a significant reduction in the consumption of the same.

plant surface area **m² 6,250**
number of employees **62**

closures
Safety and Roll On for spirits, wine, beverages and oil

international customers **Bacardi, Pernod-Ricard, Deoleo, Monin, Unilever, Univer, VFI, Cogia, Casapreco, Jack Daniel**

local customers
Carapelli, Monini, Salvadori, Caviro, Cantine Riunite, Carli, Martini, Toso



MAGENTA

- In October 2015, the replacement of lightbulbs in the plant's lithography department with LED lights was completed.
- Adoption of a better layout for the lighting system, which was also an improvement in terms of employee safety.
- Measure to reduce gas leaks validated.
- Installation of a waste compacter, also useful to optimise the space needed for transport.
- Audits are currently being conducted by external auditors to obtain ISO 14001:2015 certification for the plant.

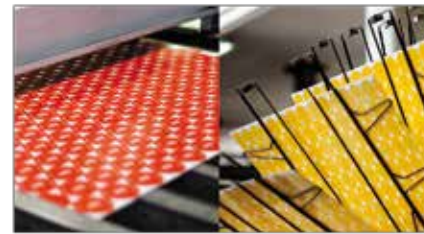
plant surface area **m² 9,800**

number of employees **67**

production **Treatment and cutting of aluminium coil sheet.
Lithographic printing on aluminium sheet and tinplate**

international customers
Inter-Company

local customers
Inter-Company



BASALUZZO

- In 2015, the Basaluzzo plant changed its production activity: it is now focused on the Design Studio and the production and personalisation of closures for the wine market.

plant surface area **m² 3,821**

number of employees **7**

closures
Roll On for wine

international customers
Gruppo Collis

local customers
Caviro, Cavit, Cantine riunite, Enoitalia, Fontana Fredda, Toso



Imagination becomes reality

VASTO

- The Vasto plant is managed by Pharma Trade S.r.l., which produces primary and secondary packaging for the pharmaceutical industry, such as rubber caps for bottles (drip-feed, antibiotics and intravenous medicines), rubber caps for freeze-dried products and capsules.

plant surface area **m² 4,500**

number of employees **43**

closures **Rubber caps, various types of capsule: flip off, tear off, lift off and for drinkable products**

international customers **Gsk-Glaxo Smith Kline (Uk), Medochemie (Cyprus), Sandoz (Austria), Galenica Sa (Greece), Unither (France)**

local customers
Recipharma/Mitim, Fresenius Kabi, Baxter/Bieffe, Bonini, Esseti, Biologici



I print Green

- Thanks to the **"I print Green"** project, launched back in 2014 by the IT Department in partnership with RICOH, the installation of printers with higher energy efficiency and an awareness campaign targeted to employees on paper waste, **around 450,000 sheets of paper were saved, corresponding to almost 6 tons of CO₂**, and **around 2,500 euro**, with a reduction of **30%** of the number of pages printed compared to 2014.



GUALA CLOSURES PROGRAM FINAL RESULTS 2011-2015

ENVIRONMENTAL

ASPECT	INDICATOR	Description	OBJECTIVES	SCOPE	STATUS
Resources	Energy consumption	Consumption of all sources used	<ul style="list-style-type: none"> To reduce energy consumption (GJ/tonne FP) by 10% To favour the supply of renewable energy 	Italy	😊
	Raw materials	Raw materials, accessory, auxiliary and packaging materials	<ul style="list-style-type: none"> To reduce the consumption of raw materials by 15% (kg/tonne FP) To reduce scrap by 5% per annum* 	Italy	ELIMINATED
	Water	Water drawn	<ul style="list-style-type: none"> To reduce water drawn by 10% (m³/tonne FP) 	Italy	😊
Emissions	Emissions	Atmospheric emissions from plants and CO ₂ equivalent	<ul style="list-style-type: none"> To conduct an assessment of greenhouse emissions To create a tool to collect and manage data 	Group	😊
			<ul style="list-style-type: none"> To draw up a plan to reduce polluting atmospheric emissions 	Italy	😞
	Waste	Product waste, type and final destination	<ul style="list-style-type: none"> To reduce the waste produced by 5% (kg/tonne FP) To reduce the % of hazardous waste with respect to total waste produced Zero waste in dumps (kg) 	Italy	😊
Transport	Transport	Means and distances for intercompany transport and transport to Customers	<ul style="list-style-type: none"> To increase the use of intermodal transport by 10% 	Italy	SUSPENDED
			<ul style="list-style-type: none"> To increase the % of volumes delivered in full-truck mode with respect to the total volumes of products delivered for each major Customer 	Italy	😊

SOCIAL

Health and Safety	Health and Safety	Frequency and gravity of accidents	<ul style="list-style-type: none"> To reduce the accident frequency indicator by 30% 	Italy	😞
Training	Training	Type and quantity of training provided	<ul style="list-style-type: none"> 2 hours of awareness training on the Sustainability Programme for 100% of employees in Italy 	Italy	😊
			<ul style="list-style-type: none"> To boost the development programme for internal resources 	Italy	😊
Diversity	Diversity	Gender and cultural differences	<ul style="list-style-type: none"> To implement a strategy to integrate diversity, with specific regard to gender, age and cultural diversity 	Italy	😞

ECONOMIC

Economic effectiveness	Production efficiency	Efficiency of production systems	<ul style="list-style-type: none"> To improve the OEE for Italy by 10% with respect to 2012* 	Italy	😊
Product responsibility	Innovation	Innovative capacity	<ul style="list-style-type: none"> To develop at least 10 patentable ideas To develop all new products BPA NIA for parts in direct contact 	Group	😊
			<ul style="list-style-type: none"> To develop a tool for eco-sustainable design 	Group	ELIMINATED
	Customer satisfaction	Customer satisfaction	<ul style="list-style-type: none"> All plants SEDEX certified CLAIMS received from customers < 0.3%** 	Group	😊

Latest update December 31, 2015

* Excluding Basaluzzo and from 2014 Torre d'Isola
** Excluding plants in Bulgaria, Ukraine, Poland, Basaluzzo, Vasto and Torre d'Isola

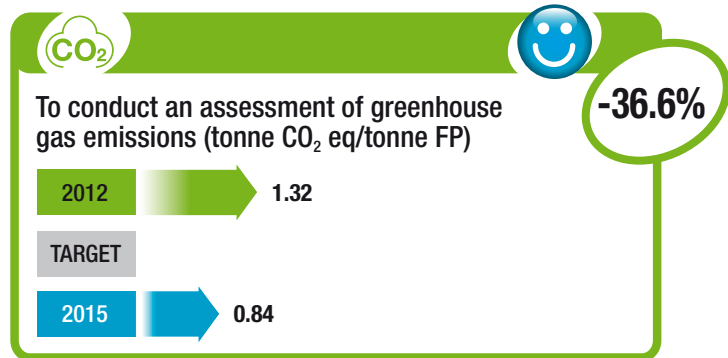
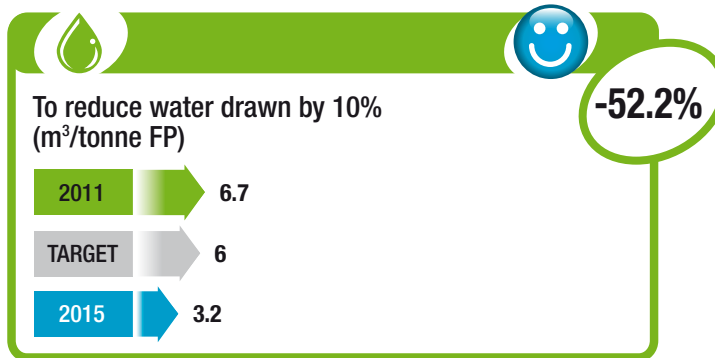
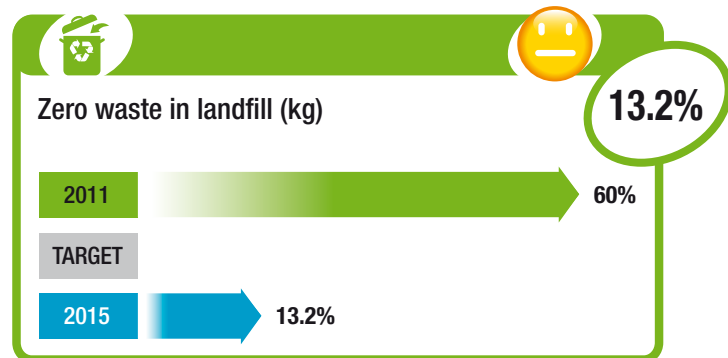
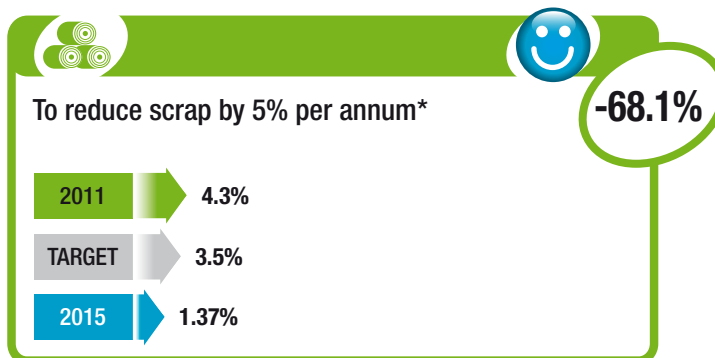
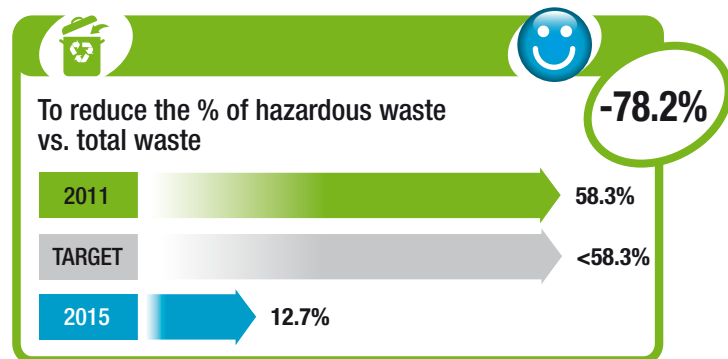
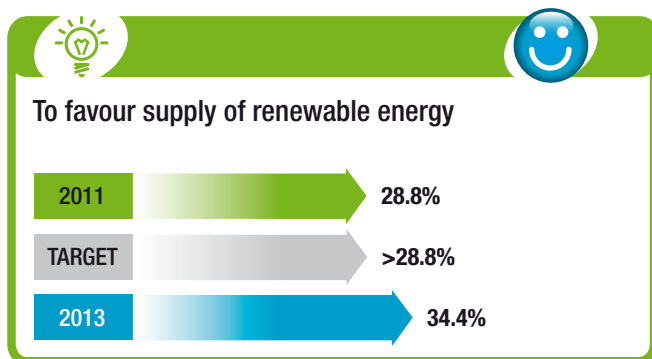
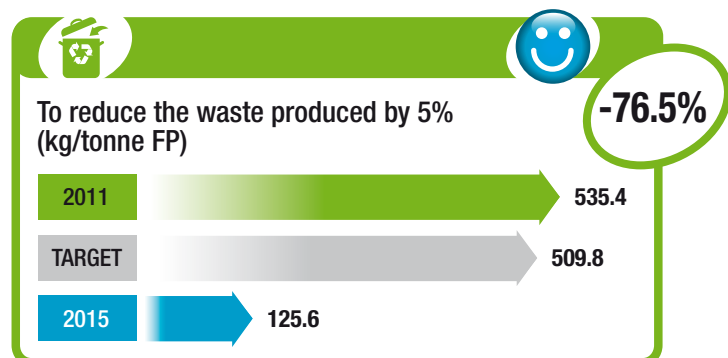
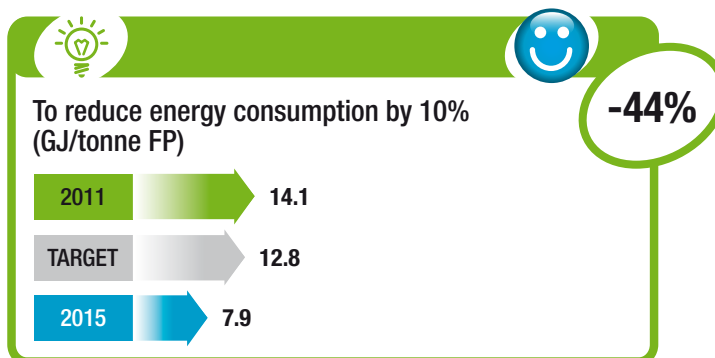


😊 OBJECTIVE ACHIEVED 😞 OBJECTIVE IN PROGRESS 😞 OBJECTIVE NOT ACHIEVED



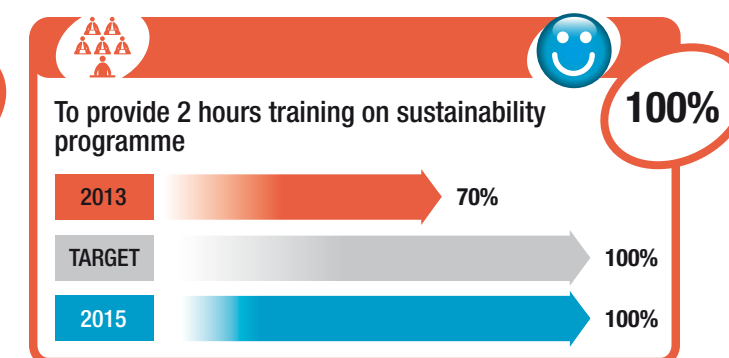
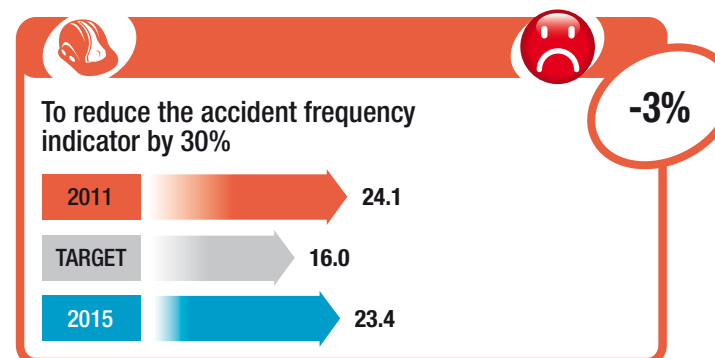
GUALA CLOSURES PROGRAM FINAL RESULTS 2011-2015

ENVIRONMENTAL INDICATORS AND OBJECTIVES

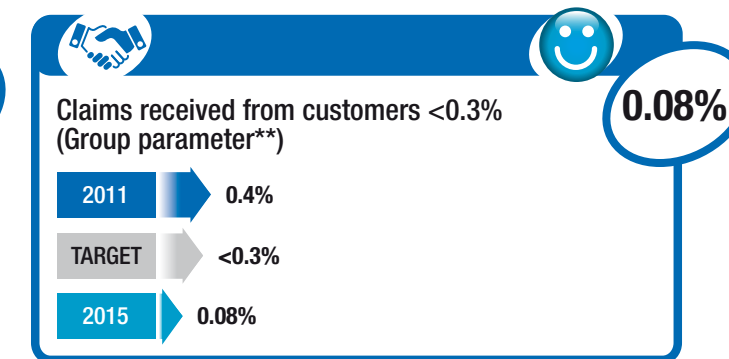
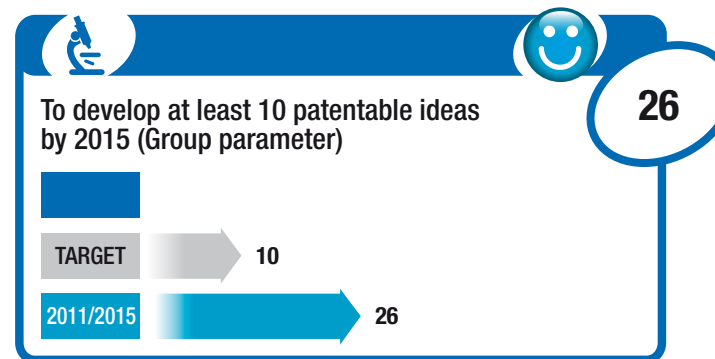
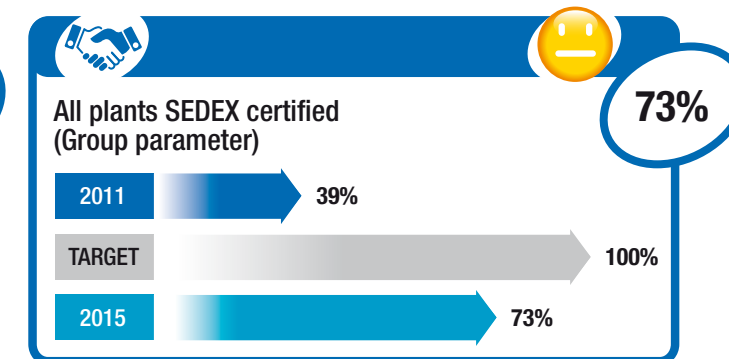
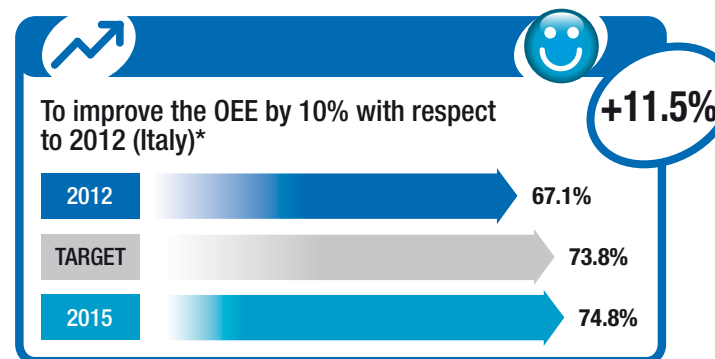


The data on these pages, if not otherwise specified, are from the period 2011-2015⁽¹⁾ and reflect Italy.

SOCIAL INDICATORS AND OBJECTIVES



ECONOMIC INDICATORS AND OBJECTIVES



Latest update December 31, 2015

⁽¹⁾ In 2015, parameter Italy included Spineta, Magenta, Basaluzzo and Termoli, with exception to those indicated with an asterisk

* Excluding Basaluzzo and from 2014 Torre d'Isola

** Excluding plants in Bulgaria, Ukraine, Poland, Basaluzzo, Vasto and Torre d'Isola

😊 OBJECTIVE ACHIEVED 😞 OBJECTIVE IN PROGRESS 😞 OBJECTIVE NOT ACHIEVED





GUALA CLOSURES FIRST SUSTAINABILITY PROGRAM RESULTS 2011-2015

Guala Closures **first Sustainability Programme** closed in **2015** with an extremely positive balance sheet. Of the **Group's 23 set objectives**:



For **10** of the programme's **12** indicators, the **reporting scope referred to Italy** (without Vasto) and the other **2 reflect the Group** (with some exceptions as indicated in the tables).

All annual reports (from 2011 until today) include a methodology note which specifies the nature and the changes versus the previous publication, for instance the number of plants or the measurement of the units being considered (processed product vs finished product).

During the **period 2011-2015** the plant profile in Italy changed. In 2014, the Torre d'Isola plant closed and at the end of 2015, Basaluzzo discontinued its former activities (transferring all production to Magenta).

For this reason, all environmental performance indicators are calculated based on **Production (finished product-definition page 133)**.



ENVIRONMENTAL INDICATORS

Results obtained for the **environmental indicators** are **quite positive**, for this reason almost all have been reached or even outperformed (9 out of 11). The most significant data refers to:

- - **44%** for energy consumption (Target -10%)
- - **52.2%** for drawn water (Target -10%)
- - **76.5%** waste produced (Target -5% by 2013)
- - **68.1%** for scrap (Target -5%/year)

Other **2 results** need to be highlighted as no objective was set:

- - **78.2%** for hazardous waste (over total waste). This figure is significant in that it results from investments earmarked for the **new cutting and degreasing line at Magenta**, which has progressively replaced the Basaluzzo plant, which was old, energy-intensive and polluting.
- - **36.6%** of CO₂ emissions (Scope I-II) generated per tonne of finished product.
- The objective "**0 waste in landfills**", has not yet been achieved. Nevertheless there has been a significant reduction (-78%), which has brought down waste destined for landfills to 13%. The Group aims to reach "0" by 2020.
- The only **environmental objective** not met relates to the development of a plan for the reduction of NO_x, SO₂, etc emissions. The reason being that the Group's activities, in nature, already produce very small amounts of these kinds of polluting emissions and therefore priority was given to plans and programmes to diminish the environmental impact of other agents.

SOCIAL INDICATORS

- As far as the **social programme** is concerned, the objective has been achieved which was to **communicate to the Group's employees** working in Italy the importance of the Sustainability Programme through a specialised 2 hour training course and to involve them in its implementation. The initiative was so successful that it convinced Guala Closures to offer the same course across the Group as part of the Sustainability Programme 2020.
- The objective to reduce the accident frequency by 30% was not achieved. After the positive trend during the 2011-2013 period, there has been a reversal, which increased in 2015. In the past year, there have been some accidents in the Italian plants which brought the index value down by only 3% compared to 2011.
- The index recorded in 2015 was not due to any structural or technical deficiencies, but related to specific and exceptional circumstances. Thus it's not an indicator of the efficiency of the work security policy put into effect by Guala Closures.
- An **excellent result** was achieved, however, in regards to the **Gravity Index**, for which no objective had been set: **it decreased by 41.7% compared to 2011**.

ECONOMIC INDICATORS

- All **objectives set** by the **economic programme have been achieved and outperformed**, except the SEDEX certification for all the Group's plants. From 39% of the plants registered in 2011, 73% have achieved it (19 plants out of 26) in 2015. The 100% objective has been reset in the new Sustainability Programme 2016-2020 and the goal is to reach it by the end of 2018.





With this edition of the **Sustainability Report**, Guala Closures has expanded its reporting perimeter on its performance concerning its activities on sustainability undertaken in **2015**.

The transition from the initial focus on the Italian Business Unit and operations, the scope of the previous 4 Sustainability Reports published between 2011 and 2014, to the entire Group, coincided with the need to adopt the new GRI-G4 standard.

This new standard will be implemented next year. Nevertheless, it has been decided to provide an overview of the information contained in this **Report** by using the **GRI-G4 Indicator Table**.

This is done to help the reader find information quickly and to illustrate the completeness and the comprehensive detail of the data made available.



CORRELATION TABLE WITH GUIDELINES FOR SUSTAINABILITY REPORTING FOR GLOBAL REPORTING INITIATIVE

GRI-G4

GENERAL STANDARDS DISCLOSURE

CRITERION	CRITERION DESCRIPTION	PAGE
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STRATEGY AND ANALYSIS

G4-1	<ul style="list-style-type: none"> Statement by the highest ranking figure of the decision making process (e.g. Chief Executive Officer, Chairman, or equivalent) regarding the importance of sustainability for the organization and on the sustainability strategy. 	Pages 7, 9
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ORGANISATIONAL PROFILE

G4-3	<ul style="list-style-type: none"> Name of the organisation. 	Pages 30, 31
G4-4	<ul style="list-style-type: none"> Primary events, brands, products and/or services. 	Pages 18-27
G4-5	<ul style="list-style-type: none"> Location of the organisation's headquarters. 	Jacket cover
G4-6	<ul style="list-style-type: none"> Countries in which the organisation operates. 	Pages 12, 13
G4-7	<ul style="list-style-type: none"> Ownership structure and legal form. 	Pages 30-32
G4-8	<ul style="list-style-type: none"> Market served. 	Pages 28, 29, 34, 35
G4-9	<ul style="list-style-type: none"> Scale of organisation including: number of employees, number of volunteers, number of activities undertaken, sales and net revenues, capitalisation, quantity of products and services rendered. 	Pages 11
G4-10	<ul style="list-style-type: none"> Total number of employees, allocated as: <ul style="list-style-type: none"> a) contract type and form; b) professional category and gender (for employees with indeterminate time limit); c) job nature and type; d) geographic origin and type. 	Pages 56
G4-12	<ul style="list-style-type: none"> Organisation description based on supply chain. 	Pages 46

IDENTIFICATION OF RELEVANT ASPECTS AND THEIR BOUNDARIES

G4-17	<ul style="list-style-type: none"> List of companies included in the organisation's consolidated balance sheet or equivalent. Information on potential companies included in the consolidated balance sheet or equivalent not included in the Report. 	Pages 30, 31
G4-18	<ul style="list-style-type: none"> A) Illustration of the process for defining the contents of the Report and the perimeter reporting aspects. B) Illustration on how the organisation applied the Reporting Principles towards Reporting defining the contents of the report. 	Pages 36, 37, 130
G4-23	<ul style="list-style-type: none"> Significant changes in the Report scope and area covered compared to previous reporting period. 	Pages 7, 9, 36, 37

STAKEHOLDER INVOLVEMENT

G4-24	<ul style="list-style-type: none"> List of stakeholder groups with which the organisation participates in business activities. 	Pages 41, 46-51
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GUALA CLOSURES GRI-G4 PARAMETER TABLE

CRITERION	CRITERION DESCRIPTION	PAGE
REPORT PROFILE		
G4-28	● Reporting period for information supplied.	Pages 128
G4-29	● Dates of publication and most recent Sustainability report.	Pages 128
G4-30	● Reporting frequency.	Pages 128
G4-31	● Contacts and addresses to be used to request information on the sustainability report and its content.	Jacket cover
REPORT PROFILE: GRI CONTENT INDEX		
G4-32	● GRI Content Index.	Pages 129-131
GOVERNANCE		
G4-34	● Governance structure of the organisation, including committees of highest governance body. Identify each body in charge of the economic, social and environmental decisions.	Pages 32, 33, 38, 39
G4-42	● The role of highest governance body and managers in the development, approval and mission updating, of the strategies, policies and objectives linked to the economic, environmental and social impacts.	Pages 38, 39
G4-43	● Measures taken in developing and improving highest governance body's consciousness on economic, environmental and, social issues.	Pages 38, 39, 43
ETHICS AND INTEGRITY		
G4-56	● Mission, values, codes of conduct, relevant economic, environmental, and social performance principles developed internally and the progress made on their implementation.	Pages 15, 42
ECONOMIC PERFORMANCE INDICATORS		
G4-EC1	● Economic value directly generated and distributed, including revenues, operating costs, employee remuneration, donations and other investments in communities, retained earnings, payments to lenders and public administration.	Pages 34, 35
G4-EC4	● Significant funding received from public administration. Indicate whether governance is present in the organisation's ownership structure.	Pages 32

CRITERION	CRITERION DESCRIPTION	PAGE
ENVIRONMENTAL PERFORMANCE INDICATORS		
G4-EN2	● Percentage of material used that originate from recycled material.	Pages 59
G4-EN5	● Energy intensity.	Pages 57
G4-EN15	● Total direct greenhouse gas emissions (GHG) (Scope 1).	Pages 56
G4-EN16	● Total indirect greenhouse gas emissions (GHG) (Scope 2).	Pages 56
G4-EN17	● Other indirect greenhouse gas emissions (GHG) (Scope 3).	Pages 56
G4-EN18	● Greenhouse gas emissions intensity.	Pages 56
G4-EN23	● Total weight of waste by type and by disposal method.	Pages 58
G4-EN25	● Weight of waste classified as hazardous based on Basel Convention (attachments I,II,III,VIII) which is transported, imported, exported, or treated and the percentage transported abroad.	Pages 58
G4-EN27	● Initiatives to mitigate environmental impact of products and services.	Pages 20, 21, 23, 25, 27
SOCIAL PERFORMANCE INDICATORS - WORK CONDITIONS		
G4-LA1	● Total figures and hiring rates and employee turnover per age, gender and geographic area.	Pages 66
G4-LA6	● Occupational accident rates, illness, workdays missed, absenteeism, and total deaths, divided by geographic area and gender.	Pages 64
G4-LA9	● Average hours for training per employee, by gender, and by employee category.	Pages 65
G4-LA12	● Composition of governance bodies and breakdown of employees by category according to gender, age, belonging to concessionary groups and other indicators of diversity.	Pages 66
SOCIAL PERFORMANCE INDICATORS - SOCIETY		
G4-S01	● The percentage of activities undertaken involving local communities in which impact has been assessed and where development programmes have been implemented.	Pages 80-87
SOCIAL PERFORMANCE INDICATORS - PRODUCT RESPONSIBILITY		
G4-PR1	● Percentage of products and services for which the impact of health and safety have been assessed so improvements can be made.	Pages 22, 23, 44, 45
G4-PR5	● Procedures in relation to customer satisfaction, including survey results used for measurement.	Pages 72, 73





Accident Frequency Indicator

The statistical frequency indicator represents the numbers of accidents per thousand working hours.

Accident Gravity Indicator

The statistical gravity indicator represents the number of days of absence due to accidents per thousand working hours.

Audit

Systematic and documented verification process to understand and assess, with objective evidence, whether an organisation complies with certain criteria.

Bioplastic

Type of plastic that may be biodegradable or that may originate from renewable biomass sources.

Bisphenol A (BPA)

Chemical substance used to produce plastic and resins. It may migrate in small quantities into food and beverages preserved in the materials that contain it.

Carbon credit

A permit that allows a company to emit one tonne of CO₂. The concept was established with the ratification of the Kyoto Protocol and credits may be exchanged on the relevant markets.

Carbon Footprint

Indicates the total quantity of CO₂ emitted (directly or indirectly) by an organisation, event or product during its entire life cycle (LCA approach) or part of it.

It is usually expressed in tonnes of CO₂ equivalent and represents a tool to manage, measure, assess, communicate and improve environmental performance.

Certification

Statement of conformity of an organisation to certain requirements, issued by an independent, accredited external body.

CO₂

Carbon dioxide. It is a so-called greenhouse gas.

CO₂ equivalent

Expresses the contribution of the various greenhouse gases to global warming in terms of CO₂, according to set conversion factors.

Corporate Social Responsibility (CSR)

This is a voluntary approach adopted by companies to properly manage the environmental and social impact of their business activities.

Emission

Any solid, liquid or gaseous substance discharged into the atmosphere that can cause atmospheric pollution.

Environmental aspect

An aspect of an organisation's business activities, products business activities, products or services that may interact with the environment.

Environmental impact

Any change in the environment, whether negative or beneficial, total or partial, resulting from business activities, products or services of an organisation.

Environmental indicators

Qualitative and quantitative measurements that enable the most important impacts on the environment resulting from a company's operations to be described.

Finished Product (FP)

All material that leaves the plant, such as: finished closures, semi-processed to be sold, raw sheet metal to be sold, lithographed sheets. When calculating the finished product for the Italian perimeter, products sold between plants in Italy is not included in the calculation.

Fossil fuels

Coal, oil and natural gas, today they represent almost all of the world's energy sources.

GHG

Greenhouse Gases of both natural and man-made origin, responsible for the greenhouse effect, namely the fact that the earth's temperature is rising due to the failure to disperse solar radiation. The main greenhouse gases are: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC) and sulphur hexafluoride (SF₆).

GRI

(Global Reporting Initiative)

An international not for profit organisation that promotes the environmental, social and economic sustainability of organisations through a reporting schedule.

IPCC Intergovernmental Panel on Climate Change

This is the scientific committee formed in 1988 by two UN bodies, the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP) for the purpose of studying global warming.

Joule

The joule (J), is the unit of measurement for energy, work and heat of the International System (IS). A gigajoule (GJ), corresponds to 1,000,000,000 joules.

LCA (Life Cycle Assessment)

Is a method to assess energy consumption and the environmental impact associated with a product/process/activity over its entire life cycle, from the acquisition of raw materials to the end of its life.

Management system

A management system encompasses organisational structure, responsibilities, practices, procedures, processes and resources to enable an organisation to formulate a policy and set objectives for continuous improvement that may be measured over time.

Octabin

A large cardboard container, which permits a high quantity of storage, as a replacement for traditional boxes.

OEE

A dynamic measurement that indicates the efficiency of a facility as a percentage. OEE = Overall Equipment Efficiency.

Renewable energy

A form of energy that is generated from sources that do not compromise natural resources and regenerate continuously. It includes the electricity and heat generated by resources such as the sun, the wind, biomasses, geothermics, bio fuels and hydrogen generated from renewable sources.

Stakeholders

Parties internal or external to a company, with different interests and needs, who are able to influence or be influenced by a company's behaviour and to influence the achievement of its objectives. The parties in question may be: customers, investors, economic partners, local communities, public authorities, future generations, environmental interest, employees, trade unions, suppliers etc.

Sustainability/ Sustainable development

Sustainable development seeks to not compromise the ability of future generations to continue developing by preserving the quality and quantity of their heritage and natural reserves. The aim is to maintain economic development that is compatible with social equality and ecosystems, therefore operating in a system of environmental balance.

UNI EN ISO 14001 standard

See Management system.

**Watt-hour (Wh)
kiloWatt (kW)
MegaWatt (MW)**

The Watt-hour is a measurement unit of energy that is not part of the international system, defined as the energy supplied at the power of 1 W for 1 h of time. The Watt is the unit of measurement (in the International System) for mechanical, electrical power, and of the work performed in a unit of time. The most common multiples of the Watt are the kiloWatt (1 kW = 1,000 W) and the MegaWatt (1 MW = 1,000,000 W).





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Each year we try to make this report more transparent, efficient and comprehensible, and your opinion and suggestions for improvement are welcome. However, even if after all the care and attention put into the making of this publication, there were to be any inaccuracies or imprecisions found, we kindly ask that they be drawn to our attention writing to: sustainability@gualaclosures.com





EUROPE

Luxembourg

Guala Closures Holdings S.C.A.
8A, Rue Albert Borschette
L-1246 Luxembourg

Italy

Basaluzzo • Magenta • Spinetta Marengo • Termoli • Vasto

Bulgaria • Kazanlak

France • Velleron

Poland • Wloclawek

Spain • Alcalá de Henares • Jerez de la Frontera • Olerdola

Ukraine • Sumy

United Kingdom • Broomhill • Kirkintilloch

NORTH AMERICA

California • Fairfield

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