

NSG Group: FY2020 targets and results

	FY2020 targets	FY2020 results															
Safety	<ul style="list-style-type: none"> Reduce Significant Injury Rate by 10 percent per year 	<ul style="list-style-type: none"> FY2020 SIR result was at the same level as FY2019. <p>SIR improvement rate against prior year (%)</p> <table border="1"> <thead> <tr> <th></th> <th>FY2017</th> <th>FY2018</th> <th>FY2019</th> <th>FY2020</th> </tr> </thead> <tbody> <tr> <td>Target</td> <td>10.0</td> <td>10.0</td> <td>10.0</td> <td>10.0</td> </tr> <tr> <td>Result</td> <td>3.0</td> <td>6.3</td> <td>(3.3)</td> <td>0.0</td> </tr> </tbody> </table> <p>Up to FY2016, after more than 10 years of safety activities, accidents related to employees' safety awareness, such as glass cuts and falls, continued to occur. In FY2017, a new safety activity, called NABIS was started, but the targets have not been achieved. Improving safety awareness requires long-term efforts, and NSG Group will continue NABIS activities to raise the level of safety culture.</p>		FY2017	FY2018	FY2019	FY2020	Target	10.0	10.0	10.0	10.0	Result	3.0	6.3	(3.3)	0.0
	FY2017	FY2018	FY2019	FY2020													
Target	10.0	10.0	10.0	10.0													
Result	3.0	6.3	(3.3)	0.0													
Waste	<ul style="list-style-type: none"> Reduce waste to landfill by 12kt (40 percent reduction vs. FY2014) 	<ul style="list-style-type: none"> The NSG Group has implemented a new environmental reporting tool and the improvements in reporting and data monitoring has highlighted some previous mistakes in waste to landfill reporting that have now been corrected, <p>The integrated report 2019 explained FY2019 progress was 37 percent reduction versus the baseline year FY2014, but with the new tool incorrect classification of waste was discovered. The corrected progress of waste sent to landfill was 23.4 percent reduction.</p> <p>Following the above corrections, the FY2020 waste reduction versus FY2014 was only 8.5kt (28.0 percent reduction) and the target – that was based on a partly incorrect improvement perception - was not fully achieved.</p>															

<p>Energy and CO2 reduction</p>	<ul style="list-style-type: none"> • One percent year on year reduction in CO2 intensity across glass manufacturing operations 	<ul style="list-style-type: none"> • The target was achieved in FY2017-2019. The target was not achieved in FY2020 due to a reduction in product output associated with deteriorating market conditions. <p>Improvement rate against prior year (%)</p> <table border="1" data-bbox="919 510 1388 613"> <thead> <tr> <th></th> <th>FY2017</th> <th>FY2018</th> <th>FY2019</th> <th>FY2020</th> </tr> </thead> <tbody> <tr> <td>Target</td> <td>1.0</td> <td>1.0</td> <td>1.0</td> <td>1.0</td> </tr> <tr> <td>Result</td> <td>1.5</td> <td>1.4</td> <td>2.1</td> <td>(1.4)</td> </tr> </tbody> </table>		FY2017	FY2018	FY2019	FY2020	Target	1.0	1.0	1.0	1.0	Result	1.5	1.4	2.1	(1.4)
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Target	1.0	1.0	1.0	1.0													
Result	1.5	1.4	2.1	(1.4)													
<p>Sustainable value-added products</p>	<ul style="list-style-type: none"> • Increase proportion of value-added products in total sales to 50 percent or more in FY2020 • Demonstrate the added environmental or social benefit of products 	<ul style="list-style-type: none"> • The VA products ratio in FY2020 was 46 percent and it was a little below the target. 															
<p>Responsible sourcing and transportation</p>	<ul style="list-style-type: none"> • 10 percent year on year increase in Supplier Code of Conduct acceptance by our key suppliers • Extend sustainability assessments for key suppliers and continue to monitor suppliers that use materials with a potentially high environmental impact 	<ul style="list-style-type: none"> • 85 percent of Key suppliers have now agreed to the SCoC or can demonstrate their own equivalent code. The Supplier Code of Conduct was last revised in 2017 to incorporate legislation, including modern slavery and human trafficking. • We have significantly improved our supplier sustainability evaluation by the employment of a specialist independent evaluation agency - EcoVadis. As a result, assessments were completed for 36 percent of our suppliers by external spend. In addition, we monitor our suppliers using materials with a potentially high environmental impact, and in accordance with our Supplier Performance and Risk Management Procedure require them to be certified to ISO14001 or a recognized national equivalent. 															

<p>Employees</p>	<ul style="list-style-type: none"> • Improve the Engagement score by 5 points by the end of FY2020 • Train all managers in the new Appraisal Model and Talent System by the end of FY2019 • Increase the skills of our newly appointed or prospective plant managers by 50 percent of the target population attending the Plant Leadership Program by the end of FY2020 • Increase Inclusion & Diversity awareness by training all managers with designated modules by the end of FY2020 	<ul style="list-style-type: none"> • Engagement Score from FY2020 was 75, providing an overall improvement of 3 points from the base year FY2017. Also, it had 8 percent improvement against the prior year. • All SABA training completed and all Managers using the SABA system for Performance and Talent Activities. SABA is the software supplier to introduce the global cloud-based talent management system. • Completed. Over 60 percent (44 people) have received training. Programme planned for 2020 postponed due to Covid-19. • D&I awareness training was completed by 98 percent of our Senior Management population. This awareness training continues to be issued to newly appointed senior managers as part of their induction process.
<p>Ethics and Compliance</p>	<ul style="list-style-type: none"> • Reissue Governance and Culture Leadership Assessment • Standardized New Employee Compliance Training Package 	<ul style="list-style-type: none"> • Randomly selected 5,000 Group employees were invited for 2019 ethical culture assessment and 85 percent of them did it and E&C is analysing its outcome for future action towards program improvement • Launched the training package for new employees covering Code of Ethics, conflict of interest, fraud, social media and Ethics and Compliance reporting and 2,148 people completed it.

	<ul style="list-style-type: none"> • Ethics and Compliance Interview in the new appraisal system, SABA • Begin review of Code of Ethics 	<ul style="list-style-type: none"> • Completed FY2019 appraisal process through SABA system which now included ethics and compliance interview • Started the process of reviewing Code of Ethics including other relevant policies and procedures re such as competition law compliance, anti-bribery and anti-corruption, and whistleblower protection
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