



## 17. Average Supplier Payment Period. “Reporting Requirement”, Third Additional Provision of Law 15/2010 of 5 July 2010

Information on the average Spanish supplier payment period by the Spanish companies in 2019 and 2018 is as follows:

	<b>Days</b>	
	<b>2019</b>	<b>2018</b>
Average supplier payment period	62.01	68.51
Transactions paid ratio	66.22	74.17
Transactions payable ratio	40.82	38.63
	<b>Amount (Thousands of Euros)</b>	
Total payments made	235,208	219,484
Total payments outstanding	46,752	41,578

## 18. Risk Management Policy

### Business risks

Risk management at Vidrala involves procedures drawn up by management, overseen by the directors and implemented in the daily running of the organisation.

### Operational risk

The Vidrala Group’s manufacturing and sales activity, carried out through nine industrial centres, is continuous, intensive and subject to inherent risks linked to routine operations.

In 2019, work continued on the identification, evaluation and monitoring of business risks defined as operational. The aim is to identify potential risks, through continuous review, gain a perspective on their impact and probability of occurrence and, principally, to link each area of operations and each business process to adequate control and monitoring systems in order to minimise their potential adverse effects.

### i. Environmental risks

The Vidrala Group declares itself firmly committed to protecting the environment. With this objective in mind, Vidrala implements specific action plans in relation to emissions in the atmosphere, dumping, waste, the consumption of raw materials, energy, water and noise.

Glass manufacturing is an inherently energy-intensive process as melting furnaces are in operation 24 hours a day, 365 days a year. Given the industrial nature of the process, one of management’s objectives is to reduce the associated environmental impact. In order to achieve this, specific investments are made to

upgrade factory facilities and adapt them to the most efficient technological systems for reducing environmental impacts. Additionally, operating priorities are focused on intensifying the growing use of recycled products as the main raw material for manufacturing glass, the effect of which is twofold as it not only avoids the consumption of natural raw materials, but also contributes to reducing fossil fuel consumption and the resulting pollution.

One of the Group’s strategic guidelines is the implementation of environmental management systems. In line with this commitment, all the Group’s production facilities have ISO 14001:2015 certification, demonstrating that Vidrala operates under a global, externally verified and recognised environmental management system. Furthermore, in keeping with its undertaking to continuous improvement, the implementation and certification of new environmental standards has begun, such as ISO 14064:2018, related to the voluntary declaration of CO<sub>2</sub> emissions.

In addition, Vidrala has a specific commitment to invest in minimising the potential polluting effect of its facilities. Of particular relevance during 2017 in this regard was the conclusion of a major project to install special atmospheric emissions purification systems, called electrostatic precipitators or electrofilters, in all production centres. These installations, which have cost the Group more than Euros 20 million over the last eight years, are aimed exclusively at reducing emissions of particulate pollutants, and are recognised under European legislation as the best currently available technology in this regard. Electrofilters work by attracting and retaining articles generated during the melting process through electrical fields, and reduce typical melting furnace emissions by more than 90%. The electrofilters installed in Vidrala have been accompanied by systems for purifying SO<sub>x</sub> emissions, desulfurizers, which have considerably reduced the emission of this pollutant.