



# Steadfast towards a sound future

**2016** Sustainable Development Report





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GRI 4-2

The Vitro Sustainability Model is the governing framework for all the actions and decisions made by the Company; as such, it promotes sustainable development throughout the organization.

At Vitro, we are aware that to contribute to sustained and balanced development we must work as a team; therefore, with this model we promote actions that will generate a positive impact on society and the environment through every employee in the Company.

This objective is based on responsible corporate citizenship, which complies with basic ethics criteria and promotes greater benefits for all interested parties while maintaining the internal processes aligned and transparent. To create this model we considered synergy and balance of our three balanced Sustainability pillars: economic development, social development environmental care.

Vitro’s three axes for sustainability are: **Comprehensive Competitiveness, Human Attitude and the Environment.** These elements thrive and coexist in a corporate culture that distinguishes itself for Responsible Corporate Management.



# Message to Our Stakeholders

G4-1, G4-2, G-13

Dear readers,

At Vitro we believe that a sustainable company is defined by its ability to grow and create value for its stakeholders as well as for always ensuring stability as a steadfast guide towards a solid future. Therefore, we proudly present our Sustainability Report for 2016, a year of great growth for our company.

In the second semester of 2016, Vitro successfully acquired flat glass manufacturing business and glass coatings operations from PPG Industries, Inc. (PPG), an American company with more than 130 years of history in the production and processing of architectural glass coating and worldwide leadership in research and development of new products.

This acquisition represents a commitment with innovation as a pillar of our sustainability, since it will make our company become one of the world’s technological leaders in the sector of high-tech solar control coating products.

In addition, the incorporation of work centers in the United States and Canada enriches the diversity of talent of the Vitro family, a factor that will hopefully generate a higher potential for growth as well as the possibility for driving new positive actions in the communities where we operate.

Our commitment with sustainability is ever-present in our offer of goods and services, which create strategic value for all interested parties. Moreover, with Vitro Sustainability Model as an action framework, the Company has developed initiatives that are focused on positive economic, social and environmental results.

In 2016 we were once again recognized as a socially responsible company with the distinction awarded by the Centro Mexicano para la Filantropía A.C. (“Cemefi”). The achievement encompasses the efforts of all initiatives promoted by Vitro that seek a comprehensive well-being of the families and communities linked to the Company.

Furthermore, as part of our leadership in a sustainable value chain, we maintain product and environmental quality, safety, and responsibility certifications such as BASC, C-TPAT and Clean Industry, granted by the Procuraduría Federal de Protección al Ambiente (PROFEPA). We believe that our people are the motor that keeps our Company running; thus, we have implemented programs that promote a balanced work environment and foster quality of life. Thanks to these initiatives, for sixth consecutive year we were included in the Super Company ranking of the prestigious Mexican business magazine Expansión.

Regarding health, in addition to the required programs, Vitro regularly carries out health campaigns for early prevention and detection of illnesses. For example, the breast cancer awareness campaign that takes place in October, which included information talks and medical examinations at our work centers. Moreover, during this period, the Human Resources Team –part of the Sustainability Committee- worked on the launch of Champion of Employees , a model for institutional transformation consisting of the initiatives Vitro Family, Wellness, Joining Talents and Corporate Volunteering.

The creation of these four programs responds to the efforts that are currently made at the work centers with activities such as family Visits, the Woman program, the Health Race, the volunteer program for urban reforestation, as well as communication and internal activities that strengthen our identity.

On the other hand, fully aware of our commitment as a leader in the Community, we strive for optimal environmental performance by participating in the first Learning Network in Mexico. Organized by the Comisión Nacional para el Uso Eficiente de la Energía (Conuee) in collaboration with the German Federal Enterprise for International Cooperation (GIZ), this project has driven the implementation of the Energy Management System at Vitro.

Our participation in the network is an example of the work we carry out as a team with government, industry and community in order to continue to improve the environment and the company’s competitiveness through an offer of low-carbon footprint products.

In 2016 we also continued to promote a culture of recycling, adding agents of change to the process of glass lifecycle. Thanks to the enlistment of new cullet suppliers, in the reported period we managed to collect more than 96,800 tons of recycling glass.

Through innovation and integrity, in 2017, we will continue to actively participate in different environmental efforts to position ourselves as leaders in best corporate practices and maintain responsibility over our product.

We are most grateful to our stakeholders and to the members of the Board of Directors for their faith in our projects and celebrate the efforts of every one of our collaborators, which keep us on the path to a solid and sustainable future.



**Adrián Sada González**  
President of the Board of Directors



**Adrián Sada Cueva**  
Chief Executive Officer

15 de mayo de 2017





**1 | The Glass  
Company**



# 1.1 Our company

G4-3, G4-4, G4-5, G4-7, G4-13

Vitro S.A.B de C.V (BMV:VITROA), leader in glass production in the American continent was founded in 1909 in Monterrey, México.

Through its Containers and Flat Glass business units, the company manufactures, processes, distributes and markets glass products that respond to the needs of the cosmetics, pharmaceutical, automotive and construction markets. In addition, it stands out as a supplier of raw materials, manufacturing of molds, equipment and machinery, and equipment for industrial and chemical use.

Since its foundation, the history of Vitro has witnessed the birth of the first initiatives on social security, community welfare and environmental efficiency of the industry in Mexico. Since then, the Company has been acknowledged as a socially responsible company and continues to work under the Vitro Sustainability Model in its unwavering and continuous practice of its values.

The actions and initiatives presented in this report have been developed under this corporate culture; their specific objective is to exert a positive influence on the economic, social and environmental aspects linked to its main stakeholders.



G4-56

## The Vitro Philosophy

Convinced that the sustainability of the company is defined by its ability to create and deliver value for its stakeholders, Vitro’s mission reflects this commitment as a differentiating factor that strengthens its actions:

### Mission

Provide efficiently the best solutions in products and services to the industries in which it participates in order to create value for its clients, shareholders, employees, suppliers and the communities where it operates.

### Vision

Lead Vitro in the next five years to achieve higher sales values, cash flow generation and capitalization than prior to the disinvestment of the containers division.

In five years, our businesses will have a more solid strategic position, and based on major competitive advantages and a robust business model, we will be recognized as an innovative company in the industries where we participate.

## Values

### INNOVATION

Enhance processes and operations with new ideas consistently improving our results.

### TEAMWORK

Unite talent to work as a single force.

### OPERATIONAL EXCELLENCE

Always exceed what is expected of us.

### CUSTOMER ORIENTATION

Make our customers the focus of our business.

### INTEGRITY

Always act with honesty and in adherence to our principles.

## Global Presence

G4-6

Used by thousands of people worldwide, Vitro’s products and services are the best reference for the Company’s prestige; both continue to support a history of 107 years of experience in the glass industry.

Through a solid and close business relationship with leaders in every segment of the markets it serves, Vitro has operating and marketing facilities in **13** countries in the Americas and Europe and its products are positioned in at least **58** countries in the world.

### OUR MAIN COMPANIES

VITRO, S.A.B. DE C.V.

#### CONTAINERS

Glass containers

- Fabricación de Máquinas
- Servicios Integrales de Acabados
- Vitro Packaging, LLC (2)

#### FLAT GLASS

- Comercializadora Álcali
- Cristales Automotrices (En asociación con la familia Posselt, que posee 49%)
- Distribuidora Álcali
- Industria del Álcali
- Productos de Valor Agregado en Cristal
- Vidrio Plano de Mexicali
- Vidrio Plano de México

- Vidrio Plano de México LAN
- Vidrio y Cristal del Noroeste
- Viméxico
- Vitro Automotive Glass, LLC (2) before Vitro Flat Glass Holdings
- Vitro Automotriz
- Vitro Chemicals (2)
- Vitro Colombia (1)
- Vitro Do Brasil Industria E Comercio
- Vitro Flat Glass, LLC (2)
- Vitro Flat Glass Canada, Inc. (3)
- Vitro Flex
- Vitro Flotado Cubiertas
- Vitro Vidrio y Cristal
- Vitrocar
- VVP Autoglass
- Cristal Laminado Templado, S.A. de C.V.

- (Co-inversión)
- KPGW European Holdco, LLC (2)
  - PGW Holdings, LLC (2)
  - PGW Technic GmbH (4)
  - Pittsburgh Glass Works, GmbH (4)
  - Pittsburgh Glass Works, LLC (2)
  - Pittsburgh Glass Works, S.a.r.l. (6)
  - Pittsburgh Glass Works, Sp.z.o.o (5)
  - Shandong PGW Jinjing Automotive Glass Co Ltd (7) (Co-inversión)

(1) Company with operations in Colombia.  
(2) Company with operations in USA.  
(3) Company with operations in Canada.  
(4) Company with operations in Germany.  
(5) Company with operations in Poland.  
(6) Company with operations in Luxemburg.  
(7) Company with operations in China.

### PRODUCTS’ MAIN DESTINATIONS

Alemania  
Antillas Neerlandesas  
Arabia Saudita  
Argentina  
Australia  
Barbados  
Bélgica  
Belice  
Bolivia  
Brasil  
Bulgaria  
Canadá  
Chile  
China  
Colombia  
Corea del Sur  
Costa Rica  
Cuba  
Ecuador  
Egipto

El Salvador  
Emiratos Árabes  
España  
Estados Unidos de América  
Filipinas  
Francia  
Grecia  
Guatemala  
Hungría  
India  
Israel  
Italia  
Jamaica  
Japón  
Líbano  
Malasia  
Marruecos  
México  
Nicaragua  
Países Bajos

Panamá  
Perú  
Polonia  
Portugal  
Puerto Rico  
Qatar  
Reino Unido  
República Dominicana  
Rumania  
Singapur  
Sudáfrica  
Suiza  
Tailandia  
Trinidad y Tobago  
Turquía  
Uruguay  
Venezuela  
Vietnam

### OUR FACILITIES

Brasil  
Canadá  
Colombia  
Costa Rica  
Ecuador  
Estados Unidos de América  
Guatemala  
México  
Perú  
Venezuela  
Alemania  
China  
Polonia



# Financial Highlights

GRI G4-9, G4-EC1, G4-EC4, G4-17

DMA Management Approach  
Vitro S.A.B. de C.V. and Subsidiaries

(Figures in millions of Mexican pesos under IFRS; except otherwise indicated; dollar amounts are in million of US dollars).

December 31,						
	US\$ <sup>(1)</sup>		%	\$ Ps <sup>(2)</sup>		%
	2016	2015	variation <sup>(3)</sup>	2016	2015	variation <sup>(3)</sup>
Income Statement						
Consolidated Net Sales	\$ 1,051	\$ 882	19.2	\$ 19,840	\$ 14,127	40.4
Domestic	606	598	1.4	11,344	9,588	18.3
Export	272	259	5.0	5,070	4,145	22.3
Foreign Subsidiaries	173	25	596.0	3,426	394	769.1
Operating Income before Other Expenses (EBIT)	201	141	42.7	3,779	2,263	67
Net Income	189	1,445		3,566	24,188	
Net Income of Majority Interest	192	1,411		3,618	23,600	
Net Income of Majority Interest per share <sup>(4)</sup>	0.40	2.92		7.49	48.85	
EBITDA <sup>(5)</sup>	259	193	34.7	4,890	3,090	58.3
Balance Sheet						
Total Assets	2,203	1,606	37.0	45,431	27,732	63.8
Total Liabilities	1,005	439	128.4	20,715	7,588	173.0
Stockholders' Equity	1,199	1,167	2.6	24,716	20,144	22.7
Stockholders' Equity of Majority Interest	1,198	1,083	10.5	24,698	18,692	32.1
Financial Indicators						
Debt / EBITDA (times)	2.0	0.0		2.2	0.0	
Net Debt <sup>(7)</sup> / EBITDA (times)	1.1	(2.1)		1.2	(2.3)	
Interest Coverage (times) (EBITDA / Total Net Financial Expense)	22.9	2.2		21.6	2.2	
EBIT Margin (%)	19.1	16.0		19.0	16.0	
EBITDA Margin (%)	24.7	21.8		24.6	21.9	
Employees	11,407	10,744	6.2	11,407	10,744	6.2
Capital Expenditure <sup>(6)</sup>	127	85	49.3	2,154	1,373	56.9

(1) Dollar figures reported herein are in nominal dollars; obtained from dividing each month's nominal pesos by the exchange rate at the end of the same month.  
(2) Financial data is presented in nominal pesos.  
(3) Variation from 2015 to 2016.  
(4) Based on the weighted average of shares outstanding.  
(5) EBITDA = Earning before other, interest, taxes plus depreciation and amortization, and provision for employee retirement obligations.  
(6) Represents the capital expenditures carried out during the year, for which it differs from investments presented in the cash flow.  
(7) Debt net to cash and equivalents.  
Financial statements were prepared according to International Financial Reporting Standards (IFRS).



# 1.2 Criteria of the Report

G4-13, G4-22, G4-23, G4-28, G4-29, G4-30, G4-32, G4-33

Each one of the reported initiatives complies with the requirements of precision, clarity and completeness, additionally following up aspects reported in previous reports.

Based on the Vitro Sustainability Model as our action guide we strengthened the commitment with transparency of our Annual Sustainable Development Report, adhering to the G4 Global Reporting Initiative (GRI) under the Core ‘in accordance’ option. 2016 was a year of transformation for the Company; the second semester saw the acquisition of Flat Glass business and Glass Coatings operations from PPG Industries, an American company with more than 130 years of history in manufacturing and processing architectural glass and a worldwide leader in research and development of new products.

Despite the fact that the integration process of both work teams has started out with great enthusiasm and great progress, some of the goals and indicators of the new businesses will be available until next year’s report, when a full business cycle of these companies has been completed. On this occasion, the report will only include the activities carried out by the subsidiaries over which Vitro maintained control throughout the year in Brazil, Colombia, the United States and Mexico, except where otherwise noted.

As in the case of the report for the previous year, this year’s report is structured by the subjects that arise from the materiality study made for the 2015 report. In addition, for the readers’ benefit in following the GRI Guide, we numbered the indicators under each of the sub-categories of every chapter.

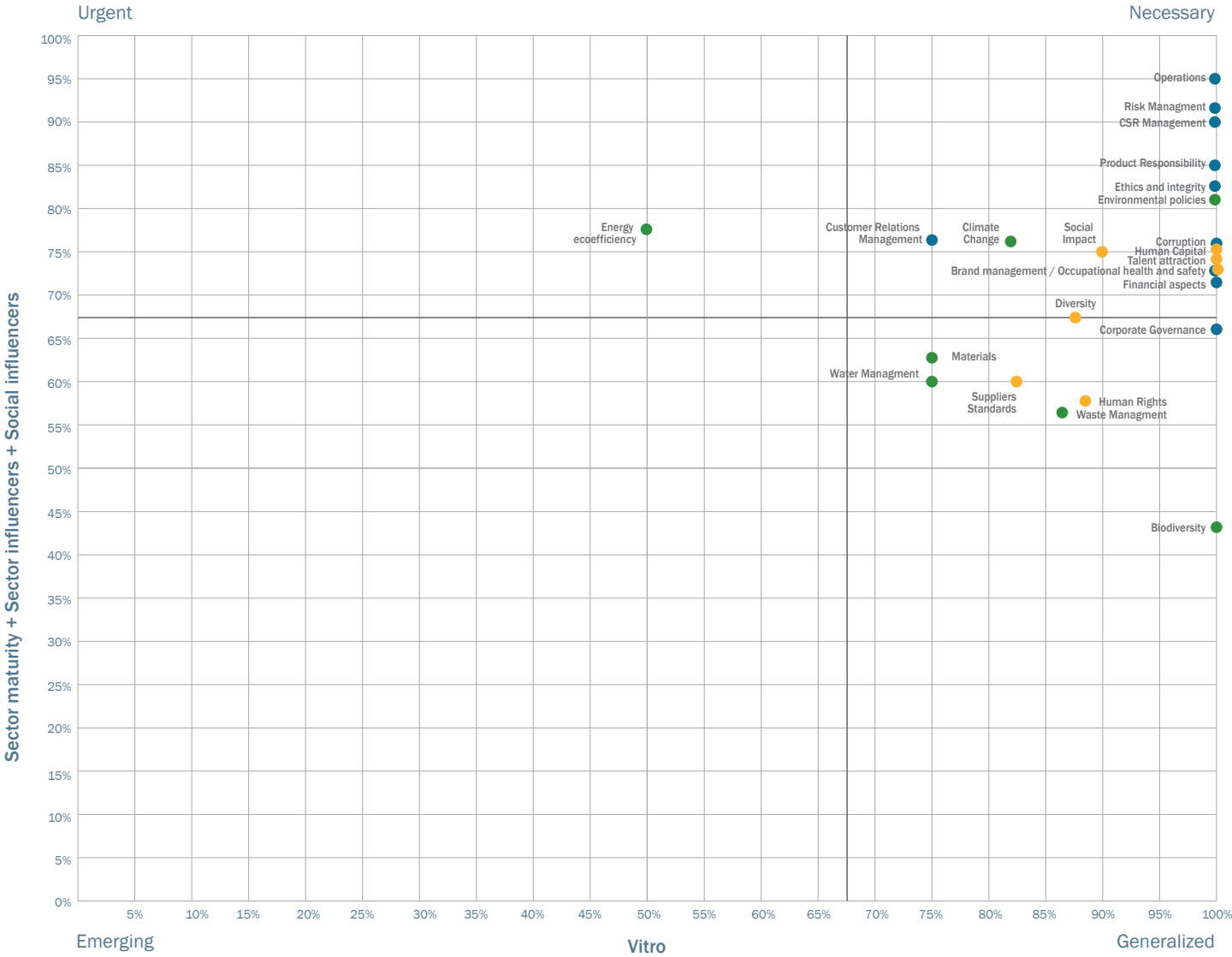
This report was verified by VALORA CONSULTORES DE GESTIÓN S.L a Spanish company expert in verification, auditing, systems and evaluation in the field of sustainability. Its services are based on a transparent practice which integrates the essential company areas ensuring a quality feedback that will enable us to continue advancing in our sustainable development processes.

Our Sustainable Development Report includes all the projects undertaken by the company in the period between January 1 and December 31, 2016 under the Vitro Sustainability Model.

# Materiality

G4-18, G4-19, G4-25, G4-27

In 2015, together with milenio3genera –Sustainability Consultancy– we carried out our materiality study. Material aspects validated by the study are shown in the following matrix:







These material aspects were revised and translated into aspects as established by the GRI GR4 Guidelines, as shown in the following table:

Aspect	GRI Aspect
CSR Management	External initiative participation
Financial aspects	Organizational profile / Economic performance / General
Customer Relations Management	Client health and safety / Labeling of products and services / Client privacy
Product and services development and responsibility	Client health and safety / Labeling of products and services / Marketing communications / Regulatory compliance
Ethics and integrity	Ethics and integrity
Antic-corruption, bribery and transparency	Anti-corruption / Public policy / Unfair business practices
Development of human capital	Training and education / Investment
Talent attraction	Organizational profile / Employment
Social impact	Local communities / Indirect economic consequences
Environmental policies	Products and services / Regulatory compliance / General
Materials	Materials
Operations	Organizational profile
Occupational health and safety	Occupational health and safety
Brand management	Organizational profile
Climate change and other emissions	Emissions
Diversity and equal opportunity	Diversity and equal opportunity / Equal remuneration for men and women / Non-discrimination
Risk management	Strategy and analysis / Organizational profile / Economic performance
Energy ecoefficiency	Energy

The materiality study is valid for two years, thus, in 2017 results will be updated taking into consideration the transformation of the company and the stakeholders integrating into the Glass Company with the new facilities.

G4-20, G4-21, G4-24

Coverage and boundaries for every material aspect are detailed in the table below:

Material aspect	Coverage	Boundary
Employment	●	● Collaborators, authorities, Community
Economic development	●	● Investors, collaborators, customers, suppliers
Indirect economic consequences	●	● Customers, suppliers, civil organizations
Materials	●	● Suppliers, civil organizations, customers, authorities
Emissions	●	● Suppliers, civil organizations, customers, authorities, collaborators
Products and services	●	● Suppliers, civil organizations, customers, authorities, collaborators, financial markets
Regulatory compliance	●	● Authorities, collaborators, community, customers, influencers, civil organizations
Environmental general	●	● Suppliers, civil organizations, customers, authorities, investors
Occupational health and safety	●	● Collaborators, civil organizations, authorities
Training and education	●	● Collaborators
Investment	●	● Shareholders, authorities, community, investors, financial markets, civil organizations, suppliers
Diversity and equal opportunity	●	● Collaborators, suppliers, customers, authorities
Equal remuneration for men and women	●	● Collaborators, authorities, civil organizations, influencers
Non-discrimination	●	● Investors, authorities, suppliers, community, customers, influencers, civil organizations
Local communities	●	● Community, civil organizations, the media
Anti-corruption	●	● Suppliers, customers, communities, collaborators, authorities, the media, influencers
Public policy	●	● Collaborators, customers, authorities, financial markets, influencers
Unfair trade practices	●	● Collaborators, customers, authorities, financial markets, influencers
Regulatory compliance	●	● Collaborators, customers, authorities, financial markets
Customer health and safety	●	● Collaborators, customers, authorities
Labeling of products and services	●	● customers, authorities
Marketing communications	●	● Collaborators, customers, authorities, the media
Customer privacy	●	● Collaborators, customers, authorities

- Material for the company
- Material inside and outside the company

- Material inside the company
- Material outside the company



G4-26  
Stakeholders

Due to changes and the strategic growth of the Company, we decided to postpone the stakeholder engagement until 2017, so that this communication will consider the new stakeholders, who were integrated through the business acquisition in the United States and Canada.

Despite the plan for a direct dialog for next year, we maintain a direct line of communication with our customers, suppliers, civil organizations, universities and community individuals who seek company support through our email address **social@vitro.com**, which has been active for the last ten years.

In order to find out about the issues of interest to the external community, we analyzed all e-mails received in 2016, with the exception of those with a commercial content or those whose addressee was mistaken, classifying them –as in previous years- into six categories: donations, ethics, information, sponsorships, recycling and recruitment.

In 2016, total information requests received decreased by 60% with respect to the previous year, a situation we assume was the result of the end of relations with recycling plants for food and beverage containers, since these generated most applications received.

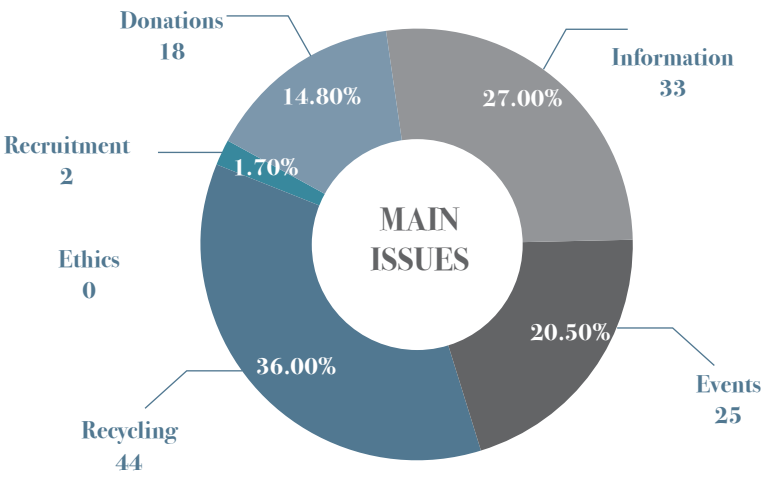
Even so, **recycling** is still the **issue of most interest** to users, who generated **44 requests for information** about project development consultancy and contact with existing collection centers. This indicator once again is linked to the materiality of product lifecycle and strengthens the commitment of the company with a culture of recycling of raw materials.

Another interesting piece of information deriving from the analysis was the change in the source of the e-mails; from a wide majority of open requests, numbers balanced by an increase in institutional emails. Among the reasons for this, we believe most important was the fact that our recycling consultancy now specializes in flat glass, and reuse of this material is considered more among institutions or suppliers than among final users.

Moreover, it should be noted that the period did not register any question or complaint regarding the ethical conduct, neither of the Company, nor of its collaborators.

REGISTRATION OF EMAIL APPLICATIONS

	Languages	Source	Follow-up
<b>122 applications</b>	<b>98.4% Spanish, 1.6% English</b>	open <b>58%</b> , institutional <b>42%</b>	<b>67%</b> forwarded, <b>33%</b> answered



On this occasion, we decided to omit the analysis of journalistic notes mentioning Vitro, made in previous years, since records showed a marked tendency towards issues dealing with economic movements of the company and news about changes and acquisitions made public especially during the second semester of 2016.

For more information and relevant news about The Glass Company, we invite the reader to read our press releases and/or subscribe to our Sustainability Bulletin, Reflector, available at our website **www.vitro.com**. In addition, we refer you to our Annual Shareholder Report available at **http://www.vitro.com/media/119848/Vitro\_Informe\_Anuual\_2016.pdf**.



# 1.3 2016 Highlights

G4-8, G4-23, G4-35, G4-36, G4-48, G4-EN13, G4-EN23

## Sustainability Committee

As the regulating and decision-making body for sustainable development, the Sustainability Committee discusses, proposes and consolidates the short, medium and long term strategies of the diverse areas that comprise the Vitro Sustainability Model.

The committee is responsible for approving the sustainability report ensuring that the initiatives deriving from the material aspects of Vitro are reflected in a solid and balanced way in the report. The diversity of disciplines is one of the factors that allows for the expansion of the scope of the report in economic, social and environmental matters.

Furthermore, made up by strategic senior, executive, and operational positions, the entity ensures that the activities being carried out are presented to and vouched for directly by the highest governance body of the organization, a purpose that fosters comprehensive development between strategy and execution.


In 2016, the Sustainability Course was put on hold to ensure the inclusion of relevant sustainability business matters that will be integrated to the Vitro team. Pertinent adjustments will be made in 2017, and complementary modules will be launched for training in the Vitro Talent platform.

Among the main advances of the  
Committee’s work teams,  
was the the oficial launch of  
**Champion of Employees**, a model  
for Human Resources transformation  
consisting of the initiatives Vitro Family  
*Wellness, Joining Talents*  
and Corporate Volunteering

The creation of these four initiatives responds to the efforts that are currently made at the work centers with different activities such as family visits, the Health Race, the inclusion of people who live with a disability, the Naturally Vitro volunteers and the internal communication and activities that strengthen our identity. Under this new model, Vitro intends to institutionalize these actions at all work centers and effectively measure their goals and achievements.

In 2017, the committee will continue to bet on consolidating projects that will lead us to a sustainable future, always with the goal of creating value for Vitro’s stakeholders.

## IN 2016 WE ACHIEVED

  
**83,694**  
Hectares of ecological reserves

  
**72,016**  
Visitors  
received at Vitro’s cultural and recreational spaces

  
**18,463**  
Trees  
planted in urban and rural areas

  
**1,304**  
Students  
registered at our 4 Educational Institutions

  
**11,407**  
Direct jobs

  
**96,841.6**  
Tons  
of recycled glass

  
**75.6**  
Accident rate



A renowned company



EMPRESA SOCIALMENTE RESPONSABLE

- Socially Responsible Company distinction awarded by the *Centro Mexicano para la Filantropía*.



EXPANSIÓN  
SÚPER EMPRESAS  
2016

- Recognition as a 2016 *Super Company*, according to the ranking published by *Expansión*.



BASC

- Re-certification of the programs Business Alliance for Secure Commerce (BASC).



CTPAT

- Customs-Trade Partnership Against Terrorism (C-TPAT).



SEMARNAT

- Recognition of the Environmental Leadership Program for Competitiveness, granted by the *Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT)*.



INDUSTRIA LIMPIA

- Certification for Clean Industry granted by the SEMARNAT.



L'ORÉAL

- Recognition as a socially responsible supplier awarded by L'oreal.



2016  
R&D  
100  
WINNER

- Award to the 100 best advances in research and development of glass products (R&D 100 Award).



ecovadis

- Qualification as Advanced Supplier from the international organization Ecovadis.

The list of recognitions and certifications we hold encourage us to continue to strive for excellence focused on outstanding operating performance and continuous improvement of our processes. Driven by these values we continue to advance towards a sound future.







# 2 | Responsible Corporate Management





# 2. Responsible Corporate Management


With Responsible Corporate Management guiding all our initiatives we continue to work following corporate management and governance standards established by the Vitro philosophy.


  
Shareholders

  
Authorities

  
Collaborators

  
Community

  
Customers

  
Investors

STAKEHOLDERS

G4-24

  
Influencers

  
The Media

  
Financial Markets

  
Civil Organizations

  
Suppliers

  
Other groups interested in the reliable performance of the organization





# 2.1 Board of Directors

G4-34, G4-36, G4-38, G4-39, G4-40, G4-45

As its highest governance body, the Board of Directors of Vitro is responsible for establishing the policies, guidelines and strategies that will ensure a responsible corporate management.

Supported by the Chief Executive Office, and based on current legislation, the Board defines and maintains a long-term sustainable business model always focused on the needs of the Company. As a Mexican company, Vitro’s Board members are mostly Mexican nationals in executive positions.

It should be noted that in compliance with the commitment with responsible governance, the Chairman of the Board performs no executive position in the Society. Furthermore, the process, assumptions and the internal guidelines to be qualified as an independent board member are stricter than the parameters established in the *Ley del Mercado de Valores* (Mexican Stock Market Law).

## ADRIÁN SADA GONZÁLEZ (1944) Member since 1984

Chairman of the Board of Directors  
Chairman of the Chairmanship Committee  
Board Member of Alfa, Cydsa, Consejo Mexicano de Negocios (CMDN) and Grupo de Industriales de Nuevo León.

## ÁLVARO FERNÁNDEZ GARZA (1968) Member since 2011

Chief Executive Officer of Alfa and Member of the Boards of Directors of Alfa, Cydsa and Grupo Aeroportuario del Pacífico. He is also a Member of the Executive Committee of Universidad de Monterrey, Museo de Arte Contemporáneo de Monterrey (MARCO), the Latin- American Council of Georgetown University, Axtel, Nemak and Alpek.

## TOMÁS GONZÁLEZ SADA (1943) Member since 1980

Chairman of the Board and Chief Executive Officer of Cydsa; Vice President of the Instituto Mexicano para la Competitividad (IMCO); Honorary Consul of Japan in Monterrey, Mexico. Member of the Regional Board of Banco de México, Consejo Mexicano de Negocios, Grupo de Empresarios of Nuevo Leon and Consejo de Cáritas de Monterrey, A.C. Treasurer of the Martínez Sada Foundation.

## MARIO LABORÍN GÓMEZ (1952) Member since 2010

Chairman of ABC Holding and ABC Capital, Chief Executive Officer of Bancomext (2006-2008), Chief Executive Officer of Nacional Financiera (2000-2008), Chief Executive Officer of Bancomer and Chairman of the Brokerage Firm (1991- 2000) and Founding Chairman of MexDer (1998-2000), as well as Co-Founder and Chief Executive Officer of Grupo Vector (1986-1990). He has served as Board Member of TV Azteca, Cervecería Cuauhtémoc, Transportación Marítima Mexicana, Bancomer, Bolsa Mexicana de Valores, MexDer, Indeval, Xignux, Megacable, Cydsa, Astrum México, Banco de México Nuevo León and Gruma.

## RICARDO GUAJARDO TOUCHÉ (1948) Member since 2013

Chairman of the Board of Solfi and Board Member of BBVA Bancomer, Valores de Monterrey, Bimbo, Liverpool, ALFA, Grupo Aeroportuario del Sureste, Coppel and Coca-Cola FEMSA. He was a Member of the International Advisory Committee of the Federal Reserve Bank of New York. He has served in various ex-ecutive positions in companies such as BBVA Bancomer, Valores de Monterrey, FEMSA and Grupo AXA.

## RICARDO MARTÍN BRINGAS (1960) Member since 2007

Chairman of the Corporate Practices Committee  
Chief Executive Officer and Vice President of the Board of Directors of Soriana. Board Member of Teléfo-nos de México, Grupo Financiero Banamex, MADISA, Consejo Mexicano de Negocios (CMN), Grupo de Empresarios of Nuevo Leon and Asociación Nacional de Tiendas de Autoservicio y Departamentales (ANTAD). Chairman of the Patronage of the Hospital Regional Materno Infantil.

## DAVID MARTÍNEZ GUZMÁN (1957) Member since 2013

Chairman and Special Counselor of Fintech Advisory, Inc. and Board Member of ALFA, Sabadell Banc and CEMEX.

## GUILLERMO ORTIZ MARTÍNEZ (1948) Member since 2010

Chairman of BTG Pactual Casa de Bolsa México, Fundación Per Jacobsson and Founder of Guillermo Ortiz y Asociados. He was Chairman of the Advisory Board (2015) and of the Board of Directors of Grupo Financiero Banorte (2011–2014). Member of Grupo de los Treinta and of the Boards of Directors of Bombardier, Grupo Aeroportuario del Sureste, Mexichem, Grupo Comercial Chedraui and Weatherford In-ternational LTD, and Member of the International Board of Zurich Insurance Group. He has acted as Chairman of the Board of Directors of the Bank for International Settlements (2009), Governor of Banco de México (1998-2009) and Secretary of Finance and Public Credit in the Mexican Federal Government (1994-1997). At the International Monetary Fund, he acted as Chairman of the External Panel for the Review of the Fund’s Risk Manage-ment Framework (2010-2011) and also served as Managing Director (1984-1988).

## JAIME RICO GARZA (1957) Member since 2008

Chief Executive Officer and Chairman of the Board of Vitro Europa and Vitro Global, as well as Board Member of Vitro Cristalglass and Chief Executive Officer of Vitro Cristalglass (2007-2012).

## ADRIÁN SADA CUEVA (1975) Member since 2010

Chief Executive Officer  
Board Member of Empresas Comegua, Club Industrial de Monterrey, Grupo Financiero Banorte and Banco Mercantil del Norte, Universidad de Monterrey, Nemak and Minera Autlán. Board Member of Cámara de la Industria de Transformación (CAINTRA) Nuevo León.

## JAIME SERRA PUCHE (1951) Member since 1998

Chairman of SAI Consultores, Founder of Aklara (Electronic Auctions), Centro de Arbitraje de México (CAM) and the Mexico NAFTA Fund (Private Equity Fund). Board Member of Fondo México, Tenaris, Grupo Modelo and Alpek. Member of the Patronage of Yale University (1994-2001). He held several positions in the Mexican Federal Government (1986-1994), as Undersecretary of Revenue, Secretary of Trade, and Secretary of Finance. Currently, he co-chairs the President’s Council on International Activities of Yale University and he is a Trustee for the Trilateral Commission.

## JOAQUÍN VARGAS GUAJARDO (1954) Member since 2000

Chairman of the Audit Committee  
Chairman of the Board of Grupo MVS and Grupo CMR. Board Member of Grupo Financiero Santander, Grupo Costamex, El Universal, Grupo Aeroportuario del Pací-fico and Médica Sur. He has served as Chairman of Cámara Nacional de la Industria de Radio y Televisión (2000-2001), Chairman of Asociación Mexicana de Restaurantes (1985- 1987) and Chairman of Asociación de Directores de Cadenas de Restaurantes (1989).

## \*ALEJANDRO F. SÁNCHEZ MÚJICA (1954) Secretary of the Board since 2007

He has been a Board Member of several Mexican and foreign companies, such as Empresas Comegua and The University of Texas Lady Bird Johnson Wildflower Center. He is currently Se-nior Counsel of Thompson & Knight and Board Member of the Junta de Beneficencia Privada de Nuevo León. He was Legal Counsel of Vitro (2005-2013), Partner of Thompson & Knight (2003-2005), Legal Counsel of Grupo Pulsar/Savia (1982-2003), Legal Coun-sel of the Petrochemical Division of Grupo Kuo (1975-1981) and Legal Manager of Indeval (1973-1975).



## Committees of the Board of Directors

### AUDIT COMMITTEE

Chairman: Joaquín Vargas Guajardo \*  
Guillermo Ortiz Martínez \*  
Jaime Serra Puche \*  
Jonathan Davis Arzac\*\*  
Secretary: Claudio L. Del Valle Cabello \*\*\*

\*Independent Member  
\*\* Non-member Financial Expert  
\*\*\* Non-member Secretary

### CORPORATE PRACTICES COMMITTEE

Chairman: Ricardo Martín Bringas \*  
Joaquín Vargas Guajardo\*  
Guillermo Ortiz Martínez \*  
Mario Martín Laborín Gómez\*  
Secretary: Alejandro F. Sánchez Mújica\*\*\*

### CHAIRMANSHIP COMMITTEE

Chairman: Adrián Sada González  
Adrián Sada Cueva  
Secretary: Claudio L. Del Valle Cabello \*\*\*

In response to the interests of our shareholders and other stakeholders in the period of the report, 42% of the Board members held the status of ‘independent’, a proportion above that required by Mexican law

The activities carried out by the Board and its committees are approved annually during the Annual Shareholders’ Meeting. Sustainability projects and advances are also submitted to the share-

holders at this meeting, to inform them about economic, social and environmental aspects relevant to the Company.

Similarly, once a year the Board of Directors and its intermediate entities evaluate the performance of the functions assigned to the Executive Committee. This measure allows a permanent scrutiny of the practices of Senior Management, reinforcing responsible corporate management through an ethical and transparent management practice that leads Vitro towards a solid future.

## 2.2 A transparent corporate government

G4-37, G4-46, G4-47, G4-49, G4-50, G4-LA16, G4-S02, G4-S03, G4-S04, G4-S07, G4-HR2, G4-HR7

### CÓDIGO DE CONDUCTA

At Vitro, the norm that governs the actions of all individuals in the Company is the Code of Business Conduct and Professional Ethics (Code of Conduct). Issues such as conflicts of interest, human rights, use of the facilities, handling of confidential information, company benefits and relations between collaborators, suppliers, clients and competitors are included in this document.

The Code applies to all work centers and ensures that the actions and decisions made by collaborators of the company in the performance of their work adheres to the institutional values. In addition, in order to reinforce the policy as a fundamental part of our institutional culture, an internal campaign to communicate the key messages of Vitro’s ethical performance is published every year.

Moreover, face-to-face and online courses on the Code of Business Conduct and Professional Ethics are given to Vitro’s employees

every year. This training includes the process of signing the Certificate of Acknowledgement and Compliance with the Code.

**In 2016, 96% of our collaborators took the Code of Conduct course and signed the compliance certificate at the end of the year, while the remaining 4% took it in the first two weeks of 2017, reaffirming their commitment with the values of integrity and responsibility promoted by the Company. Additionally, 100% of the Corporate Security staff accredited the same course, guaranteeing their proper training on Human Rights.**

It should be noted that the Code of Conduct course also informed about a mechanism to alert Internal Audit about any conflict of interest. As a result of these actions, all the areas contribute to the highest international standards of ethics, respect and transparency of Vitro’s operation.





# Anonymous Report System (SDA in Spanish)

G4-58, G4-HR3 y G4-S05

In strict adherence to a culture of legality and transparency, the Anonymous Report System (SDA) remained in force in the period of the report. The system is a mechanism that allows declaring and following up on diverse matters regarding the company’s operation.

This transparency inbox is available to all our stakeholders 24 hours a day, 365 days of the year by phone or online at <https://watcher.alertline.com/gcs/welcome>.

To ensure the confidentiality of the reports anonymity of the process is handled by **Navex Global**, an independent third party.

**TRANSPARENCY INBOX**  
**INTERNATIONAL TOLL FREE NUMBERS**

**Mexico**  
001-800-658-5454  
001-800-288-2872

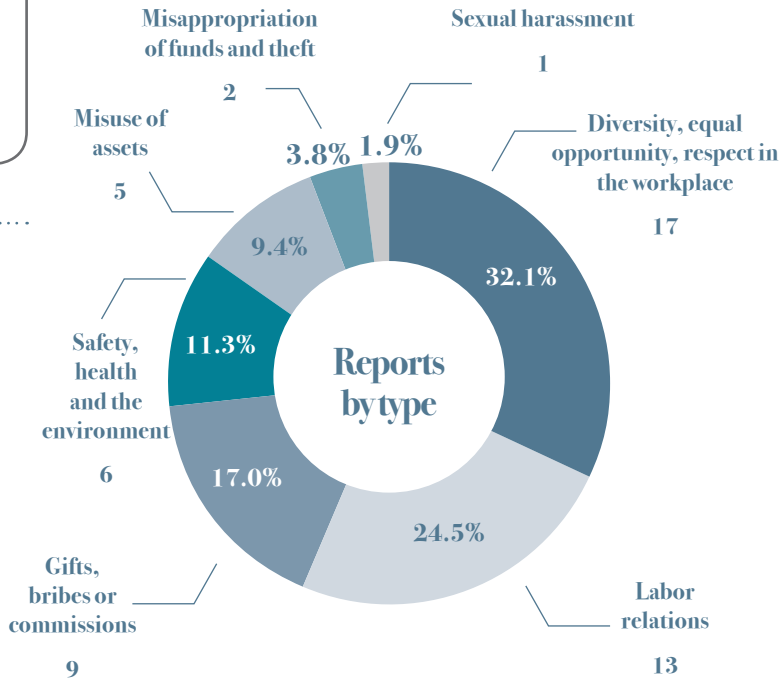
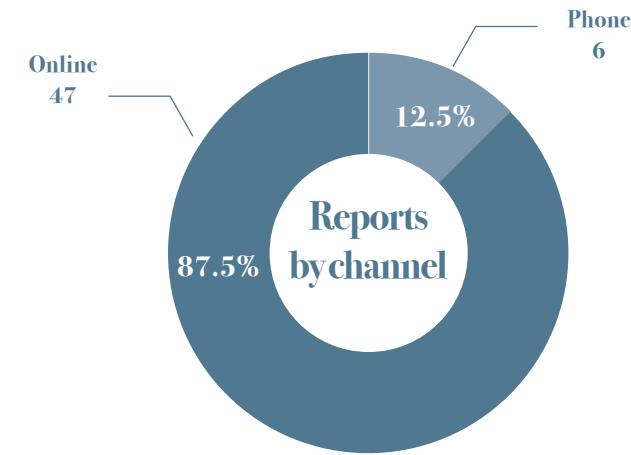
**Colombia**  
01-800-911-0011

**United States**  
877-780-9370

Dial any of the numbers of the Anonymous Report System  
when hearing the operator recording  
**877-532-5823 ó 877-780-9370**

For other countries, go to:  
<http://www.business.att.com/bt/tollfree.jsp>

Reports by priority		
Priority	No.	- % -
A	0	0.0%
B	3	5.7%
C	50	94.3%



Classification by Navex Global System.



In the period of this report, 53 substantiated complaints were received, 3.6% less with respect to 2015. According to the type, the complaints were channeled to the areas of human resources, safety and the environment, administration, institutional relations and procurement.

In order to promote an environment of confidentiality and openness in the exchange of ideas, in the case of non-compliance a response was provided within 24 hours, strengthening the communication channels with the areas involved.

Furthermore, to ensure responsible and open corporate governance, SDA statistics are submitted quarterly to the Audit Committee of the Board of Directors for their assessment.

Besides the SDA, complaints submitted through other a channel are always directed to Internal Audit and Control for follow-up and

investigation. Details of every complaint or report, their follow up and consequences are confidential and are available by request, internal or external.

The analysis of the inbox showed that diversity remains as the issue with more incidents; however, it should be noted that total number of diversity-related complaints decreased by 32% with respect to the previous year. Moreover, we reported that in 2016 there were no complaints regarding practices contrary to free competition.

Based on the assessment made of the impact of the inbox, a proposal was made for a campaign that focused on the physical location of risk areas in order to aim messages at those areas in which actions against the values of the company may take place. This campaign for strengthening the SDA will be evaluated and reformulated in 2017 to include the new work centers in the United States and Canada.



## 2.3 Internal Strengthening

G4-EC7, G4-EC8

To promote a culture of legality throughout the organization, we use our institutional policies. These regulations and guidelines are the operating pillars of the strategy for Responsible Corporate Governance that distinguishes the Glass Company.

As part of the process for continuous improvement, in 2016 we reviewed and updated our policies on the environment, employee recruitment and supply. Once the new versions have been authorized, they will be posted at the respective websites, and during 2017 we will communicate these new documents.

Implemented through the integrity of our actions, this series of policies sustain decisions made, increase productivity and strengthen company operations; thus, full compliance is required of every collaborator.

Along with the regulations of the committees of the Board of Directors, these policies guarantee best governance practices and an ethical framework for our initiatives, factors that are essential for maintaining the trust of all of Vitro’s stakeholders.

In 2016, as part of the continuous improvement process, review and updating was made of the policies pertaining the Environment, Employee Recruitment and Procurement.

APPLICABLE POLICIES AT VITRO S.A.B. DE C.V. AND SUBSIDIARIES	
Policy	Relation to vitro’s sustainability model
Procurement	Defines the basis for the selection of suppliers, which consider the best conditions of quality, price, and service, as well as the legal and fiscal compliance, including the respect of Human Rights. It also helps institutionalizing the negotiation processes to ensure their transparency.
Internal Audit	Identifies, monitors and assesses the exposure to risks that might affect investor’s trust and/or the achievement of the goals.
Scholarships for Training and Development of Employees	Satisfies the training needs of employees.
Scholarships for children of Vitro employees	Contributes to the professional development of the children of collaborators, as they represent a potential source of future recruitment.
Qualification of Operating Personnel and Contractors	Extends the investment in human development to these stakeholders to guarantee their performance and security.



Policy	Relation to vitro’s sustainability model
Retailers	Grants additional benefits to collaborators through the issuance of purchase orders at preferential prices and credit terms.
Code of Business Conduct and Professional Ethics	Regulates compliance with the highest ethics standards to maintain organization coherence and strengthen its processes.
Health Staff Code of Ethics	Specific to the Medical Departments of Vitro companies, in order to provide quality services for patients.
Employee recruitment	Defined to standardize the development processes related to these collaborators and ensure respect for their human rights throughout their work relationship with Vitro.
Recruitment of unionized personnel	Regulates recruitment, selection and engagement of this group of collaborators, and guarantees that such processes are transparent and adhere to human rights regulations.
Recruitment and Career Planning of Shareholders’ and Board of Directors’ Relatives	Establishes the guidelines for contracting and/or promoting relatives of the shareholders and board members, institutionalizing such processes and ensuring they are carried out in equal circumstances as those of any employee or non-relative third party.
Diagnosis of Quality of Life at Work	Evaluates the satisfaction and commitment of the collaborators to their work and environment.
Donations	Defines support in cash and in kind for organizations that contribute to the development of the communities where Vitro maintains presence.
Savings Fund	Regulates management and control of the contributions of the Company and its collaborators to maximize the yields of such external investment and ensure compliance with the tax provisions that regulate it.
Natural Maternity and Adoption	Ensures additional protection for women to facilitate the attention dedicated to their children, and encourages their active participation in productive life after the establishment of a family.
Operations with Related People	Codifies parameters and guidelines so that Vitro and the legal entities it controls can carry out operations with Related Parties.
Granting and revocation of Powers of Attorney	Establishes the guidelines to control the granting and revocation of general and special powers of attorney to employees and third parties.
Planning and training control	Develops collaborators to improve their training, performance and employability.
Seniority Premium and pension plan	Guarantees compliance with labor, tax and accounting obligations for these categories.

Policy	Relation to vitro’s sustainability model
Analysis process of Individual Performance	Evaluates individual objectives of each position and their level of compliance and compares them to those of the organization to reinforce remuneration and training processes.
Promotion, Transfer, Recruitment and Contracting of Senior Staff	Defines that hiring process of the highest level employees, should be done pursuant to their experience and prevents the application of discretionary criteria in the selection process.
Repurchase of Own Shares	Strengthens the rules and mechanisms applicable to the purchase and offer of shares in order to guarantee their transparency and legality.
Recognition of Internal Instructors	Encourages voluntary teaching in a spirit of solidarity towards the coworkers.
Seniority Recognition	Recognizes collaborators for their commitment and sense of responsibility towards the organization.
Packing Reuse	Promotes reuse and recycling of these materials in internal processes
Occupational health	Fosters a culture of preventive medicine among the staff and controls the risk factors derived from work conditions.
Information security	Minimizes the risks for breach of confidentiality, integrity and availability of existing information in the organization.
CEO selection	Establishes the profile and guidelines necessary to carry out the selection process of the CEO and strengthen corporate governance
Authorized special services	Offers access to quality private medical and hospital services, at competitive prices, for collaborators and their relatives
Information technologies	Guarantees responsible use of computer equipment, e-mail and Internet, besides preventing software piracy.
Employee Transfer due to Termination of Employment	Avoids the loss of valuable staff when downsizing and seeks their relocation.
Use of restricted assets	Ensures that use of Vitro’s assets are solely for business related purposes and in the interest of its business objectives.
Employee vacations	Regulates the procedures to access paid holidays
Environment	Defined by location or business unit, they establish Vitro’s commitment with the environment.





# 3 | Comprehensive competitiveness

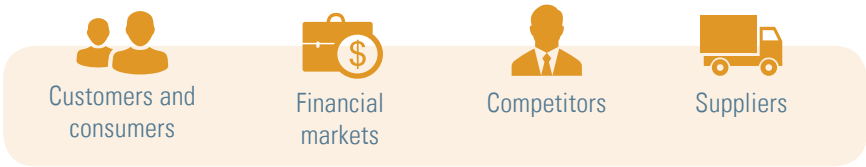


# 3 Comprehensive competitiveness

**G4-24**  
At Vitro we work to achieve more efficient and sustainable operations; by strengthening and comprehensively developing our chain of value, we remain as a competitive company that provides sustainable solutions.

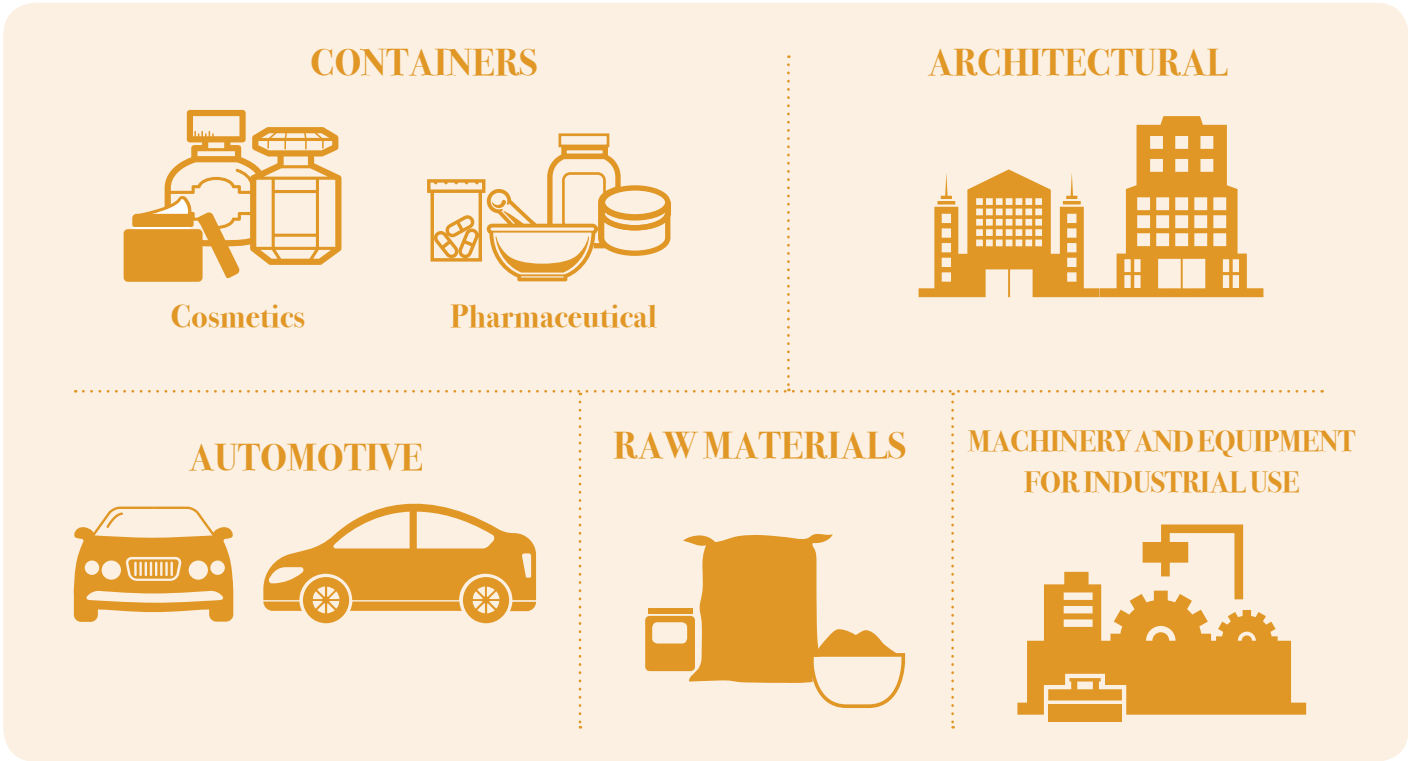


STAKEHOLDERS



# 3.1 Sustainable Solutions

**We provide solutions for multiple markets**  
**G4-12, G4-13**



As a leading Company in the glass industry in Mexico, Vitro offers high-quality sustainable products with the purpose of satisfying the needs of its stakeholders and the markets it serves. The contribution of our products to health derives from the focus on quality and on 100% natural glass, resulting in transparent, safe, hygienic and totally recyclable material.

Thanks to this 100% natural glass source, the products made by the company are totally transparent, safe, hygienic and recyclable throughout their industrial process.

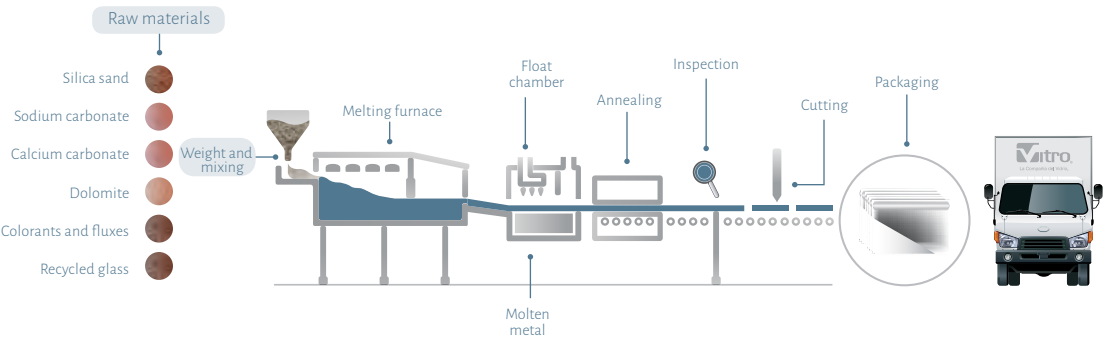
Glass is classified by the Environmental Protection Agency (EPA) of the United States as the only safe container material of products for human consumption and it represents the best option to bottle contents that must be maintained in a hygienic environment such as those required by the cosmetics and pharmaceutical industries.

For the automotive and architectural industries, glass has become a key raw material, as it allows the transmission of natural light, absorbs ultraviolet rays, and helps regulate heat transmission, representing thus a sustainable option for both industries.

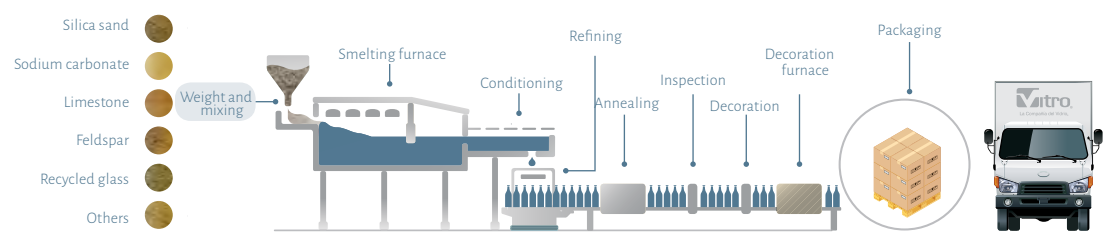


HOW DO WE MAKE GLASS?

Flat Glass production process



Glass container production process



Our offer continues to grow

In 2016 the Glass Company continued its transformation; the acquisition of the Flat Glass and Glass Coating business of PPG Industries, Inc. -an American company with a history of more than 130 years in the production and processing of architectural glass and world leader in research and development of new products- was completed on October 1.

The operation included four productive plants that add five float furnaces and four MSVD (Magnetron Sputtering Vapor Deposition) coating deposition lines in the United States, a flat glass research center and four glass processing centers in Canada.

Moreover, in December 2016, Vitro announced a definitive contract for the acquisition of the original-equipment automotive glass business of Pittsburgh Glass Works (PGW), owned by LKQ Corporation (NASDAQ: LKQ); the operation was officially approved in March

2017. With this purchase, Vitro acquires seven automotive glass manufacturing plants and two satellite plants in addition to one plant with two float glass furnaces in the United States, one automotive glass plant in Poland, and participation in two joint ventures in Mexico and China.

These acquisitions integrate a new portfolio of sustainable brands such as *Starphire Glass* and *Solarban Glass* that will make the Company become a world leader in sustainable technology in the architectural and automotive glass industries, specifically in the sector of high-technology solar control coating products.

3.2 A responsible value chain

G4-LA14, G4-LA15, G4-PR1, G4-PR2, G4-PR3, G4-PR4, G4-PR5, G4-PR6, G4-PR7, G4-PR8, G4-PR9, G4-HR10

We take the necessary actions to satisfy expectations regarding our products and initiatives, always prioritizing relevant and transparent information about Vitro's offer in the value chain.

Elements such as the "HECHO EN MEXICO" label on the packaging allow us to comply with the ethical commitment of providing key data such as country of origin of the products. Additionally, as a diversified company, we have established general codes that must be applied to all products by way of communication, advertising and labeling, in compliance with required regulations.

The only one of our products aimed directly at the end consumer is salt for human consumption, which is produced by *Industria del Alkali*. Due to the nature of this product, we follow specific regulations for distribution labeling in compliance with the *Norma Oficial Mexicana 040-SSA1-1993* (Mexican Standard) which establishes the labeling requirements for table salt and controls use and consumption of iodized salt.

In the case of products for the automotive industry, Vitro offers the added value of providing safety glass that complies with the international standards DOT-MVSS205, ECE-R43, CNCA-CCC and GS-42.

It is worth mentioning that in more than 50 years, Vitro has received no relevant penalties for regulation non-compliance regarding the production of these products. In addition, we want to note that in 2016 there were no duly-founded complaints registered in relation to breach of privacy or leaks of customer personal data.

Due to our good practices, we have received customer certifications and recognitions such as the *ACE-Diamante* from Belcorp, the *Certificate of Excellence* from General Motors and *Certified Supplier* from Revlon, among others.

As a diversified company, we have established general codes to be applied to all products by way of communication, advertising, and labeling.





Customer and supplier relations

At Vitro we are aware that in order to achieve sustainable development, relations with our customers must not be limited to a mere buy-sell operation; thus, it is in our own interest to grow and learn alongside them through initiatives such as **Vitro 360° Total Assistance**.

For three years, this initiative has provided support to our customers in the way of consultancy, technical training and practices in developing areas of a company; for example, marketing, logistics, pro-

cess optimization, technology and systems, waste handling, as well as resource management: human, material and economic.

With its modular design, as well as adaptable, customizable and customer-oriented topics, Vitro 360° offers a flexibility that has had an excellent response in the cities in Mexico where training has been given.



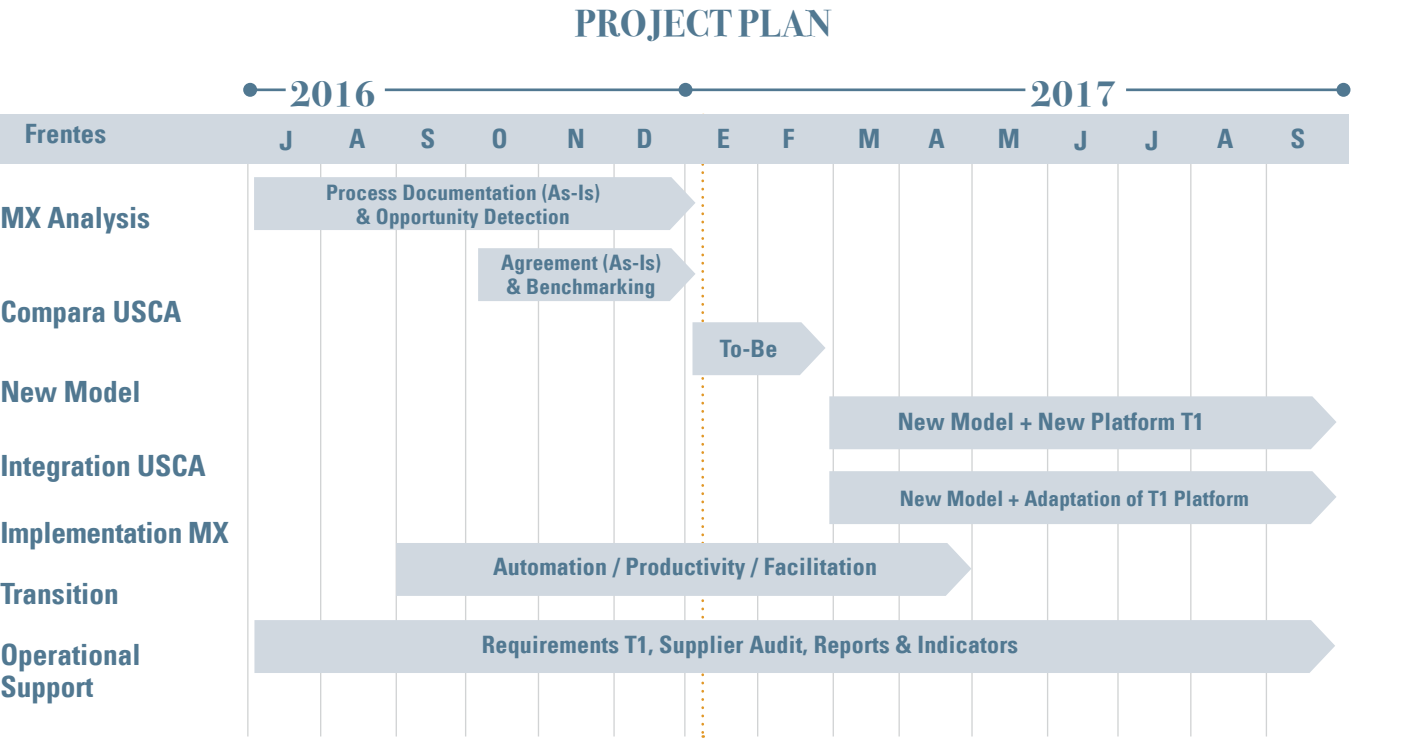
Due to these and other programs of support for our customers, in 2016 we achieved a satisfaction index of 8.83 points -out of 10- in surveys carried out by the Marketing department, 0.5 points more than the previous year. This is the result of our commitment with healthy and positive relations with this stakeholder.

Furthermore, it should be noted that four of our customers in the cosmetics and pharmaceutical industry -among them L’Oreal- carried out audits focused only on social responsibility activities in which all our facilities received passing grades, guaranteeing our commitment and follow-up of the initiatives throughout the value chain.

Supplier Certification Program

During the period of this report we started a Procurement Optimization Project, an initiative to analyze the process of the area and generate improvement actions through a new procurement model. One of the most important upgrades of the programs is the redesign of the audit process of the Supplier Certification Program.

Because of the redesign, audits have been placed on hold to initiate a process of documentation and detection of opportunities with this stakeholder. The optimization of the model will continue in 2017, with the objective of increasing the automation, productivity and scope of relevant index data processing.



It is important to mention that despite the hold on the audit processes, in 2016 our Value Chain Sustainability Policy continued to be promoted among our suppliers, during work meetings and other events.

Furthermore, on the road to integral sustainable growth, we continued our participation in the program of Environmental Leadership for Competitiveness implemented by the *Procuraduría General de Protección al Medio Ambiente (PROFEPA)*, as well as with the organization of events to share best practices such as the Quality Week that took place at Vitro *Automotriz*.

Resulting from these initiatives, we created a bond and entered in a constant dialog with the stakeholders of our value chain, determined to grow together on the path to a solid and sustainable future.



# 3.3 Competitive Innovation

G4-14, G4-EN1, G4-EN6, G4-EN7, G4-EN27, G4-EN28

We believe in innovation as a corporate value that allows us to offer competitive products; yet, in order to minimize possible risks, we take cautious steps when introducing them to the market.

In the reported period, we renewed the certifications granted by the programs of the Business Alliance for Secure Commerce (“BASC”) and the Customs-Trade Partnership Against Terrorism (“C-TPAT”) of six exporting plants, ensuring the good performance of our work centers and showing proper operating conditions under the highest international safety standards.

These certifications ensure a value chain based on Vitro’s values and reaffirm the trust of our stakeholders on the fact that the products offered by the Company are produced with responsibility throughout the value chain.

Some of our quality and social responsibility certifications are:

- TS 16949
- BASC
- C-TPAT
- CNCA-04C-028: 2009
- ISO 9001:2008
- NTC1467
- ANSI SAEZ 26.1
- VDA 6.0 granted by Volkswagen
- S.A.R.I. Compliance Certification

The business division for cosmetics and pharmaceutical containers strictly adheres to international standards and is committed with metal-free containers as part of a comprehensive sustainability strategy of our products.

In 2016 our containers are:



100% heavy-metals free.

100% lead-free.

100% cadmium-free.



95% of our decorations, national as well as for export, are made with organic paint.




8 weeks is the average time to develop a new container.

## Packaging


100% of our packaging uses recycled cardboard



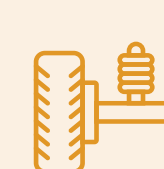
In 2016 we innovated in the **automotive area** with:




- **Ceramic printing**
- 100% heavy metal-free products




- **Connectors**
- 24.3 % of connectors are lead-free



- **Substitution of encapsulation**
- 38% of the products used TPV-EPDM encapsulation.
- 10.8% of the products substituted PVC encapsulation for TPV-EPDM.
- 60% of the encapsulation equipment uses TPV-EPDM.



- **Product lightening**
- Decrease of melted glass by 215.7 tons. Annual goal achieved.
- Savings of 1,240.5 MMBTU's (1,309 Gigajoules) in energy consumption. Goal surpassed by 37%.



- **Packaging**
- 27% of products sent using dense packing.
- 57% of products sent in reusable metal racks.
- 92% of paper separators substituted for hemp thread.

It should be pointed out that due to the use of dense packaging of our automotive products, by maximizing their transportation we prevented traveling 1,206,452 miles, equal to 48.4 trips around the world’s equator. In addition, thanks to the substitution of separators for hemp thread, we prevented use of 7,400,115 m2 of paper, equal to almost 1827 soccer fields.

On the other hand, among the innovative actions carried out by the flat glass division, the patent for Solar Control Glass with UV absorption was granted this year; we will continue to work on the development of this product in order to optimize its production cost. With the acquisition of new facilities, namely the Center for Research and Development at Harmarville, PA, the company is committing to innovation in brands recognized for their solar control coating technology.

In 2017, we will continue with relevant projects to ensure a sustained process that will aid us on the path towards a solid future aligned with our commitment with innovation for continuous improvement.





# 4 | Human attitude



# 4 Human attitude

Determined to maintain healthy work as well as commercial and institutional relations, we keep our commitment to socially responsible initiatives which are respectful of human rights and contribute to personal, professional and social development in the communities where we operate.



# 4.1 Our work force

G4-9, G4-10, G4-11, G4-LA1, G4-LA2, G4-LA4, G4-LA5, G4-LA12, G4-LA13, G4-HR1

To Vitro, collaborators are the motor that runs the company; thus, we have started actions and maintained initiatives focused on promoting their sustainable development.

Sustainability of our work team is aimed at achieving growth that will allow them to unleash all of their potential and positively display their personal and professional qualities in an open and healthy environment.

Through its area of Corporate and Labor Relations, the company keeps its processes aligned with the declaration of the International Labor Organization (ILO) regarding the fundamental labor principles and rights and to the United Nation's Universal Declaration of Human Rights.

All programs and projects are based on the Code of Business Conduct and Professional Ethics and are guided by respect for Human Rights, encouragement of diversity and strict adherence to current legislation. Their results reflect these policies as well as our efforts to completely eliminate discrimination in matters of employment.

Due to these initiatives, in 2016 Vitro was recognized for ninth consecutive year as a Socially Responsible Company by the Centro Mexicano para la Filantropía. This distinction asks companies to submit evidence that supports their projects and policies for five indicators: social responsibility management, corporate quality of life, corporate ethics, community outreach and environmental preservation.

Vitro complied in all requested categories, submitting evidence that the initiatives are carried out at work centers throughout the year, reaffirming its commitment with making a positive impact on society.

We added  
**11,407**  
international talents  
to Vitro.

n 2016, our work force was concentrated in Mexico in operational positions, however with the acquisition of the architectural glass division of PPG, our population in the United States and Canada grew from 0.3% to 11.2%.

Vitro prides itself for having a family tradition spanning generations of our collaborators, therefore we are able to register the natural advance of age and retirement of our collaborators.

4.1.1 We are an inclusive company

At the Glass Company, we believe that labor inclusion starts with the recruitment of individuals in a vulnerable position; to achieve real integration, we continuously strive to link the opportunities offered by companies and the capacities of the candidates, as a potential strategy to change paradigms.

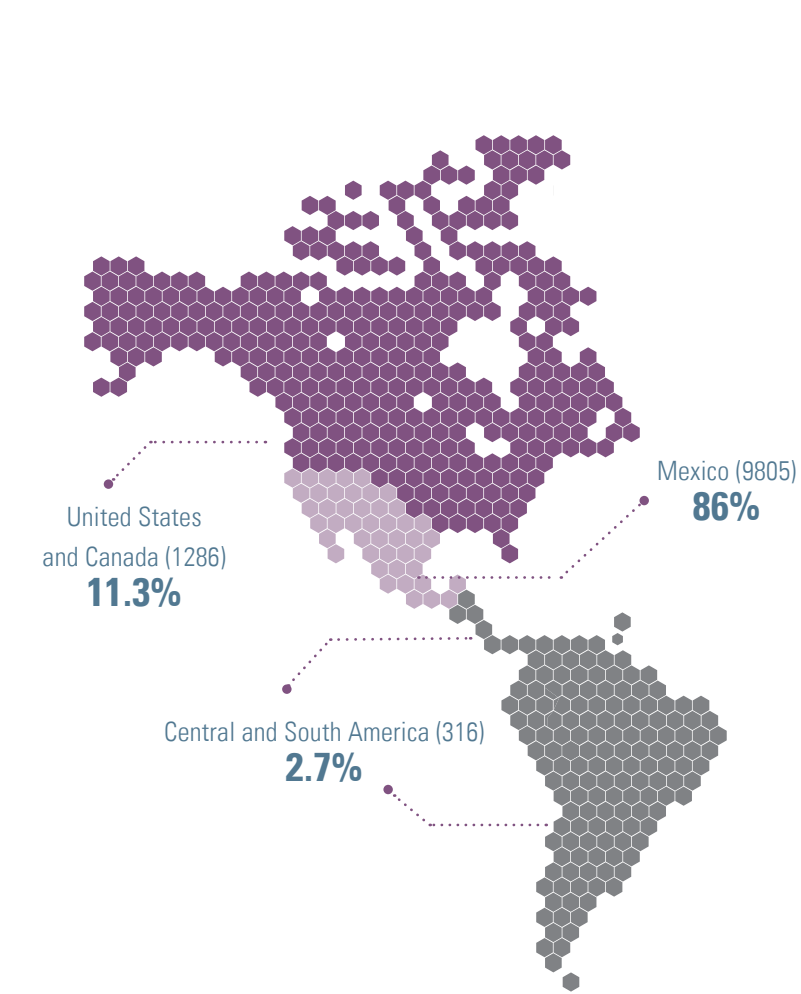
Committed with this labor of inclusion, for decades we have added new talent from diverse vulnerable groups such as individuals with physical, sensory or intellectual disabilities, senior citizens, and single mothers, to our work team.

In 2016, this effort was consolidated with *Éntrale Alianza por la Inclusión Laboral*, an initiative of the Mexican Business Council which has the objective of encouraging a culture of inclusion to facilitate the incorporation of programs for recruitment and development of people with disabilities.

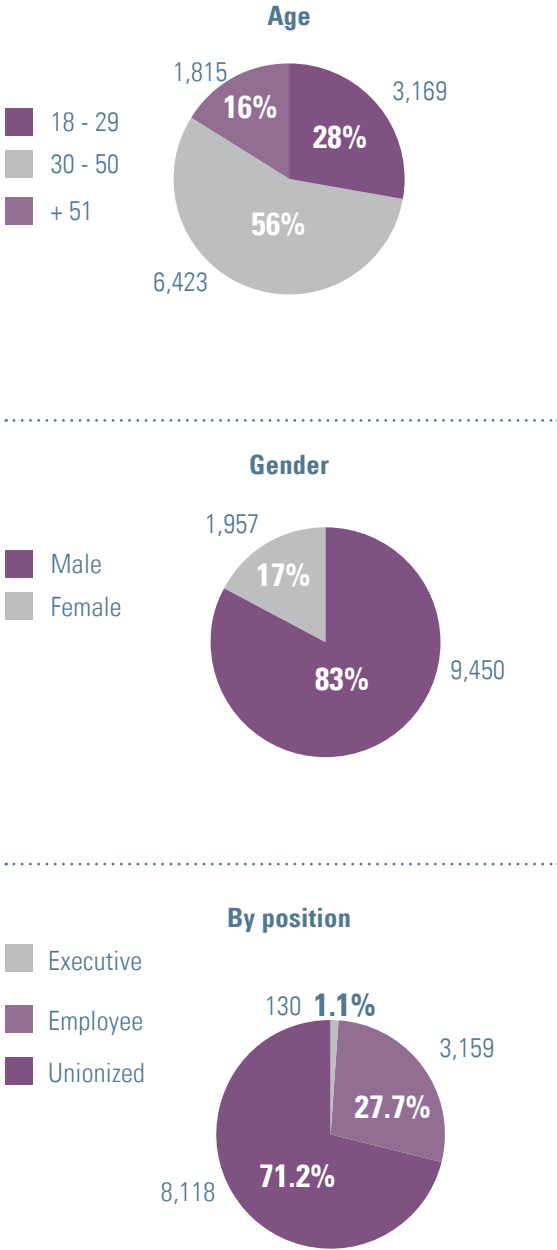
Signed by 25 of the member companies of the Mexican Business Council, this initiative establishes that programs should be defined and implemented to ensure labor inclusion and non-discrimination at the plants in no later than one year, a commitment that Vitro complies with through the goals set in *Joining Talent (Uniendo Talentos)*.

The program, whose recruitment matrixes were defined as a first phase at every work center, has continued to grow. One year after its re-launching, we have 36 collaborators with some kind of disability distributed in 13 work centers and corporate headquarters, whose work is carried out in different administrative supervisory or operating positions.

COLLABORATORS BY COUNTRY



TURNOVER RATE IN MEXICO			
	Involuntary	Voluntary	Total
2016 Turnover	6.49%	4.80%	11.29%



UNITING TALENT

Year	2016
Total personnel	10088
Personnel with disabilities (Vitro Clasification)	36
% Personnel with disabilities (Vitro Classification)	0.36%

\*Alcance empresas en México, Colombia y Brasil.

RECRUITMENT GOAL 2016-2020

Año	2016	2017	2018	2019	2020
Personnel with disabilities*	33	61	91	121	151
Goal: 1.5% (2016-2020)	0.30%	0.60%	0.90%	1.2%	1.5%

\*With IMSS certification

\*With respect to total personnel in 2016

Thanks to the union of this talent, we continue a sustained growth in recruitment, firmly towards our 2020 objective of 1.5%.





# 4.1.2 Healthy labor relations

G4-LA6, G4-LA7, G4-LA8

We provide optimal labor conditions for professional and personal development of our collaborators by promoting healthy labor relations that encourage freedom of association and recognize the right to collective bargaining.

**100 %** of our collaborators in the payroll of our plants are covered by collective bargaining agreements in the countries where this legal concept exists.

The agreements include agreements that ensure protection of physical integrity by regular inspections and delivery of personal protection equipment. Notice of organizational changes as established in collective agreements, are made in due time and form.

In addition, these initiatives are complemented by strict internal security regulations that are promoted through incentives such as benefits like bonuses for diligence, good health and accident prevention.

It should also be mentioned that every one of our work centers organizes mixed commissions whose purpose is to consolidate and ensure freedom of association and expression, as well as representation in the decision-making processes.

These commissions consist of personnel from different areas, with a minimum of six and a maximum of 10 members who meet every month. Among the issues they work on are health, safety and training initiatives.

Through these actions, we comply with the highest international sustainability standards by influencers such as the EcoVadis and SEDEX platforms, which compare work conditions at Vitro with those of other companies in the industry; in this way we set the course towards a solid future for our collaborators.

## Competitive benefits

Since its foundation, the Glass Company has been synonymous with competitive and attractive benefits for its collaborators, ensuring favorable relations regarding the minimum wage valid in the cities where it operates.

In line with our recruitment policy, from the beginning of the process to cover vacancies, we ensure equal opportunity through equal remuneration regardless of gender, race, religion or individual preferences.

Convinced that one our major contributions to the welfare of the Community is remuneration and social benefits offered to our Collaborators, we ensure that all work centers exceed the basic benefits required by every country where we operate.

Due to this commitment, we achieved a satisfaction index of 85.63% in the Diagnosis of Quality of Life in the Workplace survey, ensuring the optimal continuous development of our collaborators.

## MOST REPRESENTATIVE BENEFITS

Our Collaborators at Vidriera Monterrey (Corporate) have the following:

- a) Seven-day initial vacation period
- b) Four-day vacation bonus
- c) Bimestral attendance bonus
- d) Bimestral punctuality bonus
- e) Free medical service
- f) 13% legal-limit savings fund
- g) 20-day end-of-year bonus
- h) 10-day efficient-attendance bonus
- i) \$630 MN monthly food bonus
- j) Social security (IMSS) company coverage
- k) 4 days of rest additional to those established by law.

## Total loss control

The comprehensive Total Loss Control (TLC) system ensures safe workplace conditions and safeguards every one of our collaborators since the day they join the company.

The TLC is an initiative designed to prevent and reduce the probabilities of collaborator injuries through risk assessment of position, equipment, materials and environment. The system establishes that only individuals with the required physical and psychological capacities may occupy a position, this being the essential criterion for selection of candidates regardless of race, color, gender, language, religion or political ideology. In addition to this, and in order to eliminate any risk of child exploitation, recruitment policies establish that in order to start the selection process, candidates are required to be of legal age; non-compliance results in cancellation of the process.

Thanks to the implementation of this system and to strict legal compliance at all the cities in which we operate, there is no evidence of child exploitation or forced labor activities.

Moreover, as part of our responsibility in the value chain, these practices apply equally to our contractors and suppliers at our facilities. Also, it is possible to make the respective complaints through the Anonymous Report System.

In order to ensure the continuity of results, Corporate Labor Relations carries out internal audits at least twice a year at each of our facilities with the support of plant personnel and their supervisors.

The protection of the integrity of our Collaborators as well as prevention of risk situations is a responsibility of the company; thus, year after year we monitor our accident rate, a quantitative indicator that shows the relation between accident frequency and severity.

As a result of the constant work done by the safety area of Vitro, our accident rate is one of the lowest in the glass industry. In 2016, this index was 75.6, corresponding to a 35.1 point reduction with respect to the previous year.





ACCIDENT INDICATORS

Indicator 2016			
	Female	Male	Global
Accidents	64	526	590*
Incapacitating Accidents	3	39	42**
Lost Days	41	1512	1553***
Accident Rate	1.3	102.04	75.6

\*129 fewer accidents than in 2015, 18% less.  
\*\*28 fewer incapacitating accident than in 2015, 40% less.  
\*\*\*1291 fewer lost days than in 2015, 45% less

2017 GOALS

- Fewer than 640 total accidents
- Fewer than 64 incapacitating accidents
- Fewer than 5586 lost days
- Accidentability rate lower or equal to 110

The safety of Vitro’s Collaborators is a sustainable commitment to all; thus, every year the message of our *Siempre Seguro* (Always Safe) safety campaign is reinforced at events, meetings and family visits to the plants. During these activities, families are invited to propose and share messages that will inspire our team to keep a safe and responsible attitude at their job.

4.2 Encouraging professional careers

G4-LA9, G4-LA10, G4-LA11

The strategy that distinguishes the area of Talent Development at Vitro is a permanent offer of customized training based on annual performance evaluations. The goal is to provide collaborators with tools that will allow them to explore their professional potential and suggest comprehensive solutions.

In order to fulfill this objective we have developed the Vitro Talent platform, a tool for collaborators who seek an individual process of growth –through knowledge- within the company. The main services to be found in this space are:

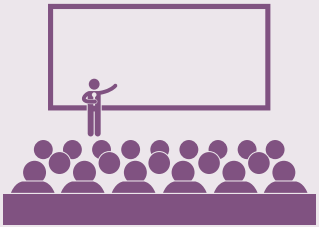
- Talent attraction
- Performance evaluation
- Individual development plan
- Performance feedback

The platform also offers interactive courses for a complete and interactive learning process on subjects such as sustainability, leadership, negotiation and conflict handling. It is worth mentioning that in 2016, 705 different courses were given through this e-learning tool, 18% more than in the previous period.

Additionally, we continue to encourage our Collaborators to suggest growth goals, optimizing their performance through the Individual Performance Planning and Analysis program that is applied to executives and employees of the organization. Under this scheme, 99.6% of this group of employees received remuneration additional to their salary in 2016, in accordance to fulfillment of their individual annual goals.

TRAINING HOURS IN 2016

In 2016...



4.7 million pesos  
invested in Training



100% of  
Collaborators were  
trained on the Code of  
Ethics.



1, 038,764  
Total Hours  
of Training



Training Hours (by category)	2016
Total Hours for Executives	7,132
Total hours for Employees	71,632
Total hours for Unionized	960,000
Total hours	1,038,764

In 2016, one of the main sustainable initiatives was recruitment of **Developing Professionals**. This Company mode, sponsored by the area of Human Resources, seeks to provide young talent with the opportunity of getting to know Vitro and supporting them in strategic business projects.

This first generation started out with 10 participants who will be working in the following areas: Human Resources, Commercial, Operations and Strategic Planning. In addition, these professionals will have an advisor to guide and encourage them throughout their career in the company.

If you would like to become part of our work force, please send your **résumé** to our job bank at: <https://career4.successfactors.com/career?company=vitro>

## 4.2.1 Education, a sustainable tool


In 2016, we bet on education as a tool to strengthen us in achieving a solid future. With over **38 initiatives** focused on skill development and knowledge sharing, as well as on support granted through scholarships and school supplies, we benefited more than four **thousand people**, among collaborators, their families and the community in general.

In order to promote a sustainable culture, we worked on environmental education through urban orchard workshops in the communities.

EDUCATION



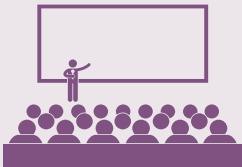
38 programs



+4,000 beneficiaries



+20 institutions participating as partners



Training on subjects such as leadership, management, safety and the environment.



Support: Scholarships for relatives and continuous education for collaborators.



To implement these programs, every year we have the active participation of more than 20 educational institutions at all levels, authorities from different levels of government, as well as private and social organizations, to whom we are most grateful.

In line with our goal of promoting a sustainable culture, in 2016 we opened two training workshops for starting individual urban orchards. The first one for families of our collaborators at Vidrio Plano at the García plant facilities; the second one, imparted to neighbors of the Mirador de García neighborhood during the reforestation drive organized by the *Naturalmente Vitro* volunteers.

Although work continued in our Sustainability Course, due to the growth of the Company and the integration of new processes and collaborators, the training team decided to evaluate the content and planning of the following modules in order to integrate subjects

dealing with the new businesses, namely: certifications, audits or measurements.

In 2017 content will be planned in order to create and/or update the remaining modules. The diffusion campaign will also continue to reinforce the knowledge offered through the Sustainability Course to all collaborators.

Coordinated by the area of Talent Development of Vitro, these programs share our skills and knowledge with members of the community who may wish to be trained, making course subjects available to them in a face-to-face or online mode.



# 4.3 Growing together

G4-LA15, G4-S01, G4-S02, G4-LA2

One of the pillars sustaining Human Attitude –established in the Vitro Sustainability Model- is the positive effect caused by positive actions for change generated inside and outside the company. The Company understands that to create a sustainable community we must work as a team with diverse stakeholders on improving the environmental and social space we share.

Determined to become synonymous with best corporate practices, we have transformed under the new Human Resources Model by launching the program **Champion of Employees**. Stemming from already-existing corporate best practices, the program consists of four initiatives

- **Vitro Family:** includes all activities and traditions that promote work-family balance.
- **Joining Talents:** the program promotes recruitment of individuals from vulnerable groups for positions in which they may be able to develop their potential.

- **Wellness:** a comprehensive health plan for collaborators.
- **Corporate Volunteering :** the program organizes community-support activities inside and outside the company.

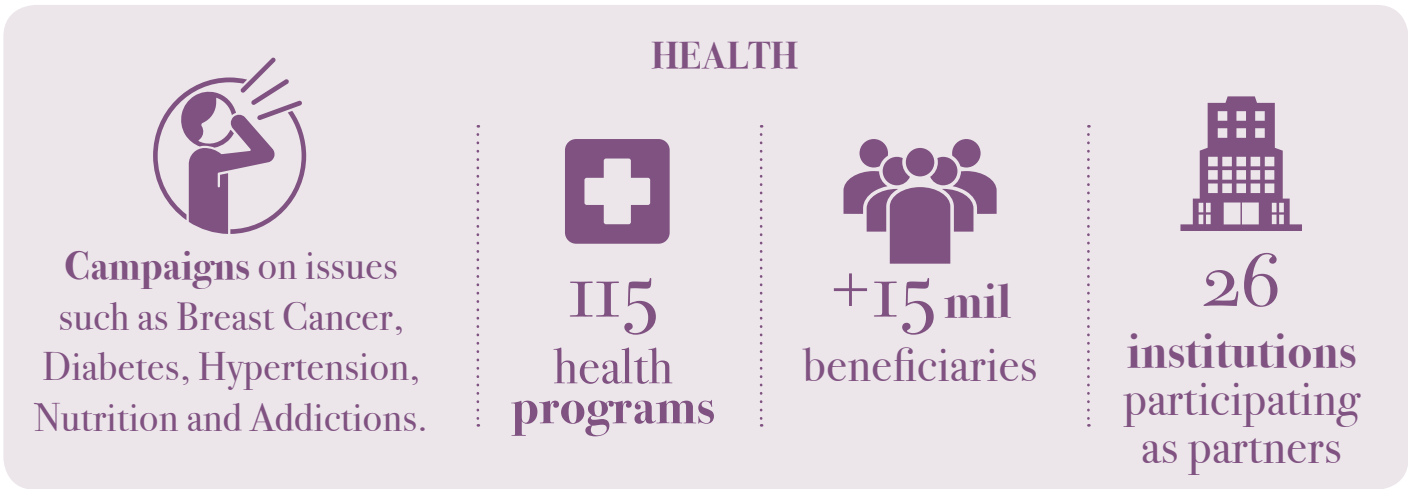
Important partnerships have resulted from these projects; for example, the labor inclusion initiative **Éntrale** signed with the Mexican Business Council (*Consejo Mexicano Empresarial*); the inauguration of joint work session with **ANSPAC** in April 2016; regular medical check-ups for executives, and the outreach to associations such as the **Pink Cross** for joint campaign collaboration.

In addition, we sought to institutionalize social-responsibility initiatives generated at the plants, in order to have the benefits of the programs impact the majority of the communities where the company is present.

## 4.3.1 Health at Vitro

G4-LA8

Focused on achieving a sustainable and healthy future, in 2016 we launched **115 occupational, family and social health campaigns** in benefit of over 15,000 people of the community, among collaborators, family and neighbors of the spaces where we operate.



The organization of these activities had the direct participation of Collaborators from our Human Resources area as promoters, who, being on Vitro’s payroll, represent a significant indirect investment in this matter.

Moreover, we acknowledge and are grateful for the valuable participation of more than 60 partners in our health campaigns; among these are laboratories, optician shops, clinics, fitness centers, universities and health government entities of the places where we operate, as well as mutual organizations.

Among the issues addressed by health programs are: hygiene, nutrition, addictions, reproductive and emotional health, as well as prevention of oral diseases, occupational diseases and chronic

degenerative diseases such as diabetes, arthritis, hypertension and different types of cancer.

An example of corporate health efforts in the reported period was the campaign for breast cancer prevention made in collaboration with the Pink Cross Civil Association. The program was presented in three phases: first, through an awareness campaign carried out by Corporate Communication. Next, with information talks given by the medical area and female Pink Cross volunteers at García, in Monterrey, Santa Catarina, in Nuevo León and at Toluca, in the State of Mexico; finally, we closed the campaign with early detection tests given by female collaborators at the work centers.



# 4.3.2 Personal, family and social development

Family-work balance of our Collaborators is one of Vitro’s most important responsibilities. Therefore, we implemented recreational activities and family get-together events such as soccer tournaments, volleyball championships, family visits and the Woman program.

153 campaigns for personal, family and community development, as well as for employability were implemented in 2016 in order to provide comprehensive assistance beyond the simple labor relationship. The success of the call for these programs has been so positive that they have become lasting traditions, such as religious pilgrimages in Mexico or sports tournaments at every plant.

A highlight in 2016 was the launch of the Woman program in collaboration with ANSPAC. The first step of this initiative was the invitation to wives of Company executives to participate as program hosts. The objective is to promote community development so that on the basis of continuous support and learning, quality of life of company families is improved.

At the end of the year, this initiative is operating in Nuevo León and the State of Mexico with three groups: at the Cosmos work center with 25 participants attended by 6 hosts; at Fama with 12 participants attended by 6 hosts, and at La Huerta (where all plants in García are invited) with 33 participants attended by 9 hosts. Sessions take place once a week and consist of talks, integration activities, and



handicraft workshops. Presenters explain that the association intends to prompt positive actions that will generate a cascade effect, by which close individuals in the family and society will react similarly and generate a change for good.

To Vitro these projects represent one of its most valuable investments, due to the fact

that since its foundation, the Company has been sustained by its commitment and responsibility to the communities with whom it has grown. Social responsibility of the company derives from this historical tradition; accordingly, we will continue to support, maintain and advance these best practices.

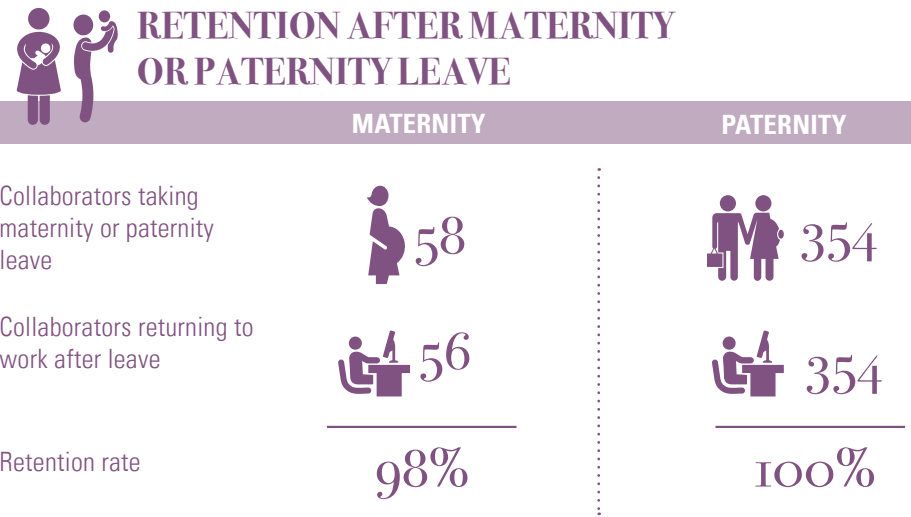
# 4.3.3 Family responsibility

G4-LA3

Vitro strictly follows international labor standards such as the Convention on Workers with Family Responsibilities (C156) and the Convention for Maternity Protection (C183), both from the International Labor Organization (ILO).

As part of a great family, we take actions to grow together and achieve the highest levels of return to work and retention rates after a maternity or paternity leave.

In 2016, we registered a retention rate of 99.5 percent, and indicator that reflects collaborator satisfaction and their interest for continuing to belong to the Vitro family.



It should be noted that in the reported period, there were **no significant fines or sanctions registered due to non-compliance with any law regarding free competition, environmental performance or labor rights.** Moreover, we did not receive any complaints about negative impacts, neither by the community, nor by any other external stakeholder.

In addition, proud of its pioneering role in social benefits, the Glass Company maintains its scheme of support for housing credits for its Mexico personnel. This initiative, started by the Company in 1944, has negotiated 4,998 housing credits with private banks in 28 years, before Vitro’s credit program was aligned to the Federal Govern-

ment under the *Fondo Nacional de la Vivienda para los Trabajadores - Infonavit* (National Workers’ Housing Fund).

In the reported period, 1336 credits for Vitro Employees were negotiated, a figure that shows that 13.6% of our employees in Mexico were able to own their home in 2016.

**From the start of this best labor practice, we have promoted 29,574 housing credits for our collaborators.** This figure shows our commitment with the quality of life of our collaborators and our responsibility for their family life.



CREDITS GRANTED BY INFONAVIT TO  
VITRO COLLABORATORS IN 2016

State	Annual Total	Rate
Nuevo León	903	67.00%
Distrito Federal (Includes Metro Area)	43	3.40%
Querétaro	1	0.08%
Jalisco	5	0.40%
Baja California	53	4.00%
Estado de Mexico (Toluca)	265	20.00%
Aguascalientes	14	1.04%
Puebla	1	0.08%
Others	51	4.00%
Total Mexico	1336	100.00%

\*\*Distrito Federal includes the Greater Mexico City area part of the State of Mexico. Estado de México includes credits granted in the Toluca area.

From the start of this  
best labor practice,  
we have promoted  
29, 574 housing credits  
for our collaborators.

4.4 Joining efforts in  
support of the community

G4-14, G4-15, G4-16, G4-S01, G4-S06

We work for sustainable development of each one of the communities in which we operate in the belief that teamwork is the heart of any initiative started under the Vitro Sustainability Model. This idea is reflected not only in the company, but it also applies to the projects carried out in conjunction with other organizations, governments and institutions that believe in the comprehensive development of communities.

In order to develop our social and environmental goal -beyond the Company’s economic purpose and representing our interests in the industry and the authorities in the design of public policies-we joined different sector organizations to work with partner organizations.

Participating in more than 50 organizations of this type, Vitro acts as an active decision-maker, always maintaining a position detached from any political activity. It should be noted that in this position, the Company makes no financial contributions, neither cash nor in kind, to political parties or similar groups at any of the places where we operate.



**OUR PRESENCE IN BUSINESS CHAMBERS AND INDUSTRY ASSOCIATIONS**

- Mexican Packing Association (AMEE).
- National Chemical Industry Association (ANIQ).
- Mexican Transformation Industry Chamber (CAINTRA).
- Mexican National Transformation Industry Chamber (CANACINTRA).
- Mexican National Chamber of Commerce (CANACO).
- Industrial Chambers in Mexico
- Employers’ Confederation of Mexico (COPARMEX).



**PARTICIPATION IN SPECIFIC INTEREST ORGANIZATIONS**

- Association of Companies for Energy Savings in Construction (AEAE).
- National Commission fo Efficient Use of Energy (Conuee)
- National Association for Personal Self-Improvement (ANSPAC). In Mexico.
- Mexican Center for Philanthropy (Cemefi)
- Automotive Cluster of Nuevo León (CLAUT)
- Housing Cluster of Nuevo León
- Electricity Saving Trust (FIDE). In Mexico.
- State Network of Museums of Nuevo Leon. In Mexico
- Red SumaRSE, Nuevo León.

\*\*\*To know more about the specific activities of these organizations, it is possible to go to their specific websites, available through any search machine under the reported names.



# 4.4.1 Social Promoters

Furthermore, in line with responsible corporate citizenship, we maintain the strategic objective of raising the level of quality of life of the communities in which we operate. The Glass Company stands out for promoting projects dedicated to **the construction of social fabric**; thus, within the framework of our values, we actively participate in initiatives that foster the creation of sustainable development tools among our stakeholders.

We are clear about the fact that to achieve this construction, we must reconfigure the activities of citizens in order to turn them into individuals responsible for their own destiny.

After analyzing the scope of each one of the programs presented as options, it was decided to support those who by Vitro's parameters have the capacity to bring about sustainable, evident and measurable change.

In the reported period, and through the glass schools, we participated in the campaign **Diseña el Cambio** (Design the Change) of Fundación Educar Uno, a campaign that focuses on the education and recomposition of the social fabric.

This civil organization, present in 40 countries, launched a nationwide contest open to all elementary and middle schools in Mexico, to encourage and teach young students to develop a project for the improvement of their communities.

In 2016, *Formación Educativa A.C.* participated in this contest with the initiative Families United by Love (*Familias Unidas por el Amor*) consisting of four stages: **Siente** (Feel) where the students identify a problem to be solved in their communities; **Imagina** (Imagine) in which activities to solve the problem are planned; **Haz** (Do) where the planned activities are carried out; and **Comparte** (Share), in which the teacher and the leading team present what they have done and the goals achieved.

After 4 months of work, with their initiative the FEAC team managed to involve 368 families from the school and indirectly benefit more than 4,000 people. Among the more than 20 activities carried out in the program were talks for parents, teaching grandparents, quality time management workshops and family get-togethers.

To participate or know more about the initiative, go to <http://www.disenaelcambio.com>



One of the initiatives that has become a tradition for the Company is the **Red Cross** Annual Collection, known as **Salva Una Vida, Dona Un Minuto** (Save a Life, Donate One Minute). For this collection, our collaborators at the plants of the municipality of García, Nuevo León, voluntarily commit with the health of the community.

Launched 20 years ago, the program works based on volunteers who donate one minute or more of their monthly salary. The operation is coordinated by the Human Resources team of the plant. With the active participation of our personnel, Vitro has become one of the companies that contributes the most in Nuevo León; among the volunteers are collaborators of the VPM LAN García, Vitro Flex, Autotemplex and Industria del Alkali plants.

As part of the development of the campaign, the Red Cross personnel comes to Vitro facilities to explain the everyday work of the organization and promote volunteer contributions. Thanks to the participation of over 900 Vitro collaborators, the Red Cross managed to maintain its 24-hour ambulance service for the 250,000 inhabitants in the García municipality.

In this effort, as social promoters of the Community, we worked together with other companies; in 2016 we participated with **Red SumaRSE**, Nuevo León, an organization that is made up by companies committed with their communities, and seek sustainable development of society through the unity of efforts and wills.

Among the advances achieved in 2016 is the consolidation of the Iniciativa 2.0; the initiative considers vulnerable communities in the Monterrey Metro area for the implementation of a program that reinforces civic capacities for cohesion, citizen participation and self-management.

Projects and initiatives such as Red (Network) allow us to create a major positive effect due to the improvement caused by the diversity of ideas that are generated by a multidisciplinary team with diverse corporate cultures who work towards one common goal.

For details about the activities of the Network go to <http://www.sumarse.org.mx>

In collaboration with external initiatives, we also took actions to promote direct efforts in the communities where we operate through health, education and development community campaigns.

In the period of this report, we implemented **99 campaigns** to support issues dealing with education, health and development, which benefited more than **40,000 people**, as follows:



**52 Social development campaigns:** recreation, civil protection, united family, disaster relief, poverty alleviation and reforestation.



**22 Health campaigns:** early disease detection, nutrition, vaccination campaigns.



**25 Educational campaigns:** school support, university relations, training.

Thanks to the participation in these Vitro programs whose objective is to make a positive social impact by driving development and generating opportunities for the creation of well-being inside and outside the work place, no significant negative-impact operations were identified in our communities during the reported period.

# 4.5 Creating socially sustainable investments

G4-LA2, G4-EC1, G4-EC3, G4-EC7, G4-EC8

Resolved to create sustainable investments, we took effective actions to create value for our stakeholders, focusing all efforts on a sustainable future.

Vitro’s sustainable social investments reaffirm its position as a responsible and transparent corporate citizen. Accordingly, such investments develop as projects that go beyond the mere compliance with legal and labor obligations, and which are governed by legislation in matters pertaining remuneration, human development, retirement, health, safety, and housing among others.

2016 saw a significant growth, in both, training and investment in productive processes. The figures for activities increased by 56% with respect to the previous year.

SOCIAL INVESTMENT IN 2016	
**Figures in millions of pesos	
Description	2016
Employee wages and benefits	3,998.5
Consumption of goods and services purchased from our suppliers	16,060.6
Investment in productive processes	2,154.0
Retirement pensions	360.0
Employee training activities and initiatives	25.6

\*\*The figures for retirement pensions is shown in Average 30 MMPES Monthly



## Glass Museum

With the responsibility of generating value for the Community, Vitro collaborates with diverse educational, cultural, leisure and life-quality projects; this was the premise under which the Glass Museum was founded in 1992. The institution today safeguards the historical patrimony of the company.

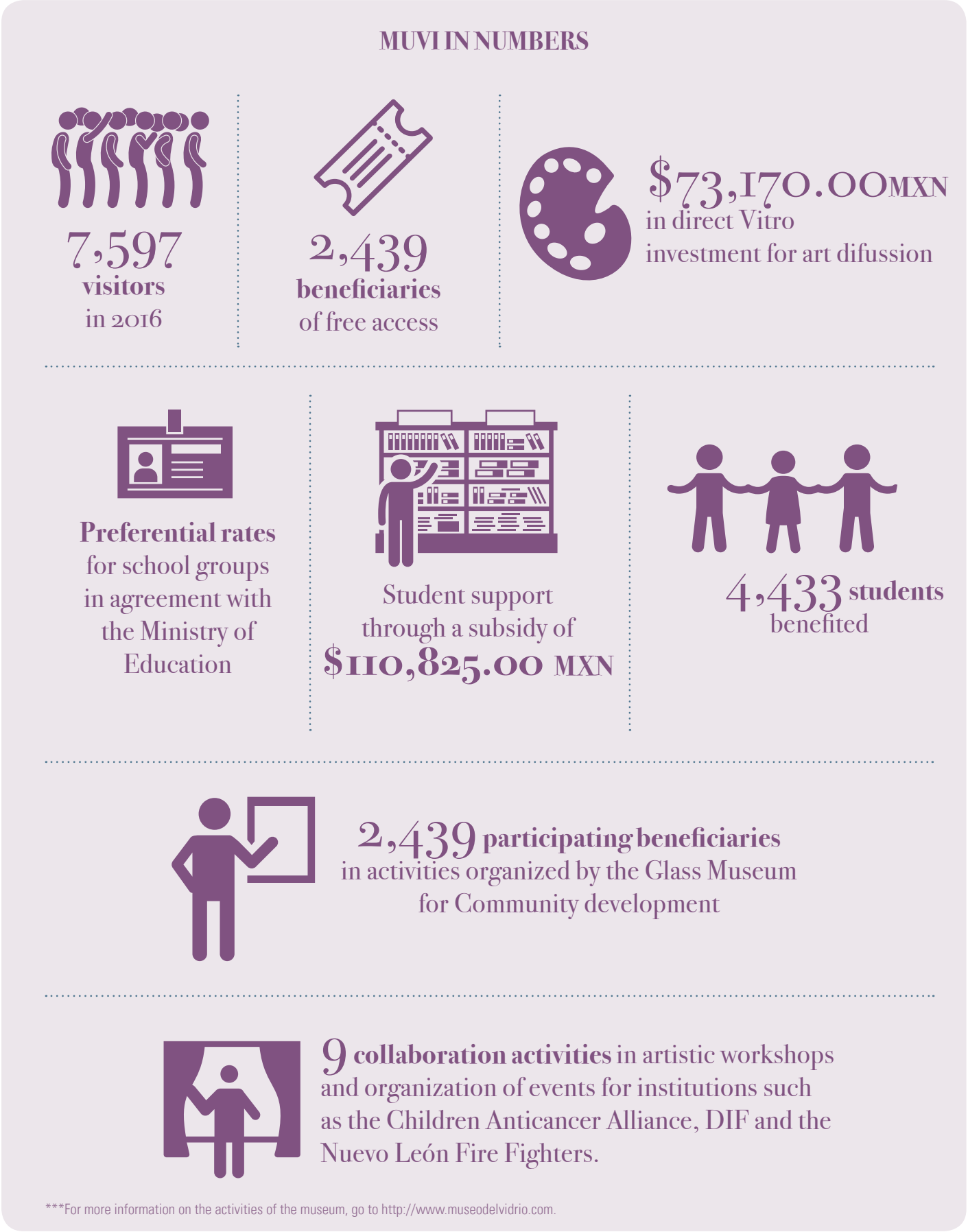
In 2016 the Glass Museum opened its doors to 7,597 visitors who were able to see the permanent collection exhibition of the three dimensions of glass production as a human activity: History, Art and Science. It is important to also mention that the Company benefited more than 2,000 visitors with free access on Sundays and special occasions.

Furthermore, the Glass Museum has brought young people closer to culture through its participation in different initiatives such as an agreement with the Ministry of Education to offer a preferential student rate of only \$5 pesos, and its active participation in events such as ConvidARTE, organized by the Llaldi Institute, and the 3rd Cultural ExpoFair in Nuevo León, among others.

The museum’s labor as socially responsible institution stood out in 2016, having coordinated together with the DIF in Nuevo León the Program for **Attention and Prevention of Child Labor** (*Programa de Atención y Prevención del Trabajo Infantil*). Moreover, the museum participated for the first time in this initiative, which plans that the last Friday of every month, when schools suspend activities to hold board meetings it will receive 40 students between 4 and 15 years of age from families in a vulnerable situation.

These actions are a means to generate a positive change in society by providing a different experience at the museum so that children from families in vulnerable conditions may have a space to learn and take it as an alternative that may keep them from going back to working in the streets.





Formación Educativa A.C.

Through *Formación Educativa, A.C. ("FEAC")*, the Glass Company offers educational services of excellence to students of the Monterrey Metro area.

From the start of this educational initiative in 1942, 4 glass schools have been created: Andrés G. Sada Kindergarden, Roberto G. Sada Elementary, Industria del Vidrio Elementary and Rómulo Garza Junior High School.

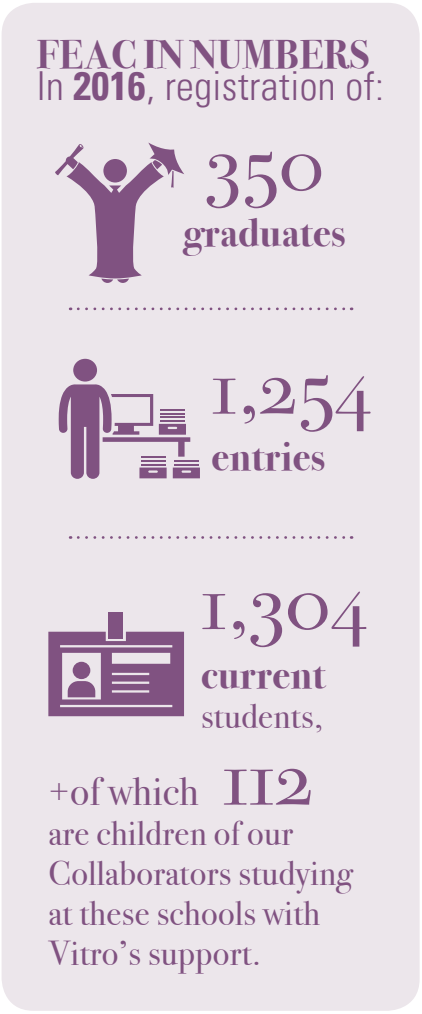


The teaching staff consists of 77 teachers who are permanently being trained: in the registered period teachers attended more than **45 courses** on social subjects such as conflict solution, social participation and management skills.

In 2016, FEAC students were invited to collaborate in different social campaigns to boost their bonds with the community, achieving an active participation in more than **37 community support projects**.

In addition, and to complement school activities and foster integral development of students, **29 health campaigns** focusing on nutrition, physical activation, vaccination and the fight against addictions were implemented at FEAC.

A highlight of the period was the participation of the glass schools in the national contest organized by the Diseña el Cambio (Design the Change) association with the initiative Familias Unidas por el Amor (Families United by Love) (ref. p. 18).



In 2016, we promoted  
community engagement  
among FEAC  
students and achieved  
an active participation  
in over 37 social  
development projects.



Thanks to a comprehensive view of human education, the four schools have shown excellent performance and are frequently recognized in the top places at national math competitions, the ENLACE test and the State Children’s Knowledge Olympics.

STUDENT ACHIEVEMENTS IN 2016:



**1° place**  
in the Math  
Olympics of the Private  
School Confederation



**1° place**  
in the 5th Children’s  
Parliament in Nuevo León,  
Area Level.



**1° place**  
place Interschool Soccer  
of San Nicolás de los  
Garza, N.L.

\*\*For more information about registration at FEAC Schools, call +52 (81) 83797249 and 8377 5053 from 8:00 to 13:30 and from 14:30 to 17:30 (UTC -6).

Education Agreements

In order to share our experience with the Academia, Vitro enters into collaboration agreements and courses dealing with our industrial activity with higher learning institutions such as the *Universidad Autónoma de Nuevo León (UANL)*, the *Tecnológico de Monterrey (ITESM)* and the *Universidad de Monterrey (UdeM)*.

During the period of the report, we continued with our program of professional practices at all our subsidiaries, by which we drive professional development in benefit of 1968 students of over 20 higher technical education institutions and higher university in the Americas.

Some of the areas of knowledge to which the beneficiaries belong are health science, social science, administration, marketing, biotechnology, architecture, chemistry and engineering.

Additionally, in 2016 we kept our face-to-face education commitment through the **PROFEPA-TEC** course for this mode that took place in Toluca; Vitro opened its doors to six students of the ITESM Mexico City Campus, from the Sustainable Development Engineering School, along with a teacher from the Technological Institute and a representative of PROFEPA.

During the work sessions in the 2016 Fall semester, students attended two guided plant visits during which they were explained the production process; were shown the environmental program

currently being implemented, and were given information to make the proposal for an eco-efficiency project; in the second meeting a project draft was presented, doubts were cleared up and students received feedback by the company team.

Due to the success of this first edition, we expect the PROFEPA-TEC Course continues to train students on the practice of sustainable development in the industry, and Vitro will decidedly continue to train new leaders that will contribute to generate a sustainable ecosystem.

Every one of the social investments, labor initiatives and support for external projects reported as part of our Human Attitude is carried out in adherence to the company’s philosophy and within the regulatory framework of the Vitro Sustainability Model, ensuring their fulfillment of the expectations of our stakeholders and the values established by the company.

In 2017 we will continue to join efforts and realize strategic alliances to further the comprehensive well-being of our collaborators and the communities in which we are present, resolved to become part of a strong society whose actions look towards a sustainable future.







# 5 | Environment



# 5 Environment

Determined to stay the course of continuous improvement, we innovated our processes making them increasingly more efficient, clean and optimal in adherence to the highest quality standards, respectful of the law, the environment and the social practices of all the communities in which we operate.



## 5.1 Our environmental perspective

G4-EC2, G4-EC7, G4-EC8, G4-S01, G4-EN29, G4-PR1

The Glass Company ensures satisfactory compliance of its operations with environmental standards by creating and following the Vitro Environmental Management System.

In addition, the company measures, reports and verifies Greenhouse Effect Emissions (GEI) according to the NMX-SAA-14064-1-IMNC-2007 standard, as part of its environmental strategy.

Vitro has been recognized for its environmental practices with certifications such as the Clean Industry certification granted by the Procuraduría Federal de Protección al Medio Ambiente in Mexico, and participates in evaluations subjected to widely renowned international metrics such as ISO 14001.

It should be noted that during the reported period, we registered no significant spills of fuel, chemicals, oil or other hazardous materials by their ecological impact.

### IN 2016 WE ACHIEVED ENVIRONMENTAL CERTIFICATIONS FOR:

- Clean Industry**
  - Cosmos
  - Industria del Alkali
  - VyC Noroeste
  - Vitro Flex
  - VAU ATX
  - VAU Crinamex
  - VAU Shaterproof
- ISO 14000**
  - Industria del Alkali
  - Vitro Flex
  - VAU ATX
  - VAU Aguascalientes
  - VAU Crinamex
  - VAU Shaterproof\*
  - Vitro Colombia

Furthermore, work continues with the following programs:

Program	Description	Organizer
GEI Report Mexico	Mexico GEI Program, mitigation of greenhouse gas emissions	Study Commission of the Private Sector for Sustainable Development (CESPEDES).
Environmental Leadership for Competitiveness course	Certify Eco-Efficiency Programs.	SEMARNAT
Award to the Environmental Promoter	Promotora Ambiental is a company committed with sustainability.	PASA-GEN Board of Directors
Learning Network in México	Project for inter-company collaboration that seeks energy ecoefficiency in the implementation of an Energy Management System	National Commission for the Efficient Use of Energy (Conuee), in collaboration with the German Corporation for International Cooperation (GIZ)



It is clear for the Company that in order to reach sustainable development we must generate agents of change within our main stakeholders, so we generate strategies to sum them up to a sustainable way of doing business.

In the face of the threats posed by climate change such as the interruption of the value chain, the increase in energy demand, water shortage and meteorological events, we facilitated adaptation of our production units through process innovation and creating and developing energy efficiency projects and working as a team with different stakeholders.

In order to work as a team with external agents, we participated in the first **Learning Network in Mexico** for the implementation of an Energy Management System. During the reported period, Vitro worked with other ten companies with six regular workshops and 2 webinars imparted by experts, as well as actively participating in the internal audits and technical feedback visits.

Organized by the National Commission for the Efficient Use of Energy (CONUEE) in collaboration with the German Corporation for International Cooperation (GIZ in German), this initiative has promoted the implementation of the Energy Management System first at the García Vitro Flex plant and now at Vitro.

In its report of results of this first exercise, the CONUEE recognized Vitro as one of the main contributors during the sessions. The commitment for 2017 is that 9 companies will implement the Energy Management System: In addition it is expected that 6 companies, among them Vitro, will seek ISO 50001 certification, the

standard that governs an efficient energy management system focused on continuous improvement.

Determined to make sustainable use of the energy resources of the country, the team at the Glass Company, together with other five companies in Mexico will start a second phase of the Learning Network independently next year.

\*For more information about the First Learning Network in Mexico go to <https://www.youtube.com/watch?v=gJJ0pQdBTfU>

With training as a sustainability tool, we advance strategically to mitigate environmental impact. In 2016, aware of the growing threat of climate change, 21 collaborators from Álcali, Fama, Vidrio and Cristal, Autotemplex, Vitro Flex and Corporate were trained to become internal verifiers of the Greenhouse Effect Emissions Management System.

The scheme under which they trained complies with the ISO 14064-3 standard, which defines internal management, notification and verification specifications of the emissions inventory that is made every year by the Company.

The training imparted by ANCE, focused on the verification process of the standard, which ensures that statements in the reports are complete, precise, coherent, transparent and without material discrepancies.

On the other hand, in the reported period, for fifth consecutive year the Procurement Area together with the area of Human Develop-

ment and Continuous Improvement of the company, organized the **Environmental Leadership for Competitiveness** course, a commitment that applies throughout the value chain.

The main objective of this training is to provide participants with the necessary tools to create a project that will mitigate environmental impact and save money.

The course, which has now become a tradition, has been attended by more than 45 companies who supply raw materials and other inputs, transportation and cardboard packaging, and which are divided in two training sessions offered at García and Toluca.

In 2016, the 10 companies that participated in García developed 13 projects that resulted in:



- **Estimated environmental benefits:** Energy savings: 3.9 million Wh/year, Enough to supply the municipality of García with this service for 9.23 months.



- **Stopped emissions:** 1,567.86 t CO<sub>2</sub>, equal to taking 234 cars off the street with an annual average of 30,000 kms traveled.



- **Avoided solid waste:** 3.67 tons per year

The Diploma Course includes subjects such as eco-efficiency as corporate competitiveness strategy; the Eco-map: first company photograph, and identification of improvement alternatives, among others.

Thanks to the course Environmental Leadership for Competitiveness, Vitro received the recognition of the *Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT)*, for spreading a culture of environmental performance among its stakeholders.

It should be noted that this training is part of the Environmental Footprint Management Program implemented since 2015 in order to reduce the carbon footprint of Vitro's products through the value chain.

In 2016, together with 10 other companies, we participated in the first Learning Network in Mexico, in the implementation of an Energy Management System.



# 5.2 Reduction of our impacts

G4-EN15, G4-EN16, G4-EN17, G4-EN19, G4-EN20, G4-EN21, G4-EN27, G4-EN2

The only aspect shown to be urgent by the 2015 materiality study was energy eco-efficiency; therefore, in this period we placed special attention on reporting the results of the initiatives and projects focused on reducing our ecological impact and the efficient use of energy.

We responded to the effects of climate by aligning our process with a low-carbon economy in which the goal is to reduce Greenhouse Gas emissions (GHG) through efficient use of electrical energy and fossil fuels.

Vitro was one of the first Mexican companies to verify its Greenhouse Effect Gas inventory in accordance to the Mexican NMX-SAA-14064-1-IMNC-2007 standard by an entity accredited by the Mexican Accreditation Entity.

We took 2009 as the base year to report our GHG inventory, which includes direct emissions derived from Vitro-owned sources as well as other indirect ones generated by suppliers of electrical energy and water vapor, in compliance with the guidelines of the GHG protocol.

In 2016, we reinforced the actions of our projects to reduce and efficiently use energy throughout the Company and in all our plants, as well as the development of new strategies to report GHG emissions in order to reduce global warming.

Estimated GHG emissions by Vitro	2016
Unit: Tons CO2e	
Direct (Scope 1)	614,679
Indirect (Scope 2)	493,599
Total	1,108,278

\*Includes the companies that make containers, flat glass, automotive glass, warehouses, sales points in Mexico, Brazil and Colombia.  
\*The 2015 electrical energy emission factor was used, as the 2016 factor has yet to be published.

Convinced of the importance of carrying out positive actions that will enable us to become a sustainable society, Vitro has continued with the implementation of its Environmental Footprint Management System. The program requires the value chain to participate in the measurement, report and mitigation of Greenhouse Effect gases in order to become more competitive by providing a reduced carbon footprint to combat global warming.

This initiative consists of two key factors: Greenhouse Effect Gas reports and participation in the Environmental Leadership for Competitiveness course, a program that allows for the creation of environmental projects for emission reduction.

In the reported period, information was collected regarding emissions and consumption of external energy in order to report Scope 3.



Vitro continues with its Environmental Footprint Management System



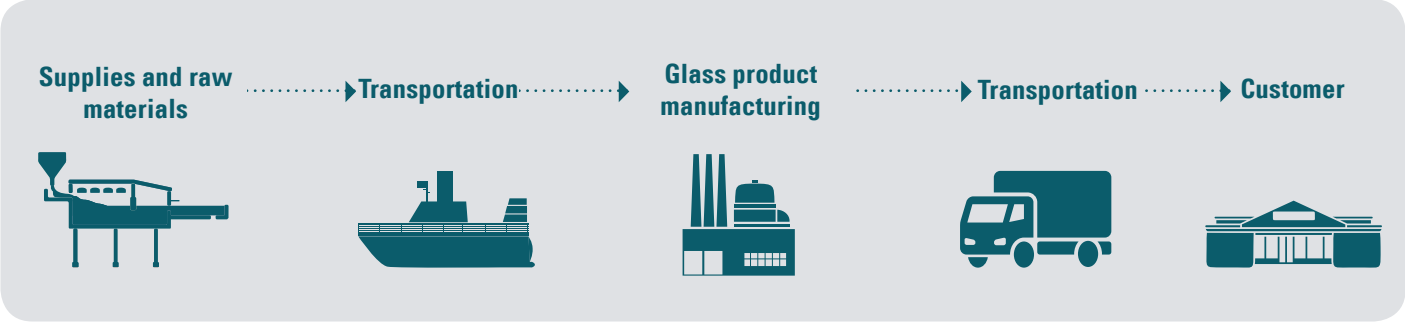
34 suppliers were selected to participate in the areas of transportation, raw materials and cardboard packaging, who submitted the reports for generated emissions of our products.

In 2016 suppliers carried out the following activities:

- Measurement and report of their GHG inventory Scope 1 and Scope 2 (immediately preceding year).
- Participation in the Environmental Leadership for Competitiveness course

## SCOPE 3

Suppliers	Tons of CO2e
Raw Materials	6060.84
Transportation	1674.70
Packaging	191.98
Total	7927.52



\*To find out more about our GHG inventories, go to: <http://www.vitro.com/es/sustentabilidad/reportes?dt=0&>



# Atmospheric emissions

The Company has established atmospheric-care environmental practices through the Program for the Reduction of Atmospheric Emissions at the production plants with melting furnaces in Mexico, by implementing EPA-76 chemiluminescence for nitrogen oxide (NO<sub>x</sub>).

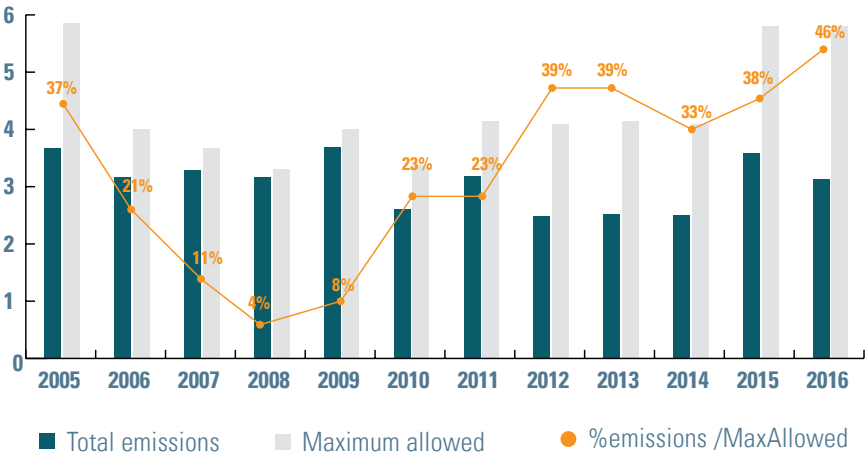
The results of these measurements reflect the consolidation of efficiency under the parameters of maximum variability established by the Official Mexican Standard 097-SEMARNAT-1995.

In 2016 we achieved  
emissions **46% below**  
the **maximum** allowed  
by the standard.

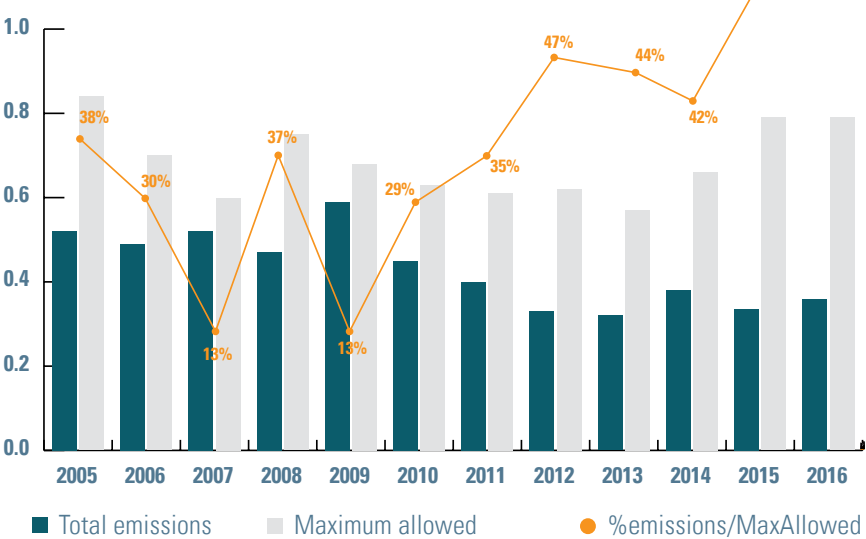
Furthermore, we monitored the emission of suspended particles through the gravimetry determined by isokinetic sampling in accordance to the NMXAA10-2001 standard.

In 2016 we remained 54% below the maximum allowed levels defined by the Mexican Official Standard 097-SEMARNAT- 1995.

NITROGEN OXIDE (NO<sub>x</sub>) EMISSION VS. MAXIMUM ALLOWED LEVEL



EMISSION OF SUSPENDED PARTICLES VS. MAXIMUM ALLOWED LEVEL





Waste Management

G4-EN23

Making sure that we have a minimum impact on the communities where we operate, we continued with our Integral Waste Management Program, which includes indicators of our production plants in Mexico, Brazil and Colombia.

We keep a record of the common non-hazardous waste that our facilities send to external suppliers for recycling, for example: paper, cardboard, scrap metal, plastics and wood.

From the beginning of the project we have promoted recycling, maintaining optimal processes at our production facilities.

It is worth mentioning that the program also considers hazardous materials. In 2016, a total of 8,985,576 tons of diverse hazardous materials were disposed of.

In addition, in the reported period the program **Green Office** (*Oficina Verde*) continued its operation at Vitro's production and administrative facilities allowing a reduction in paper consumption by using both-side printing on recycled paper and sending paper out to recycling companies at the end of its lifecycle.



GENERATION OF WASTE BY TYPE AND DESTINATION

Unit: Tons

Material	Type	2016	Destination
Paper	Non-hazardous	265.86	Recycling
Cardboard	Non-hazardous	1,162.30	Recycling
Plastic	Non-hazardous	1,152.4	Recycling
Wood	Non-hazardous	2,710.2	Recycling
Metal/scrap	Non-hazardous	1,386.3	Recycling
Hazardous waste			
-Biological/ Infectious	Hazardous	8,985.58	Confinement/ Recycling
Solid Waste	Non-hazardous	7,053.37	Final disposal

\*\*\*Includes the companies that manufacture containers, flat glass, national automotive glass (sales points excepted), Vitro Brazil and Vitro Colombia.

Energy Performance

G4-EN3, G4-EN4 G4-EN5, EN5, G4-EN6, G4-EN7, G4-EN31

Melting glass is considered an intensive activity in the consumption of energy resources due to the high temperatures required; thus, energy plays predominant role in our production process.

In our processes, natural gas represents 86 percent of the average energy consumption, and electricity –the second major source- the remaining 14 percent. No indirect non-controlled impacts, such as those derived from transportation and courier services, are considered in the report.

Vitro energy consumption in 2016 was as follows:

- 14,427,811.53 GJ, total internal energy consumption.
- 76,437.48 GJ, total electrical energy consumption from renewable sources.
- 15,875 GJ, electrical energy reduction due to eco-efficiency projects.
- 9.73 GJ energy intensity per ton of melted glass.

Thanks to the implementation of our different energy efficiency initiatives, such as the auto glass lightening projects led by the innovation and technology area, we achieved the reduction of 209 tons of melted glass consumption.

Furthermore, thanks to the application of initiatives such as lightening projects in the area of automotive glass innovation and technology, we managed to reduce by 215.7 tons the use of melted glass, resulting in savings of 1,309 Gigajoules in energy consumption.

Regarding fuel consumption, in the reported period the following sources were used: natural gas, steam, coke, LP gas, diesel and gasoline. The value of Vitro's operating excellence is essential to energy-efficient development, since glass, adequately managed may be re-processed indefinitely, allowing material recovery and a reduction in energy costs.

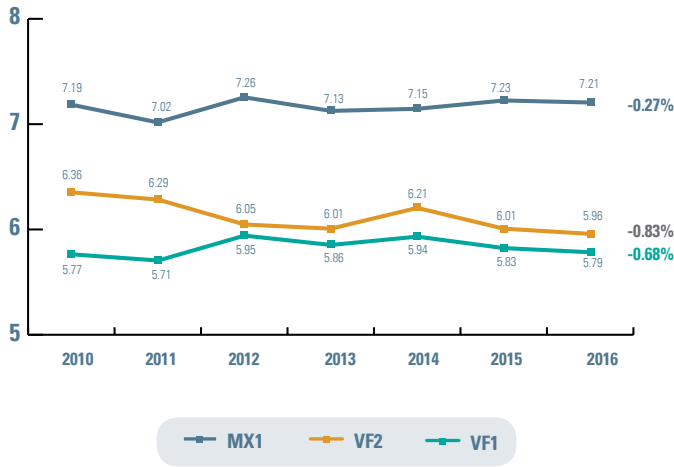
In spite of the confidential nature of the exact amounts of environmental investments for research, technology and savings projects, we are reporting the results to show progress in the area.

During the reported period, Vidrio y Cristal continued with the implementation of the Expert Control Program, by which the temperature of our furnaces is optimally controlled to contribute to thermal efficiency of the melting process.

In 2016 we achieved a total reduction of 0.577% in the use of the energy necessary to melt glass required by the three floated glass furnaces in Mexico.

FURNACE ENERGY EFFICIENCY

Unit: Gigajoules



It should be noted that the shown indicators focus only on matters regarding energy consumption, waste and atmospheric emissions, due to the fact that Vitro does not carry out direct intensive resource exploitation activities such as extraction from water sources, mines or quarries.



# 5.3 We believe in recycling

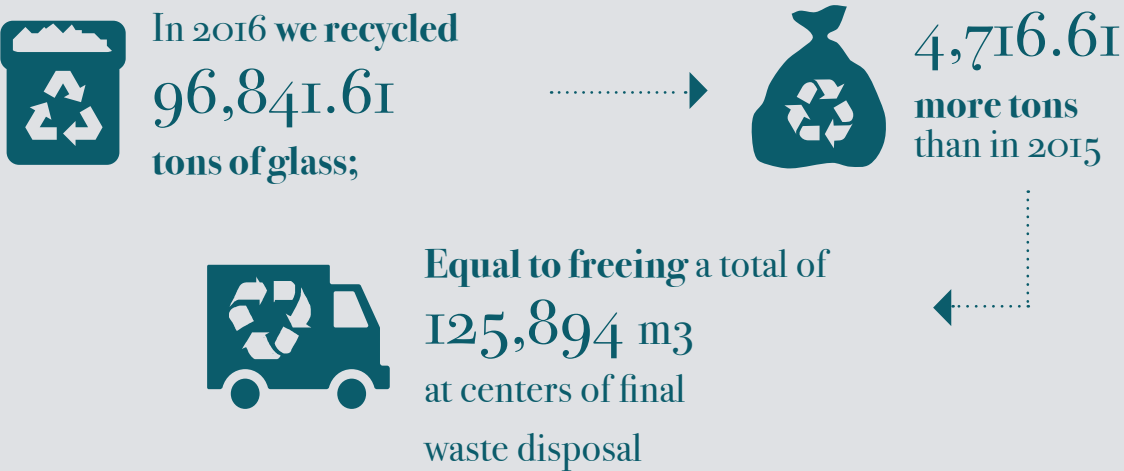
G4-13, G4-EN1, G4- EN27, G4-EN28, G4-EC8

Due to the fact that glass is 100% recyclable and can be integrated back into its own industrial process, Vitro drives the community towards sustainable development through its product.

Because of this feature, we maintain the permanent program of flat glass recycling, which represents the most important logistics effort of its type in Mexico.

In addition, we keep promoting a recycling culture in the communities through our collaboration with recycling plants of “PROMAPI” containers, and providing advice for external users who request information about recycling in their cities or towns.

For the Glass Company, recycling is not only part of its business model, it is also part of its culture; thus, we will continue to work on initiatives that will add value to this best practice.



## Containers

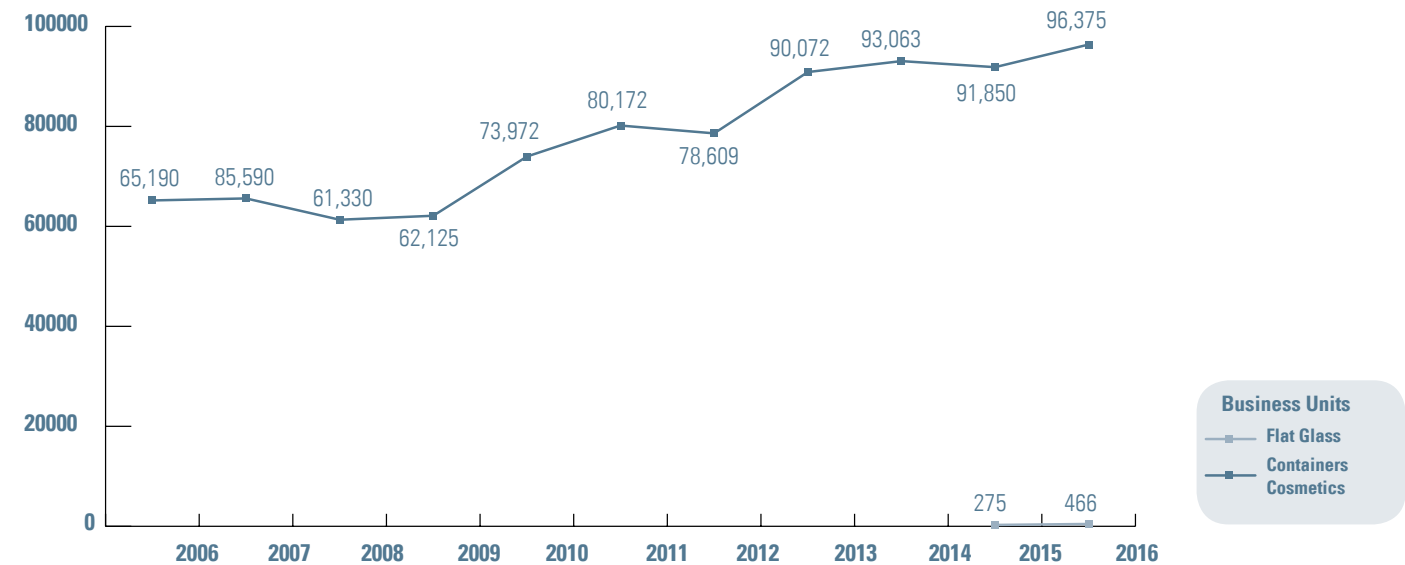
In fulfillment of our commitment to spread the culture of recycling, in 2016 we continued with our project to reuse the glass used in cosmetics and pharmaceutical containers.

Originating from a request by Natura to include 20% of recycled glass in its products (Post-Consumer Recycled), the initiative -started at the end of 2015- managed to collect 466 tons of cullet in one year.

The cosmetics industry finds it difficult to market reused products because production of its containers requires superior purity and brilliance. However, this direct request of some customers shows that sustainability is starting to play an increasingly more relevant role in our value chain.

In 2017, we will continue to work towards a culture of integral recycling, implementing post-consumer glass projects with new customers from the cosmetics and pharmaceutical industries.

TONS OF RECYCLED GLASS




This year we reached the established goal of 93,000 tons of flat glass due to our relations with new large flat glass processors in the areas of influence in Mexicali and García, N.L.

The new commercial relations with these suppliers are sustained by a cyclical process by which Vitro sells float glass for its distribution and they deliver the waste collected as foreign cullet. Among the companies that joined this best practice are: *Tecnovidrios, Templados del Centro, Tecnosloluciones* in Mexico and in the U.S. with *Triview, Glasspro,* and *Rio Glass.*

It is worth mentioning that several of these commercial partnerships came into being due to the training on waste management given to glass customers by the recycling area of Vidrio Plano. This labor is part of a comprehensive environmental strategy that adds efforts inside and outside the organization to provide a greater scope to the process of automotive and architectural glass recycling.

In 2017, we will continue to work to increase collection in Mexico City through the acquisition of a 14-ton capacity truck. In addition, we will strengthen relations with the commercial executives at Vidrio y Cristal to reach out to processing customers such as Tecesa and Millet.



The goal for 2017 is

96,400

tons of Flat Glass

Moreover, standing out among the innovation actions implemented this year in the flat glass division, was the use of foreign cullet in our production process. With this expansion strategy for production with recycled material we promote a sustainable offer in which waste is effectively integrated back into the glass production process reducing the environmental impact.

In the reported period, the Mexicali work center took in **33,180** metric tons of **foreign cullet**; **13%** more than the previous year.

In addition, the rate of foreign material used in production in production was **65%**. In the case of Vidrio Plano in García, **58,276** met-

ric tons were collected - similar to the previous year- and the used in production rate was **38%**.

These numbers show foreign cullet processing in 2016 of 4,856 ton/month in Vidrio Flotado García, and 2,865 ton/month in Mexicali.

In 2016, we reported a ratio of internal  
and external cullet of 0.38 ton  
of cullet/Ton of melted glass.

We will continue to work on our flat glass recycling strategy and on other relevant projects to ensure a sustained process that will put us on the road to a future aligned with the commitment with innovation, understood



# 5.4 We care for conservation

G4-EC4, G4-EN11, G4-EN13, G4-EN14, G4-EN15

We took actions to mitigate the impact of our processes while advancing projects to preserve the environment through conservation initiatives.

The natural degradation of glass turns it back into sand without releasing aggressive substances into the environment, therefore the direct impact of our products on the biodiversity at the end of their lifecycle is practically negligible.

Furthermore, because all our production operations are carried out in industrial areas which have had human activity for decades, the effects of our specific activities on local biodiversity are no longer significant.

For the same reason, there are no natural protected areas or natural or restored habitats adjacent to our plants or office, preventing in this way any impact of our activities on the fauna or flora.

In spite of the fact that biodiversity was not a relevant aspect in our materials study, we continue with conservation projects and the

collaboration with organizations which have historically been part of our work as a socially responsible company.

The one condition to support such developments is that they include a management system to make them self-sufficient in the medium term and that they guarantee that the resources invested will have the maximum scope over time.

Having pioneered the implementation of this style of projects, in 1972 we started a conservation program at a recreational space known as the Vitro Parque El Manzano that includes camping areas and cottages open to the public.

This space, located 60 kilometers south of Monterrey, consists of 585 hectares of pine and oak woods where we provide visitors with on-going awareness programs as well as programs for feeding of the endemic fauna which includes the red-tail fox, the black bear and the white-tail deer, among another species.

Furthermore, in the park we have a specialized team that works and supports the community of the municipality through actions that





favor the preservation of the flora and fauna, as well as prevention, fighting and control of fire and the plagues that hit the area and neighboring sites.

In 2016 the park received 64,419 visitors, of which 27.5% were Vitro families, highlighting the interest of collaborators for this recreational space. It should be noted that in previous years, entry fees to the park were destined to forest betterment activities, ensuring with such funding sustainability of the initiative.

\*For more information about *El Manzano* Park, please go to <http://www.vitroparqueelmanzano.com>

Moreover, the Glass Company participates in the projects of the Chipinque Ecological Park, fulfilling its objective of fostering natural spaces and providing the communities with access to them.

Located in the Greater Monterrey area, this park includes a 1,791-hectare natural reserve forest inhabited by 718 flora and fauna species, characteristics that make it ideal for promoting ecological culture.

In 2016, the Chipinque Ecological Park had 507,808 visitors, of which 12,411 were students for whom personal attention and recreational activities were provided, encouraging them to get involved in environmental activities in this space.

In addition, the park’s coordinating team, along with visitors, planted 10,687 native forest species through its reforestation program, with a survival rate of close to 90%.

Other sustainable development initiatives and projects of the organization include studies to improve community outreach and links with the environment, promoting training in conservation matters.

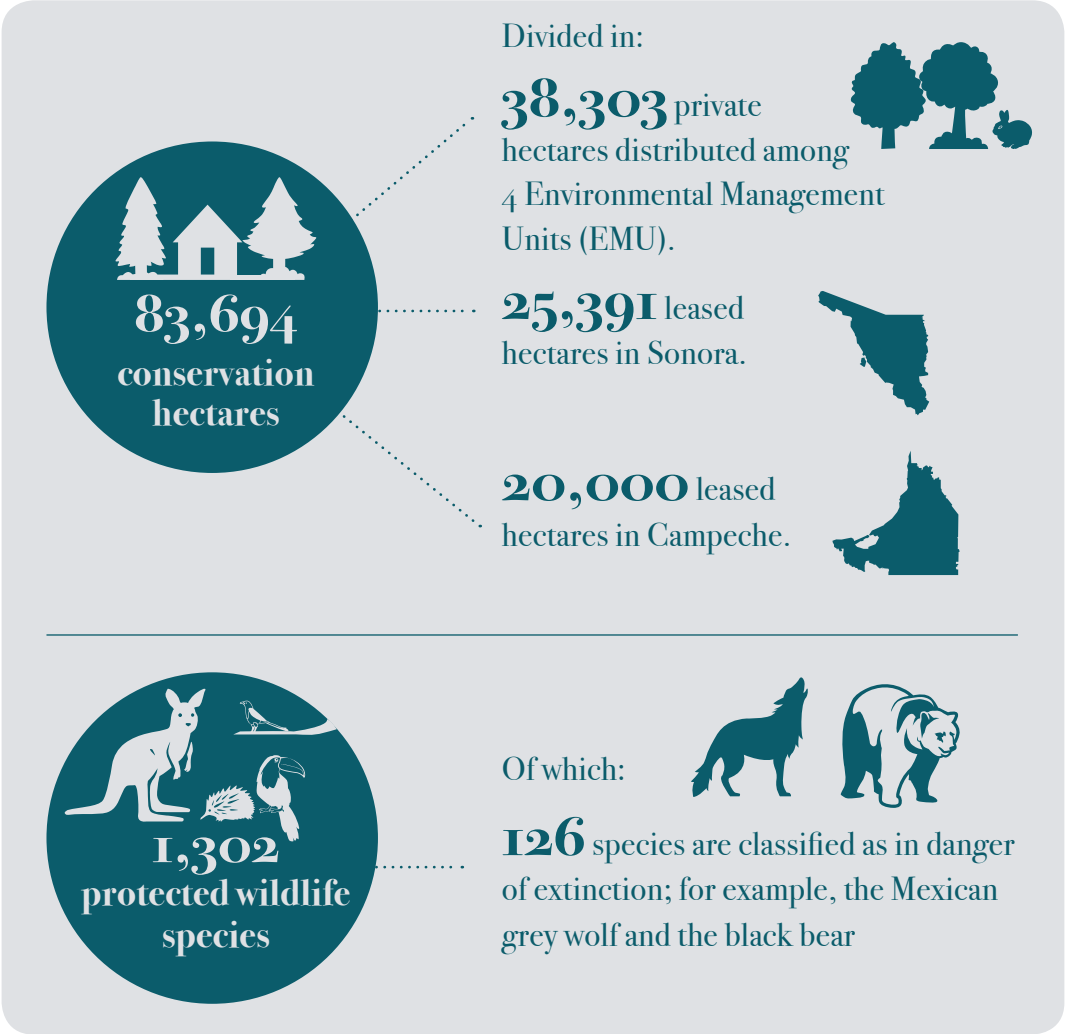
In the reported period, there were initiatives to determine the tourist load of the trails, carbon release into the atmosphere, and water infiltration capacity of different types of vegetation, among others.

\*To know more about the Chipinque Ecological Park, go to <http://www.chipinque.org.mx>

## Wildlife Organization

Determined to support environmental conservation we collaborated with the civil association *Organización Vida Silvestre (OVIS)*, created to manage wildlife protection projects in a sustainable way.

### OVIS IN NUMBERS



In the reported period, 4,301 hectares were adjoined in the state of Sonora. Additionally, 36 more species were added to those protected by the organization.

OVIS has successfully positioned its environmental management model and has generated partnerships for the protection of wildlife with universities, research institutions and important Mexican companies such as Cemex, Arca and FEMSA among others.

Government entities such as the *Comisión Nacional de Áreas Naturales Protegidas* (National Commission for Protected Natural Areas) and the *Consejo Nacional para la Ciencia y la Tecnología* (National Council for Science and Technology), both in Mexico are institutions which have also recognized and funded its research projects; the figures for such investments are confidential and therefore cannot be reported.





Moreover, OVIS promotes hunting activity as a sustainable tool and destines the funds obtained to the conservation and creation of scholarships which to date, have benefited more than 110 students and researchers.

For example, in 2016 OVIS supported research to estimate the black bear population at Rancho La Mesa through phototrapping and

olfactory mark techniques, as well through its behavior patterns. From the moment of its foundation and with the support of Vitro, who has been joined by diverse institutions, government funds and voluntary work of researchers and conservationists, the organization has achieved a balanced, self-sufficient economic scheme.

\*\*For more information about the activities of this organization go to: <http://ovis.org.mx/>

## We are Naturally Vitro

Since 2007 we have participated together with OVIS in the ¡NOW! Reforestation Alliance, the campaign which goal is to raise the quality of life of cities in the country through planning, creation and preservation of green spaces, was born in the Glass Company with the name **Naturalmente Vitro** (Naturally Vitro).

The Project has become the most important corporate Volunteer program in the Company. In its traditional mode, collaborators who so wish, may formally adopt a tree and the commitment to care for it in exchange of a certificate where they will specify the place where it will be planted.

This yearly program and its methodology consist of three stages: the first one prompts **reflection** through an awareness campaign reinforced by ecological data on reforestation. The next stage focuses on **adoption**, propounds reforestation as a social activity that is beneficial to families and communities, and reinforces the commitment of volunteers; and the final one shares with those involved the **impact** generated and the environmental benefits due to their participation.

**Thanks to the joint efforts of the Vitro volunteers and the Wildlife Organization, and resulting from this urban reforestation drive, 7,776 trees were planted in 2016, managing to total 69,455 adopted trees since the beginning of the volunteering effort.**

The adopted trees belong to the endemic species of each one of the regions in which the campaign was carried out. In addition, OVIS acquires them from local suppliers in order to also drive the economic development of the communities.

With a nine-year history, Naturalmente Vitro evolves with every one of its editions. In the reported period, besides classic volunteering, people were encouraged to reforest urban areas such as **parks, schools and protected natural areas**. With the participation of collaborators in sync with the community, **10 urban areas were reforested in three municipalities where Vitro operates: Toluca, García and Mexicali.**

### NATURALMENTE VITRO IN NUMBERS



69, 455  
trees adopted  
since 2007



+7 000 trees  
planted in 2016



10 reforested  
urban areas



+3 000  
Vitro volunteers

35 cities  
benefited





Naturalmente Vitro fulfills the objectives of the three pillars of the Vitro Sustainability Model: **Comprehensive Competitiveness**, by acquiring trees from local producers generating wealth for the region; **Human Attitude**, by promoting a balance between work and family through leisure activities; and the **Environment**, by contributing to it through endless environmental benefits for the reforested regions.

It is worth mentioning that the average registered survival rate of this project is 86%, a rate significantly higher than that of similar programs carried out in rural areas, where trees cannot count on direct volunteer care.

By understanding sustainability as the capacity to satisfy the needs of this generation without sacrificing the capacities and resources of the following generations, the Company will continue to bet on the creation of sustainable investments through its urban reforestation program.

\*\*Find out more about Naturalmente Vitro at:  
<https://youtu.be/4oayZ08ips4>

Joining efforts with companies, government and civil society, at Vitro, we are determined to continue with these projects, always striving for sustainable development and a balance of economic, social and environmental resources, while advancing with resolve towards a solid future.





# Independent Review Report to the Directorate of Vitro S.A.B. de C.V.

According to their request, we were required by the Directorate of Vitro S.A.B. de C.V. (hereinafter Vitro) to provide a limited assurance level about the content of the "Steadfast towards a sound future Sustainability Report 2016" (hereinafter "Report") closed at December 31st, 2016.

### Scope of our work

The Directorate of Vitro was responsible of the preparation and presentation of the Report aligned with the Guide for the Elaboration of Sustainability Reports of Global Reporting Initiative version 4.0 (G4), as detailed in the G4-32 item "GRI index" of the "Report".

Our responsibility consisted in providing a limited assurance level of the content of the “Report” with regard to the performance indicators included in the Guide for the Elaboration of Sustainability Reports of Global Reporting Initiative version 4.0 (G4).

To ensure that the verification process accomplish with ethical requirements necessary to ensure the independence of our work as auditors of non-financial information, the review has been performed according to the Standard ISAE3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). This norm demands to plan and make our work so that we obtain a limited assurance of the Report exempt of material mistakes.

The scope of evidence gathering procedures performed in an engagement with a limited assurance level is less than the one performed in an engagement with a reasonable assurance level and therefore also the level of security provided. This report must not be understood as an audit report.

### Summary of activities

The actions carried out to perform the review of the "Report" according to the Standard ISAE3000 were:

- Risk analysis of information to identify material events occurring during the reporting period.
- Interviews with Vitro’s staff responsible for providing the information contained in the "Report".
- Analysis of gathering processes and internal controls performed over quantitative data reflected in the "Report" regarding the reliability of information, using analytical procedures and sampling review testing.
- Visit the Vitro Cosmos S.A. de C.V. at Toluca de Lerdo, State of Mexico.

- Accompaniment during the process of writing of the report to check the advance in the draft of texts, to detect possible omissions.
- Review of the implementation of the requirements set forth in the Guide for the elaboration of Sustainability Reports of Global Reporting Initiative G4 version 4.0 (G4).
- Verifying the GRI index table of the final draft of the report, depending on the in accordance option chosen.

The indicators revised in the “Report” during the financial year closed at December 31st, 2016, were the following:

G4-2; G4-3; G4-4; G4-5; G4-6; G4-7 G4-10; G4-11; G4-12; G4-13; G4-14; G4-15; G4-16; G4-18; G4-19; G4-20; G4-21; G4-22; G4-23; G4-24; G4-25; G4-26; G4-27; G4-28; G4-29; G4-30; G4-32; G4-33; G4-34; G4-35; G4-36; G4-37; G4-38; G4-39; G4-40; G4-45; G4-47; G4-49; G4-50; G4-56; G4-EC1; G4-EC3; G4-EC4; G4-EC7; G4-EC8; G4-EN1; G4-EN3; G4-EN4; G4-EN5; G4-EN6; G4-EN7; G4-EN11; G4-EN13; G4-EN14; G4-EN15; G4-EN16; G4-EN17; G4-EN19; G4-EN21; G4-EN23; G4-EN27; G4-EN28; G4-EN29; G4-LA1; G4-LA2; G4-LA3; G4-LA4; G4-LA5; G4-LA6; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; G4-LA13; G4-LA15; G4-LA16; G4-HR1; G4-HR2; G4-HR3; G4-SO1; G4-SO2; G4-SO3; G4-SO4; G4-SO5; G4-SO6; G4-SO7; G4-PR1; G4-PR2; G4-PR3; G4-PR5; G4-PR8; G4-PR9; G4-LA1; G4-LA2; G4-LA3; G4-LA5; G4-LA6; G4-LA8; G4-LA9; G4-LA10; G4-LA11; G4-LA12; G4-LA13; G4-LA15; G4-LA16.

### Conclusions

Based on the procedures performed, as described above, on " Steadfast towards a sound future Sustainability Report 2016" from Vitro S.A.B. de C.V of the financial year closed at December 31st, 2016, we conclude that:

- It has not been revealed attention that causes us to believe that the information contained in the "Report" was not obtained with reliability, the information is not presented properly, or that there are significant discrepancies or omissions, or that the "Report" has not been prepared in accordance with the requirements set forth in the Guide for the preparation of Sustainability Reports of Global Reporting Initiative G4 version 4.0 (G4).

Jose Luis Madrid

Valora Sostenibilidad e Innovación S.A. de C.V



GRI INDEX

GENERAL STANDARD DISCLOSURES	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
STRATEGY AND ANALYSIS			
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	4	
G4-2	Provide a description of key impacts, risks, and opportunities.	4	Yes. Pp. 96
ORGANIZATIONAL PROFILE			
G4-3	Report the name of the organization.	8	Yes. Pp. 96
G4-4	Report the primary brands, products, and services.	8	Yes. Pp. 96
G4-5	Report the location of the organization's headquarters.	8	Yes. Pp. 96
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	10	Yes. Pp. 96
G4-7	Report the nature of ownership and legal form.	8	Yes. Pp. 96
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	20	
G4-9	Report the scale of the organization, including: Total number of employees, Total number of operations, Net sales (for private sector organizations) or net revenues (for public sector organizations), Total capitalization broken down in terms of debt and equity (for private sector organizations), Quantity of products or services provided	13, 51	
G4-10	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender.	51	Yes. Pp. 96
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	51	
G4-12	Describe the organization's supply chain.	41	Yes. Pp.96
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	41	Yes. Pp. 96
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	46, 65	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	65	Yes. Pp. 96
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization participates.	65	Yes. Pp. 96
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents.	13	
G4-18	Explain the process for defining the report content and the Aspect Boundaries.	15	Yes. Pp.96
G4-19	List all the material Aspects identified in the process for defining report content.	15	Yes. Pp. 96
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	17	Yes. Pp. 96
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	15	Yes. Pp. 96
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	14	Yes. Pp. 96
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	14,20	Yes. Pp. 96

GENERAL STANDARD DISCLOSURES	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
STAKEHOLDER ENGAGEMENT			
G4-24	Provide a list of stakeholder groups engaged by the organization.	17,26,76,40,50	Yes. Pp. 96
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	15, Todo el documento	Yes. Pp. 96
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	18, 50, Todo el documento	Yes. Pp. 96
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	15	Yes. Pp. 96
Report profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	14	Yes. Pp. 96
G4-29	Date of most recent previous report (if any).	14	Yes. Pp. 96
G4-30	Reporting cycle (such as annual, biennial).	14	Yes. Pp. 96
G4-31	Provide the contact point for questions regarding the report or its contents.	105	
G4-32	Report the 'in accordance' option the organization has chosen.	14	Yes. Pp. 96
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report.	14	Yes. Pp. 96
GOVERNANCE			
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	28	Yes. Pp. 96
G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	20	Yes. Pp. 96
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	20,28	Yes. Pp. 96
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	31	Yes. Pp. 96
G4-38	Report the composition of the highest governance body and its committees.	28	Yes. Pp. 96
G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	28	Yes. Pp. 96
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	28	Yes. Pp. 96
G4-45	Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.	28	Yes. Pp.96
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	31	Yes. Pp. 96
G4-49	Report the process for communicating critical concerns to the highest governance body.	31	Yes. Pp. 96
G4-50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	31	Yes. Pp. 96
ETHICS AND INTEGRITY			
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	9	Yes. Pp. 96
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	32	

SPECIFIC STANDARD DISCLOSURES				
G4-DMA AND INDICATORS	DESCRIPTION	REASON FOR OMISSION	PAGE	EXTERNAL ASSURANCE
CATEGORY: ECONOMY				
MATERIAL ASPECT: ECONOMIC PERFORMANCE				
G4-DMA	Report why the Aspect is material. Report the impacts that make this Aspect material.			
G4-EC1	Report the direct economic value generated and distributed (EVG&D) on an accruals basis including the basic components for the organization's global operations as listed below.		13, 68	Yes. Pp. 96
G4-EC2	Report risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue or expenditure.		77	
G4-EC3	COVERAGE OF THE ORGANIZATION'S DEFINED BENEFIT PLAN OBLIGATIONS		68	Yes. Pp. 96
G4-EC4	FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT Report the total monetary value of financial assistance received by the organization from governments during the reporting period.		13, 89	Yes. Pp. 96
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS				
G4-DMA	Describe work undertaken to understand indirect economic impacts at national, regional, or local level.			
G4-EC7	Development and impact of infrastructure investments and services supported.		34	Yes. Pp. 96
G4-EC8	SIGNIFICANT INDIRECT ECONOMIC IMPACTS, INCLUDING THE EXTENT OF IMPACTS.		34	Yes. Pp. 96
CATEGORY: ENVIRONMENT				
ASPECTO MATERIAL: ENERGÍA				
G4-DMA				
G4-EN1	MATERIALS USED BY WEIGHT OR VOLUME.		46,86	Yes. Pp. 96
G4-EN2	Report the percentage of recycled input materials used to manufacture the organization's primary products and services.		86	Yes. Pp. 96
G4-EN3	Energy consumption within the organization.		85	Yes. Pp. 96
G4-EN4	Energy consumption outside of the organization.		85	Yes. Pp. 96
G4-EN6	Reduction of energy consumption.		46, 85	Yes. Pp. 96
G4-EN7	Reductions in energy requirements of products and services.		46, 85	Yes. Pp. 96
MATERIAL ASPECT: BIODIVERSITY				
G4-DMA				
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected áreas.		89	Yes. Pp. 96
G4-EN13	Habitats protected or restored.		89	Yes. Pp. 96
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.		89	Yes. Pp. 96

SPECIFIC STANDARD DISCLOSURES				
G4-DMA AND INDICATORS	DESCRIPTION	REASON FOR OMISSION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: EMISSIONS				
G4-DMA				
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).		80,89	Yes. Pp. 96
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).		80	Yes. Pp. 96
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3).		80	Yes. Pp. 96
G4-EN19	Reduction of greenhouse gas (GHG) emissions.		80	Yes. Pp. 96
G4-EN20	Emissions of ozone-depleting substances (ODS).		80	
G4-EN21	NOX, SOX, and other significant air emissions.		80	Yes. Pp.96
G4-EN23	Total weight of waste by type and disposal method.		20,84	Yes. Pp. 96
MATERIAL ASPECT: PRODUCTS AND SERVICES				
G4-DMA				
G4-EN27	Extent of impact mitigation of environmental impacts of products and services.		46,86	Yes. Pp. 96
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category.		46,86	Yes. Pp. 96
MATERIAL ASPECT: COMPLIANCE				
G4-DMA				
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.		77	Yes. Pp. 96
MATERIAL ASPECT: OVERALL				
G4-DMA				
G4-EN31	Total environmental protection expenditures and investments by type.		85	
CATEGORY: SOCIAL				
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK				
MATERIAL ASPECT: EMPLOYMENT				
G4-DMA				
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region.		51	Yes. Pp. 96
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.		51, 60, 68	Yes. Pp. 96
G4-LA3	Return to work and retention rates after parental leave, by gender.		63	Yes. Pp. 96
MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS				
G4-DMA				
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.		51	Yes. Pp. 96
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
G4-DMA				
G4-LA5	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs.		51	Yes. Pp. 96



SPECIFIC STANDARD DISCLOSURES				
G4-DMA AND INDICATORS	DESCRIPTION	REASON FOR OMISSION	PAGE	EXTERNAL ASSURANCE
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.		54	Yes. Pp. 96
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.		54	
G4-LA8	Health and safety topics covered in formal agreements with trade unions.		54,61	Yes. Pp. 96
MATERIAL ASPECT: TRAINING AND EDUCATION				
G4-DMA				
G4-LA9	Average hours of training per year per employee by gender, and by employee category.		57	Yes. Pp. 96
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		57	Yes. Pp. 96
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.		57	Yes. Pp. 96
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4-DMA				
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.		51	Yes. Pp. 96
MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN				
G4-DMA				
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.		51	Yes. Pp. 96
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES				
G4-DMA				
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria.		43	
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.		43, 60	Yes. Pp. 96
MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS				
G4-DMA				
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.		31	Yes. Pp. 96
SUB-CATEGORY: HUMAN RIGHTS				
MATERIAL ASPECT: INVESTMENT				
G4-DMA				
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.		51	Yes. Pp. 96
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.		31	Yes. Pp. 96
MATERIAL ASPECT: NON-DISCRIMINATION				
G4-DMA				
G4-HR3	Total number of incidents of discrimination and corrective actions taken.		32	

SPECIFIC STANDARD DISCLOSURES				
G4-DMA AND INDICATORS	DESCRIPTION	REASON FOR OMISSION	PAGE	EXTERNAL ASSURANCE
G4-HR7	PERCENTAGE OF SECURITY PERSONNEL TRAINED IN THE ORGANIZATION'S HUMAN RIGHTS POLICIES OR PROCEDURES THAT ARE RELEVANT TO OPERATIONS.		31	
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT				
G4-DMA				
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.		43	
SUB-CATEGORY: SOCIETY				
MATERIAL ASPECT: LOCAL COMMUNITIES				
G4-DMA				
G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs.		60, 65, 77	Yes. Pp. 96
G4-S02	Operations with significant actual or potential negative impacts on local communities.		31,60	Yes. Pp. 96
MATERIAL ASPECT: ANTI-CORRUPTION				
G4-DMA				
G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks Identified.		31	Yes. Pp. 96
G4-S04	Communication and training on anti-corruption policies and procedures.		31	Yes. Pp. 96
G4-S05	Confirmed incidents of corruption and actions taken.		32	
MATERIAL ASPECT: PUBLIC POLICY				
G4-DMA				
G4-S06	Total value of political contributions by country and recipient/beneficiary.		65	Yes. Pp. 96
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR				
G4-DMA				
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.		31	Yes. Pp. 96
SUB-CATEGORY: PRODUCT RESPONSIBILITY				
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY				
G4-DMA				
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for Improvement.		43, 77	Yes. Pp. 96
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.		43	Yes. Pp. 96
MATERIAL ASPECT: PRODUCT AND SERVICE LABELING				
G4-DMA				
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements.		43	Yes. Pp. 96
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.		43	
G4-PR5	Results of surveys measuring customer satisfaction.		43	Yes. Pp. 96

SPECIFIC STANDARD DISCLOSURES				
G4-DMA AND INDICATORS	DESCRIPTION	REASON FOR OMISSION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: MARKETING COMMUNICATIONS				
G4-DMA				
G4-PR6	Sale of banned or disputed products.		43	
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.		43	
MATERIAL ASPECT: CUSTOMER PRIVACY				
G4-DMA				
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		43	Yes. Pp. 96
MATERIAL ASPECT: COMPLIANCE				
G4-DMA				
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.		43	Yes. Pp. 96

# CONTACT

Your opinion is very important to Vitro; please send any suggestion, request for clarification or comments about this report to the Sustainable Development Office at:

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In addition, we encourage you to learn more about our Sustainability section in the Vitro website at: **http://www.vitro.com,** where you will find previous reports.



