



*Rely on it.*

## RENOLIT Sustainability Report 2022

We deliver  
sustainable and  
innovative  
polymer solutions.



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## Introduction

Dear readers,

“We deliver sustainable and innovative polymer solutions”, that is our mission and the standard we set for ourselves every day. We have been working on solutions in the polymer industry for over 75 years, continually developing them. This has made us the company we are today: an internationally leading manufacturer of high-quality polymer films and related products with about 5000 employees, more than 30 locations and turnover of 1,366 million Euros.

To us, sustainability means the equitable connection of the social (people), ecological (planet) and economic (profit) dimensions. Our core themes focus on these three areas, according to which we have defined and continually review our sustainability goals. The goals for the sustainability of the United Nations are an important framework for us.

With a look at our core business, we believe that we have the responsibility to conserve resources, reduce Emissions harmful to the environment and to prevent plastics from entering the environment in an uncontrolled manner. By dedicating ourselves to more circular economies, promoting innovations and cooperating in numerous industry initiatives. We advocate for justice, humane work, health and welfare, and through our dedication, we wish to have a positive effect within and outside of our company.

The reporting year 2022 was very challenging for us and many of our partners, because the effects of the global Corona pandemic were and are still tangible, particularly with the concern about the health of our employees, travel restrictions and delivery bottlenecks. The human catastrophes triggered by the war in Ukraine, but also the accompanying energy crisis, were burdensome framework conditions. This led to high-cost increases in the energy industry and a high degree of insecurity.

We are very proud of the many advancements we have been able to achieve regarding a circular economy.

We have made significant strides toward our goal of recycling all plastic scrap internally by 2025. To this end, all **RENOLIT** production sites have created an internal system that continually reports the materials flow available for recycling. This transparency is a milestone. And the use of raw materials with non-fossil origins was further increased.

In the area of People, we are particularly proud of the increase in the diversity quota and the further reduction of workplace accidents that we were able to achieve in 2022, including the further development of our safety philosophy.

“Sustainability is a principle of attitude and action for us. We act in a sustainable manner in consideration of the environment, society and the long-term goals.” This is part of our management guidelines that were anchored in numerous workshops in 2022. We'd like to demonstrate to you whether and how we have achieved this in the following report. It will give you a glimpse of our activities, advancements and further goals.

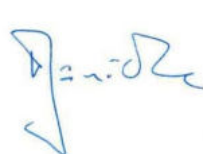
True to our motto “Rely on it”, we will take you with us on our voyage into a sustainable future.

We wish you great reading pleasure and look forward to exchanges with you.

Your **RENOLIT** Board



Michael Kundel



Sven Behrendt



Karsten Jänicke



Thomas Sampers

## About this report

### Report profile

GRI 2-1, 2-2, 2-3, 2-4, 2-5

This report is intended to demonstrate the importance of the topic of sustainability within the **RENOLIT Group**, including all sites and joint ventures. You will find a complete overview of the countries in which the **RENOLIT Group** is active in the “Company” chapter. **RENOLIT SE**, headquartered in Worms, is the largest operating individual company and directly or indirectly holds all shares of the companies in the corporate group. You will find an overview of these companies in the consolidated financial statement after IFRS.

This sustainability report covers all the companies listed there and consolidates the information of the companies equivalent to the consolidated financial statement. The shares of **RENOLIT SE** are held 100 percent by JM Holding GmbH, which belongs to the company JM Industriebeteiligungen. The shareholders of JM Industriebeteiligungen are made up of the Lang/Helms and Fischer families, the successor generations of the founding family.

### Report framework

Our assumption of entrepreneurial responsibility for sustainability is reflected in our reporting. Since 2011, we have been creating an annual sustainability report, first internally, and since 2017 we have also published this externally. Our last sustainability report for 2021 appeared in October 2022. Quantitative data were collected, just as for the consolidated financial statement, for the period from 01.01 to 31.12.2022. We recorded qualitative data up to the editorial deadline in April 2023. If data deviate from the listed reporting framework, these are marked accordingly.

The present report for the fiscal year was created as in previous years using the guidelines of the Global Reporting Initiative (GRI). There is no external audit of the Sustainability Report 2022.

The Sustainability Report 2022 was published on 19th of June 2023 in German and English. If you should have questions, please contact [info@renolit.com](mailto:info@renolit.com).

## COMPANY

As an independent family company, we have been setting standards in quality and innovations for over 75 years and stand for technical competency, modern product design, cooperation, service and responsibility.



GRI 2-6

**RENOLIT** is a global player in the film industry with locations in the USA, Chile, Russia, China, India, Germany, Belgium, the Netherlands, Great Britain, France, Italy, Spain, Hungary, Poland, Turkey, Norway, Portugal and the Czech Republic. The roots of our company as well as our headquarters are still in Worms. Specialist know-how on the production of **RENOLIT** polymer products is pooled in each one of our plants. Production according to the highest standards and the expertise of our employees guarantee a continually high and reliable product quality at all locations.

**RENOLIT** strives for growth and profitability - through innovations, regional expansion, international expansion and gaining market share. The development of dynamic growth markets for our high-quality products and the close cooperation on site are our first priority.

**RENOLIT** stands for innovation, sustainability and assumption of responsibility to society and the environment.

The following changes in our organisation are mentioned in the reporting period:

- Closure of the **RENOLIT** Thansau site on 31 March 2022
- Establishment of the Joint Venture "KAS Kunststoffaufbereitung Bad Sobernheim GmbH" in July 2022

## Important financial key data

In 2022, the **RENOLIT Group** was able to increase its global group sales to a new record level: 1,366 million Euros (2021: 1,279 million Euros).

The growth is inflation-driven to a significant degree, with a sales volume 10 percent lower compared to 2021. Regionally, the increase in sales can be traced back in particular to business in North America as well as a slight increase in Europe. In Asia, the sales volume was complicated, above all in China, but the persisting COVID measures.

	2019	2020	2021	2022
<b>Group sales (net) in millions of Euros</b>	<b>1,059</b>	<b>1,032</b>	<b>1,279</b>	<b>1,366</b>
Europe	748.8	776.0	970.9	1,006.1
America	178.2	157.0	187.3	244.1
Asia, including the rest of the world	132.0	99.0	120.5	116.1
Group annual net profit in millions of Euros	74.7	81.6	128.7	97.4
Equity rate	55.4 %	35.1 %	39.8 %	45.6 %
Investments in fixed assets in millions of Euros <sup>2</sup>	57.3	36.6	38.5	61.2
Annual production in tonnes <sup>3</sup>	242,723	233,561	263,001	236,829

<sup>1</sup> The data on economic development are based on the consolidated companies of the corporate report. This does not include the controlled joint ventures.

<sup>2</sup> Immaterial assets and tangible assets as well as financial assets are included.

<sup>3</sup> Incl. Joint Ventures

## Responsible management

GRI 2-9, 2-11

As a European company, **RENOLIT SE** is managed according to the dualistic principle: The Executive Board manages all business and is monitored by the supervisory board. The supervisory board is made up of four representatives of the employer and two representatives of the employees.

**RENOLIT** is led by a four-person Executive Board, which is made up of the Chief Executive Officer Michael Kundel and the Executive Board Members Sven Behrendt, Karsten Jänicke and Thomas Sampers.

The primary task of the Executive Board is to lead the group of companies pursuant to legal regulations, statutes and rules of procedure. There, the decisions are equally made pursuant to the aspects "People, Planet and Profit". The operative management occurs in the 13 independent Market Units.



from left to right: Sven Behrendt, Karsten Jänicke, Thomas Sampers, Michael Kundel (CEO)



from left to right: Helmut Schädler, Reinhard Westhäuser, Pierre Winant, Hilmi Akkurt, Alexander Düll, Andreas Lang

The Supervisory Board consists of six members, two of which on the side of the employees and four on the side of the employer. In 2022 there were no changes to the composition of the Supervisory Board. This is made up, as previously, of the following members: Andreas Lang (Chair of the Supervisory Board), Helmut Schädler, Pierre Winant, Alexander Düll, Reinhard Westhäuser (Employee Representative), Hilmi Akkurt (Employee Representative).

## Our industries and products

### Plastic – the material of the 21st century

GRI 2-6

Like no other material, plastic encompasses a series of high demand properties: Extremely flexible, highly resilient and very light, so it can fulfil the most varied of requirements. We are a driver for innovation in many industries with high quality films, plates and other plastic products. Our product range – added value for our customers.

You can find out more about our industries and products on our website at: [www.renolit.com/industries](http://www.renolit.com/industries)

Our seven most important industries:



To meet market demand and global challenges, we operate in 13 independent Market Units. This way, we can react to market changes quickly and in a timely fashion with suitable products and solutions.

**RENOLIT** special films are used in all industries, sectors and technologies: Above or below water, on vehicles, in swimming pools and on façades. Products from **RENOLIT** refine surfaces, seal, protect, stabilise and offer additional benefits that continually create a competitive edge for our customers.

With our product solutions, we can and want to contribute to the achievement of various [Sustainable Development Goals](#) (SDGs). These were adopted by the United Nations in 2015 and include comprehensive goals for global sustainable development on economic, ecological and social levels. You will find more information on our products, the markets we serve and our supply chain in the “Profit” chapter. You can also read more on [www.renolit.com](http://www.renolit.com).

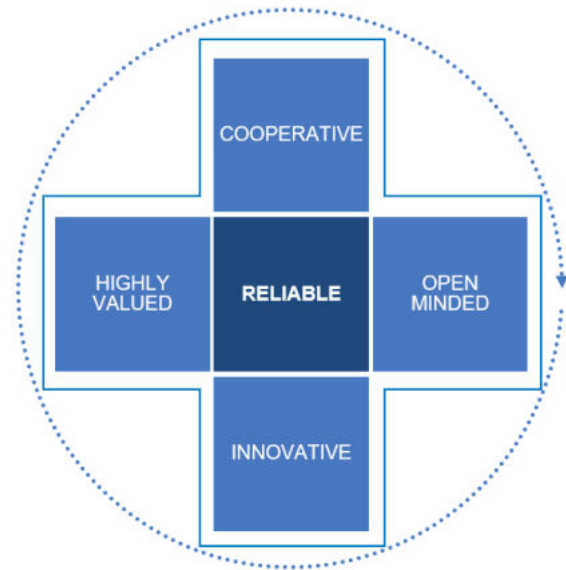


## Strategy and Values

Climate change, scarcity of resources, supply bottlenecks, changing employee requirements and differing conditions across countries are some challenges we face every day. As a family-run company, we think into the future and strive for sustainable profitable growth. We bear a special responsibility to the environment, society and our employees. So, it is important to us to minimise negative effects and instead make a positive contribution. We report on these efforts in subjects important to us in the respective chapters.

Our **RENOLIT** brand and the motto “Rely on it” form the basis and are commitment to our stakeholders. Reliability was and still is the core value of our corporate philosophy. Together with the brand values “high-quality”, “innovative”, “cooperative” and “open-minded”, it forms the basis for our mission and our actions.

Building on our strong brand and our values, we have held to our mission in our strategy **ONE RENOLIT 2025** and consistently follow it. We actively include our employees and regularly inform them of progress and status.



### Vision, mission and sustainability strategy

GRI 3-3

We have solidly anchored the subject of sustainability in our corporate strategy **ONE RENOLIT 2025** and into our mission statement: We deliver sustainable and innovative polymer solutions.

Under the slogan **ONE RENOLIT. ONE VISION**, we combine the essential content of our strategy **ONE RENOLIT 2025**

The core content of our strategy is:

- Customer-orientation
- Profitable growth
- Trendsetting innovations
- Embodying sustainability
- Cooperation

Individual goals are set with each division based on these strategic guidelines. On this basis, each department and each site define their own Target State and work on their own so-called “strategic gaps”. We pursue the implementation of our goals by using the Objective Key Result Method (OKR). In this process, the strategic gaps are broken down into individual steps (Puzzle Pieces) and worked through step by step via small OKRs. The year is divided into sprint cycles within which the OKRs are to be concluded. Additionally, there is monthly tracking. A total of 390 interim goals were met in two defined sprints last year.

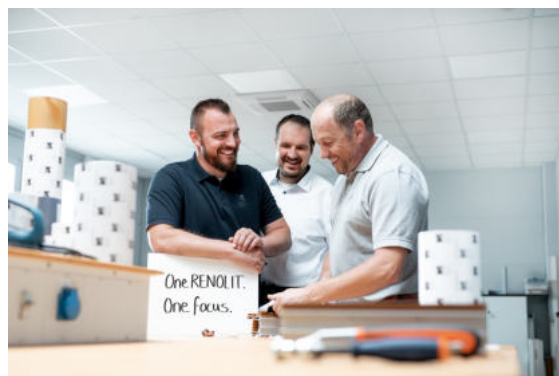
In 2021 we decided to include the goals in the areas of digitisation and sustainability in this plan. Cross-functional agendas were used for this: The “Digital Agenda” and the “Sustainability Agenda”. These had the following missions:

- Formulation of the target state
- Comparison with previously published goals/strategies, such as CPA Pledge (see also the chapter on Initiatives and Associations)
- Comparison with significant subjects within the framework of sustainability reporting
- Elaboration of the strategic gaps in so-called think tanks: Representation of the essential topics clustered according to People, Planet, Profit
- And the creation of associated sub-tasks (puzzle pieces)

The designated agenda owners keep an eye on the strategy and regularly report to the Executive Board. We have summarized the concrete goals of the sustainability strategy in the chapter “Our understanding of sustainability and our goals”. The definition and implementation of the corporate strategy is coordinated in the “Corporate Development” department.

**One RENOLIT. One focus.  
Together we aim for customer centricity.**

More than ever, our customers are at the heart of everything we do. We have organised our business into specific market units to meet their individual expectations, needs and wishes. This structure enables us to serve the global markets in an even more targeted way, and, in addition to our core business, helps us exploit further growth opportunities in a more responsive and innovative manner. In doing so, we consistently pursue our goal of making a significant contribution to the ongoing success of our customers.





**One RENOLIT. One direction.  
Together we generate profitable growth**

Profitability and growth go hand in hand. On the one hand, our profitability provides the investment that finances future growth, whilst ensuring long-term job security on the other. This allows us to expand and align our global presence with that of our customers, as well as to develop new technologies, fields of application and efficiency improvements, so that we are better positioned to absorb general cost increases.

**One RENOLIT. One drive.  
Together we develop pioneering innovations.**

We set trends and establish benchmarks with our products and services. We also invest in new manufacturing technologies, product development, digitalisation and the use of sustainable raw materials, so that we meet the high expectations of our customers. It is our goal to generate ten percent of our total turnover from new products and services. To make this possible, we promote an open culture of innovation that enables employees to contribute their ideas in a various ways.



**One RENOLIT. One world.  
Together we make sustainability come alive.**

As a polymer processing company, we bear a particular responsibility towards the environment, society and our employees. Natural resources are limited, which is why we must always use them sparingly and with respect - a belief that we share with our customers. With ongoing optimisation of our processes, as well as using energy and raw materials sustainably and efficiently, we make an important contribution to climate and environmental protection.

**One RENOLIT. One team.  
Together we work successfully hand in hand**

Our aim is that our employees enjoy working at **RENOLIT** and are able to apply their individual skills in diverse teams. We support our employees' willingness to take on entrepreneurial responsibility and invest in their further development. At the same time, a trusting and cooperative working atmosphere is important to us, in which mutual respect is evidenced in our daily work.



### Responsibility for sustainability reporting

GRI 2-13

In order to firmly anchor sustainability as an attitude and action principle, we have moved this future-oriented topic to the Corporate Unit Corporate Sustainability. This central area involves the departments of Corporate Regulatory Affairs, Corporate Environmental Affairs, Corporate Health & Safety and Corporate **RENOLIT** Goes Circular.

The department of **Corporate Environmental Affairs** is responsible for sustainability reporting, together with the specialist departments drives forward a solid data collection and reports on this directly to Executive Board member Sven Behrendt. The Executive board bears the overall responsibility for sustainability management and approves the release of the sustainability report.

## Our understanding of sustainability and our goals

As a global leading manufacturer of high-quality plastic products, we feel a special responsibility for the subject of sustainability and are aware of our responsibility to people and the environment. Our understanding of sustainability always based on the three sustainability dimensions, People, Planet and Profit:



### Our sustainability goals by 2025

**People:**  
Commitment towards our employees.

0	(None) accidents with permanent damage		
<7	An accident rate of less than 7 per 1000 employees		
35.5	Percent as diversity rate		
	2022	2025	2027
	≥ 34%	≥ 35.5%	≥ 36.5%

**Planet:**  
Responsibility towards our planet.

- 100 percent of our recyclables from production are recycled in the Group
- 10 Customer projects for taking back recyclable materials are integrated into the RENOLIT material cycle
- 100 percent recyclable or reusable plastic materials are used in packaging
- 50 percent recycled or renewable raw materials are contained in our plastic packaging
- 25 percent CO<sub>2</sub> emissions were saved in the Group compared to 2010
- 3 percent of our plastic additives are of non-fossil origin
- 5 percent more energy efficiency compared to the base year 2020 have been realised

	2022	2025	2027
	≥ 2%	≥ 5%	≥ 10%

**Profit:**  
Securing the future of RENOLIT Group.

- We are among the top 3 market leaders in terms of market share in all Strategic Market Units
- 1.5 Billion Euro turnover
- 10% of turnover is accounted by new products and services
- 3% Annual productivity increase

## Our interest groups and materiality analysis

### Our stakeholders and the dialogue with them

GRI 2-29

We have the responsibility to consider the interests of all our important internal and external stakeholders on the subject of sustainability. A consistent exchange with them is very important to us to fulfil their expectations and create a long-term partnership. Through this exchange, we can detect opportunities and risks early.

To understand what motivates our employees, we are in continual dialogue with them and perform regular surveys. We also implemented this worldwide in the reporting year 2022. (You can find more information on this in the “People” chapter).

We are in regular dialogue with the most significant suppliers and customers. We also try, where possible, to converse with additional stakeholder groups. We are active in numerous initiatives and associations to further decisive subjects in the industry and to contribute to shaping the future of the industry.

We also regularly inform our stakeholders about our channels of communication, which especially for external stakeholders are the **RENOLIT** website, social media and the press. Additional paths of communication to internal stakeholders are the intranet and internal notifications.

The following stakeholder groups are of great importance to **RENOLIT**:

- (Potential) Employees and management
- Partners in cooperation
- Owners
- Suppliers
- Works councils
- Educational institutions
- (Potential) Customers
- The Neighbourhood
- Agencies and authorities
- Associations and initiatives
- Financial institutions and investors

### Materiality analysis

GRI 3-1, 3-2, 3-3

In 2016, the basis for the determination of the essential subjects for **RENOLIT** was a materiality analysis performed based on the Sustainable Development Goals (SDGs) of the United Nations. A repeat (double) materiality analysis is being planned for 2023. With a team of employees, we have selected the SDGs most important to **RENOLIT** based on our sustainability themes. The themes are initially prioritised first by an external panel of experts and then by an internal panel of experts. Representatives in these panels come from the areas of Finance, NGO, University, Customers, Agencies and Cooperation Partners. The external panel consists of 17 experts.

They assess which SDGs have the highest relevance and what influence we as **RENOLIT** can have on the achievement of these SDGs. The resulting materiality matrix has since then been the basis for our strategic structuring and reporting.

When developing the new strategy ONE **RENOLIT** 2025, we have taken the materiality matrix into consideration and held an internal survey on the basis of which to formulate goals for the strategy. The results of the materiality analysis show us which subjects are particularly important for **RENOLIT** and our stakeholders.

- Responsible consumption and production pattern (SDG 12)
- Humane work and economic growth (SDG 8)
- Climate protection measures (SDG 13)
- Industry, innovation and infrastructure (SDG 9)
- Equal rights among the sexes (SDG 5)
- Fewer inequalities (SDG 10)
- Health and well-being (SDG 3)

The SDG “Responsible consumption and production” was assigned the highest relevance both internally and externally: As a production company we can make a decisive contribution to reducing our worldwide ecological footprint through resource-saving production processes and the continual expansion of our internal recycling activities. The same applies to the SDG “Climate protection measures”, the achievement of which **RENOLIT** can make a significant contribution to by increasing energy efficiency and through investment in energy-saving measures and sustainable energy production. The subject of “Humane work and economic growth” is relevant above all in consideration of our sites abroad and our supply chain. We see a crucial factor as the development of new solutions and innovations to face global challenges.

Deviations between the internal and external perspectives are seen above all in the SDGs “Life under water” and “Life on land”. The high relevance from an external point of view is most probably the alleged connection between our products and the contamination of the rivers and lakes by plastic waste. It is important to note here that our products are used in technically challenging applications and we intensively promote closed material flows. In addition to the fundamental avoidance of waste, we are continually working to recycle all the plastic materials used in production using our own processes. In addition, we are actively in cooperation with our customers for recycling processes and return systems.

The results of the materiality analysis show us which subjects are particularly important for **RENOLIT** and our stakeholders.



We have assigned the significant subjects of our fields of focus and SDGs within the framework of the development of our sustainability strategy. These will be explained in more detail in the individual chapters of the sustainability report with the respective measures taken. However, one must note that all subjects represented in the matrix are of high importance to our stakeholders and our company and therefore will be worked on step by step within the context of the sustainability management.

The implementation of the sustainability strategy within the framework of the group strategy is described in more detail in the chapter on “Vision, mission and sustainability strategy”.

## PEOPLE

**FOCUS ON YOU - People are the focus at RENOLIT. Team spirit, trust and partnership are the core of our cooperation and the basis for the successful achievement of our goals.**

Demographic change and the resulting lack of skilled labour, new demands of the employees on the employer and technological transformation are challenges set for **RENOLIT** worldwide. Our employees are the most important asset in our company and enable our mutual success every day. So, we have a goal: Continuing to be an attractive employer for our current and future employees.

Collaboration and co-designing: We are in continuous dialogue with our employees to constantly improve our company and create working conditions that contribute to quality of life and the work-life balance. To do this, we regularly hold global employee surveys whose results flow into our human resources and sustainability strategy.

Significant aspects in our sustainability strategy in the People area are:

- safe working conditions and the promotion of personal well-being (SDG 3)
- personal further development and long-term occupational perspectives (SDG 5)
- the promotion of diversity and appreciation of every single person (SDG 8)

### Our sustainability goals in the area of People

	Goal 2025	2021	2022	
Diversity Quota	35.5 %	33.7 %	37.8 %	See the chapter on Equal opportunities and diversity
Accidents with permanent damage	0	3	2	See the chapter on promoting the health and safety of the employees
Accidents per 1000 employees	< 7	15.8	8.4	See the chapter on Occupational safety and health
Behaviour-related accidents	- 50 %	-	-	On the basis of annual accident events, to halve the number of behaviour-related accidents in the group by 2025. This KPI will be added in 2023 and reported in the subsequent years.



## The number of employees at glance

GRI 2-7, 2-8, 2-30

	<b>Total Workforce Plus*</b>
<b>RENOLIT</b> Germany	2,126
<b>RENOLIT</b> (rest of) Europe	1,675
<b>RENOLIT</b> America	419
<b>RENOLIT</b> Asien & rest of the world	783
<b>RENOLIT Group Total Workforce Plus*</b>	<b>5,003</b>

\*Total Workforce Plus\* = full and part time employees, trainees and dual students, inactive employees and temporary staff, working students and interns.

	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Total Employees*</b>	4,797	4,761	4,868
<b>Employees by region</b>			
Germany	2,067	2,085	2,107
The rest of Europe	1,466	1,539	1,609
America	327	332	385
Asia, including the rest of the world	937	805	767
<b>by gender</b>			
Women	815	798	863
Men	3,982	3,963	4,005
<b>by employment contract*</b>			
Full time	4,509	4,571	4,361
Part-time	288	190	284
Indefinite	4,365	4,333	4,208
Temporary	432	428	437
Temporary staff***			see table below

Employees numbers by region (HC) - as of 31.12.2022

\*Total employees = Active employees (direct & indirect) + trainees and dual students + working students and interns.

\*\*Active employees (direct and indirect)

\*\*\* (GRI 2-8): Temporary staff are primarily working in the production environment

<b>Employees by region &amp; employment relationship 2022</b>	<b>Germany</b>	<b>The rest of Europe</b>	<b>America</b>	<b>Asien including the rest of the</b>
Indefinite contract	1,772	1,494	371	571
Limited contract	135	95	11	196
Number of employees with non-guaranteed working hours	0	0	0	0
Number of full-time employees	1,693	1,520	381	767
Number of part-time employees	214	69	1	0

Last year, a total of 135 temporary employees were employed at **RENOLIT**. They were primarily working in the production environment.

<b>Temporary workers by region</b>	<b>Germany</b>	<b>The rest of Europe</b>	<b>America</b>	<b>Asia including the rest of the world</b>
Number of temporary workers	19	66	34	16
Number by gender				
Female	0	8	1	0
Male	19	58	33	16

### **Collective agreements in the RENOLIT Group 2022**

Percentage of collective agreement: **77.9 percent**

All non-tariff agreements serve as an example for employees in management positions (ML1). The key numbers used are based on the total number of employees in HC.

## Employer attractiveness: Development and satisfaction of our employees

GRI 401-1

We want to continue to be an attractive employer that inspires its employees also has a positive image from the outside. For this, we regularly hold employee surveys and observe the new hires, the duration of service and the fluctuation at the global locations.

<b>New Hires</b>	<b>2019</b>		<b>2020</b>		<b>2021</b>		<b>2022</b>	
<b>Total</b>	<b>551</b>	<b>11.3 %</b>	<b>356</b>	<b>7.4 %</b>	<b>566</b>	<b>11.9 %</b>	<b>700</b>	<b>14.4 %</b>
<b>By region</b>								
Germany	138	6.6 %	108	5.2 %	213	10.2 %	231	11.0 %
The rest of Europe	133	8.9 %	88	6.0 %	188	12.2 %	232	14.4 %
America	58	17.2 %	54	16.5 %	94	28.3 %	172	44.7 %
Asia, including the rest of	222	22.8 %	106	11.3 %	71	8.8 %	65	8.5 %
<b>Employee fluctuation</b>	<b>2019</b>		<b>2020</b>		<b>2021</b>		<b>2022</b>	
<b>Total</b>	<b>529</b>	<b>10.8 %</b>	<b>441</b>	<b>9.2 %</b>	<b>477</b>	<b>10.0 %</b>	<b>687</b>	<b>14.1 %</b>
<b>By region</b>								
Germany	125	6,0 %	115	5,6 %	119	5,7 %	279	13,2 %*
The rest of Europe	143	9,6 %	116	7,9 %	84	5,5 %	176	10,9 %**
America	42	12,4 %	66	20,2 %	81	24,4 %	120	31,2 %
Asia, including the rest of	219	22,5 %	144	15,4 %	193	24,0 %	112	14,6 %

Explanation of the table: New hires and fluctuations are based on the active employees (direct & indirect) worldwide on the booking date 31/12/2022, meaning full- and part-time employees, trainees and dual students, work students and interns who have a limited or unlimited employment contract.

\*High fluctuations due to the closure of the Thansau site.

\*\* Primarily high fluctuations of the direct employees, particularly at the Sant Celoni and Enkhuizen sites due to organisational changes.

### **Length of service:**

At **RENOLIT** we are proud that 42 percent of our employees have been with us on average for more than 14 years, and we have kept this length of service constant in recent years (2021: 39 percent and 2020: 38 percent).

### **Fluctuation**

The fluctuation rate, meaning the ratio of the departures to the average number of employees was 14.1 percent in 2022 and rose compared to the previous year (10 percent). The fluctuation rate rose in particular in the European countries where are not part of **RENOLIT SE** and is not at 10.9 percent (2021: 5.5 percent). This is explained among other things by changes to the shift system at the Spanish site in Sant Celoni. In America (2022: 31.2 percent) and Asia (2022: 14.0 percent) the fluctuation rate was reduced compared to the previous year.

### **Increasing employer attractiveness together**

The lack of specialist workers is not a new subject, even when the problem of demographic change continues to peak. We find ourselves in an increasingly harder contested employment market, in which we need a strong employer brand to gain employees and bind them to our companies. Therefore, in 2022 a central theme was to expand and reinforce the **RENOLIT** employer brand.

With the support of the entire Corporate HR team, numerous activities were initiated, including

- the introduction of a child holiday programme,
- the implementation of the first anniversary gala,
- the implementation of the general works agreement on appreciation, with which an additional possibility for appreciation for the employees was sustainably established through a gesture of congratulations on special events, such as the birth of a child.

In addition, the auditing process of work-and-family was started in 2022 to test our family friendliness, which will be continued in 2023.

Furthermore, with the introduction of the Corporate HR Guideline "Corporate Organisational Structure", a decisive first milestone was achieved with regard to the organisational structure in the **RENOLIT Group** and an important advancement for the Strategic Gap in the area. Together with the international HR team, previous progress was reflected upon and the common, themes, projects and goals for the future discussed at the international HR Meeting 2022 in Enkhuizen (the Netherlands).

In addition, the target group-specific addressing of potential workers within the HR Marketing activities was reinforced and two Multi-Channel campaigns implemented within this. The Instagram channel @renolitkarriere was adorned with many exciting and entertaining contributions. The editorial team is made up of trainees and dual students, who together plan and implement the contributions.



The development within the company also won external recognition: In 2022, **RENOLIT** won the Mind Change Award in Gold for particularly future-oriented and innovative human resources management concepts.



In addition, the development of our HR department regarding the steering and organisation by Corp. HR Guidelines in the form of an audit by the University of Economics for Management (HDWM) was reviewed with success. And we also received a distinction for our efforts in dual occupational training from the Chemie Rheinland-Pfalz employers association.

## Personal development and continuing education

Our current and future employees are our strength. When they grow, we grow too. **RENOLIT** therefore offers diverse opportunities for personal development.

The promotion of training and further education is particularly important to us. That's the only way we can attract talent for our company as well as retain qualified and motivated employees for the long term. We strive to develop as many specialists and managers as possible from our own ranks.

### Training and advancement of young employees

**RENOLIT** offers various operational or dual training courses around the world, both in the technical area (process mechanics, electronics, industrial mechanics, media technology, machine and systems operation, production technology or logistics) as well as in commerce (industrial managers and E-commerce managers). This year, the offering was expanded with the apprenticeship for production technology at the Worms location.

Currently we employ 116 trainees and dual students worldwide (previous year: 107). The goal is to enter into a permanent work or employment contract directly after completion.

In addition to Germany, we have been training in France and Great Britain for many years. At the end of 2022 we employed five trainees at the Cramlington site in Great Britain (same as in 2021) and single and dual students in France.

In 2023 we will significantly increase our positions for trainees and dual studies throughout Germany.

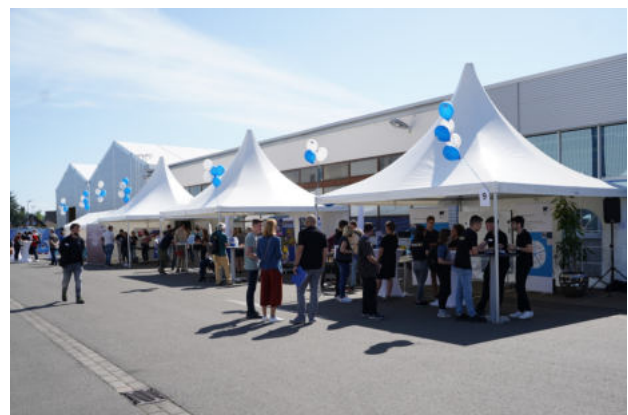
Development in Germany 2022:

	2019	2020	2021	2022
New Hires	48	34	42	42
Transfer quota	80 %	67.6 %	90.2 %	94.3 %
Share of total workforce	6 %	6 %	5 %	5 %

### Additional highlights for trainees and students in Germany

#### Training and Study Day

We are especially proud to look back on the successful premier of the "Training and Study Day" on 14 May 2022 at the Worms site. During the event, we opened the doors to our training centre to interested parties for the first time and provided comprehensive information about the training and study offerings at **RENOLIT**. Participation activities were offered, such as an application check. We will also hold this event again in 2023, on 17 June 2023.



### Special offers for our trainees and students

Several attractive offerings have been added to the training and dual study course at **RENOLIT**:



- In October, the first social internships were implemented. In this, the trainees and students spend one week in a social institution, such as a retirement or care home or a social service. This experience in the area of care and welfare really moved all of our junior employees. These internships make it perceptible how important an open cooperation and dedication to society and the company is.

- Feedback Days started in November 2022, which will now take place three times a year. Here trainees and dual students present their activities, experiences in various departments of **RENOLIT** and give a summary of their duties. Questions are answered by the participants at the end of the presentation.
- New event "Family meets **RENOLIT**": Family members of the newest trainees are invited to the headquarters in Worms and receive information about the company and the training as well as a factory tour.
- The guideline "Internship Abroad", that gives all trainees and dual students the opportunity to apply for an internship abroad, and the first year of implementation this was a complete success. In 2022, a total of nine young people were able to visit a **RENOLIT Group** site in the USA and Europe for between 3 weeks and three months. There was positive feedback both from the trainees and dual students, as well as from the sites.
- The recruitment process for 2023 started with an informational event in November. We look forward to many applications from various sites and the organisation of new foreign internships.
- We were also able to show in two special training sessions on the subjects of **RENOLIT Goes Circular** and addiction prevention that we also address socially and ecologically relevant subjects in training as well.
- Existing programmes such as the Juniofirma, the Project Energy Scouts (IHK Rheinhessen), Welcome Days, first aid courses, Next Generation meets CEO and General Manager, continuing education of trainers, high-school internships and an introductory week in the training centre were continued.



### Awards:

The greatest efforts are rewarded: In March we received a commendation for the use of the dual occupational training from the Chemie Rheinland-Pfalz employer association. In addition, three trainees (industrial manager, process mechanic for plastics and rubber technology, industrial mechanic) received honours for outstanding results in training.

## Further development of personal strengths and abilities

GRI 404-2

In addition to the technical training and continuing education, the qualification and further development of our employees using their personal goals and abilities is important to us. We want to offer an environment that motivates our employees, creates free space for innovation and learning and cultivates willingness to change. We support this with a comprehensive training and continuing education offering for management and employees.

### *Our Employee Development*

In 2022, we introduced the Corp. HR Guidelines **RENOLIT** competency model & development review, PLACE & grow and the **RENOLIT** management principles. With 30 interactive workshops in nine countries at 14 sites we were able to have a lively and valuable exchange with more than 250 managers on our new employee development processes. We were able to derive new, sustainable concepts and continuing education programmes through the valuable knowledge gained from the first process for PLACE & grow.

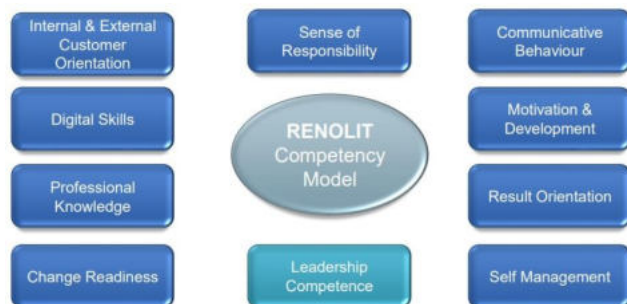
In the coming year, we will initiate the development reviews digitally via the "Feedback" module of our HR Guide System.

### *Our strategic goals in employee development*

- Building competency
- Ensuring willingness to change
- Uniform, international standards for employee development
- Qualifying managers as employee developers
- Enabling measurability of the employee development measures

### **Our competency model**

A competency model has been developed to implement the goals, which maps out ten competencies as the basis for an international discussion or development review. This represents a continual, valued dialogue between employees and management. In the review, two to four competencies (see competency model) are considered and the appropriate employee development measures sustainably defined in the development plan. The review is an annual requirement for the first and second management levels internationally, and in Germany for all employees



### *Improvement of personal strengths and building knowledge*

**RENOLIT** strongly promotes the further development of its employees as well as building and strengthening abilities. For this, we offer our employees a comprehensive technical and personal continuing education package on the subjects of management, soft skills, languages, health, specific subjects, etc. In **RENOLIT** continuing education catalogue there are numerous opportunities for continuing education that are offered in house or externally, online, hybrid or in person. Additional online language training, autogeneuous training & stress prevention or individual coaching sessions are also on offer. The selection is continually reviewed and expanded by Corporate People & Organisational Development.

With our first **RENOLIT** continuing education catalogue, we have already included approximately 800 participants among the employees in our broad training sessions. The selection will be expanded to in-house training sessions next year, above all on the subjects of management, soft skills and health. By the introduction of the “Academy” module in our new HR Guide System, we were able to significantly improve the registration and approval process. You can find an overview of all available educational courses in the digital learning world.

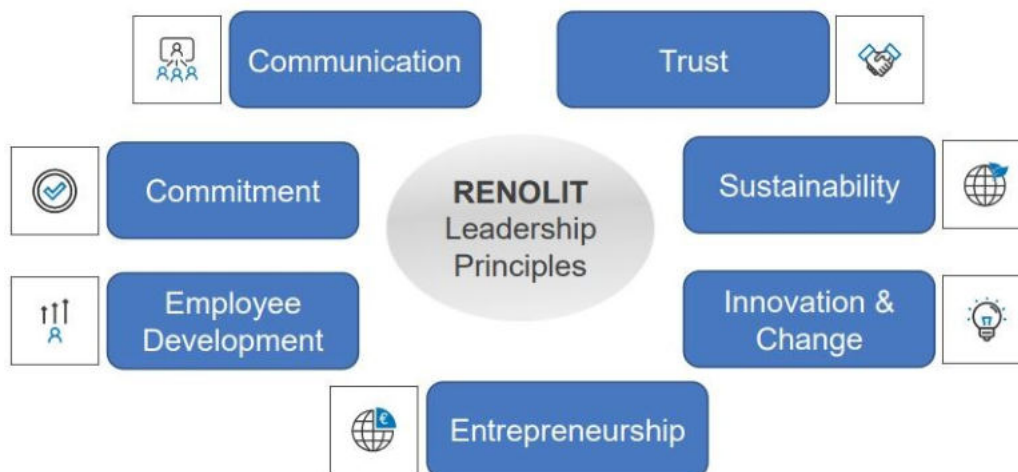
In December 2022 we celebrated the successful conclusion of the management development programme “BEST IN LEAD” with 37 shift managers and 14 team and group leaders from production and logistics at the Worms site. The program starts uniformly in the coming year in Frankenthal, Munich and Waldkraiburg.

And this year's series of lectures “**RENOLIT** meets HdWM\* - Key Notes & Dialogue” showed us that open online formats are received very well on an international level and contribute to networking. Our goal is to offer innovative learning and networking opportunities this year as well.

\*HdWM: Hochschule der Wirtschaft für Management (University of Economics for Management)

### A mutual understanding of management

The management guidelines of the **RENOLIT Group** make it clear that sustainability as a principle of the attitude and actions of our managers is integrated into the management guidelines. **RENOLIT** managers act and lead sustainably in consideration of the environment, society and the long-term goals. This means that we continually develop our service and at the same time want to achieve a positive effect for our employees and society. The **RENOLIT** management guidelines were further anchored in everyday management in workshops in 2022.



The following behaviours exemplify an understanding of sustainable management:

- Take individual responsibility for increasing efficiency
- Create an attractive working environment that makes a healthy work-life balance possible
- Show a high level of understanding for questions of health and safety
- Change something in your scope of influence, such as a habit, to reduce wastefulness
- Recognize how actions affect people and the environment
- Consider which current and future effects your decisions (global) will have on resources, other countries, society, etc.



## Guidelines

In addition, we were able to drive forward the implementation of the Corporate HR Guidelines in 2022 as well as lay important cornerstones for productive cooperation of the HR departments worldwide with the publication of additional HR Guidelines, to offer all employees equal chances and opportunities.

Within the scope of the Strategic HR Review Meetings, started in 2022 and which will continue in 2023, the guidelines for sustainable implementation at the sites were reviewed and any adjustments to local circumstances and current HR topics of the sites discussed. The most important processes that we were able to harmonise last year include onboarding and offboarding of employees. With a uniform onboarding process, we not only ensure that responsibilities are clarified, but also that all employees receive an orientation plan: This makes information about the strategy and organisation of the **RENOLIT Group** and the respective location an obligatory part of the orientation plan and ensures that the message “ONE **RENOLIT**” reaches all the employees. An onboarding video will be added to the process in 2023. To address a special challenge for our Management Level 1 (ML1) positions, the “Recruiting and Onboarding ML1” guideline was implemented last year and the orientation plan revised. It is just as important to support employees that are leaving the company. The “Guideline Offboarding” forms the basis that ensures that all departing employees are offered a leaving meeting.

The international deployments of employees also grew in 2022 and we were able to coordinate secondments using the Corporate HR Guideline Expatriate Management as well as international transfers.

For the first time, uniformly implemented target agreements (according to the Corporate HR Guideline Management Performance System) as well as the newly introduced remuneration adjustment process for the international sites (accordingly to the Corporate HR Guideline Adaptation of Compensation) all created more transparency and international comparability within the **RENOLIT Group**.

## Equal opportunities and diversity

GRI 405-1

Our fair and trustful cooperation and our family-run and international corporate culture have positive effects on our corporate development and power of innovation. We therefore support equal opportunities and diversity, so that every individual can fully develop their personal potential, regardless of gender, age, skin colour, national or ethnic origins, sexual orientation, religious beliefs, disability, ideology or life experience. We have codified this in our Code of Conduct applicable to all employees and managers.



In accordance with our corporate strategy, the promotion of diversity on all levels is an intrinsic goal of our sustainability strategy. By 2025 we would like to achieve a diversity quota of 35.5 percent throughout the company and are proud to say that we have already reached this goal.

These numbers represent two important dimensions of diversity and equal opportunity for us. These are derived from

- the number of women in management positions in the Executive Board and Management Levels 1 and 2 (2022: 20.5 percent) and
- from the number of managers who are not German citizens in the Executive Board and Management Level 1 (2022: 55.1 percent).

The average value of these quotients results in the diversity quota.

	<b>Goal 2025</b>	<b>2021</b>	<b>2022</b>
Diversity Quota	35.5 %	33.7 %	<b>37.8 %</b>

In the following tables you will find additional information on this subject.

<b>Management 2022</b>	<b>ML1 Women</b>	<b>ML1 Men</b>	<b>ML2 Women</b>	<b>ML2 Men</b>	<b>Total</b>
Anzahl	4	41	45	145	235
Prozentual	8.9 %	91.1 %	23.7 %	76.3 %	

**Level 1 and 2 Management: (Germany)**

	<b>2020</b>	<b>2021</b>	<b>2022</b>
Total		115	107
of which men	81 %	83 %	81 %
of which women	19 %	17 %	19 %

**Executive Board:**

	<b>2020</b>	<b>2021</b>	<b>2022</b>
Total	4	4	4
of which men	100 %	100 %	100 %
of which women	-	-	-
< 30 years	-	-	-
30 - 50 years	-	-	-
>= 50 years	100 %	100 %	100 %

**Supervisory Board:**

	<b>2020</b>	<b>2021</b>	<b>2022</b>
Total	6	6	6
of which men	100 %	100 %	100 %
of which women	-	-	-
< 30 years	-	-	-
30 - 50 years	17 %	17 %	17 %
>= 50 years	83 %	83 %	83 %

Even today we integrate people with disabilities into our work processes. Worldwide, last year 2.4 percent of **RENOLIT** employees were disabled. In Germany, the share is greatest at 4.8 percent (5.1 percent in 2021).

## Promoting the health and safety of the employees

Healthy and motivated employees and safe workplaces are of great importance for **RENOLIT** as a manufacturing company. We offer preventative health measures throughout one's entire working life. Our goal is to strive for zero occupational accidents and preventing work-related illnesses.

### **Safe working conditions**

We are continually working on making the existing and new workplaces safe. The basis for this are the legal regulations of the individual countries in which we operate our offices, warehouses, and work and production sites. We have also set internal standards that we are constantly developing. In addition to technical and organisational safety measures, we also take human behaviour into consideration.

### **Organisation of occupational safety - our BBS safety philosophy**

GRI 403-1, 403-4, 403-5

Our occupational safety committees on site consist of plant managers, specialists, works councils, occupational physicians and safety officers, all responsible for the organisation, further development and improvement of occupational safety. Group-wide, in 2022 we had 389 (2021: 444) employees in these committees. Their main task is to discuss accidents and hazardous situations, find solutions in the removal of hazards and to further drive forward our conduct-based safety philosophy "BBS" (Behaviour Based Safety). The BBS method consists of two core components: "Safety Inspections" and "Safety Reviews". Potential improvements are identified through these, and openly communicated and solutions remedial actions realised.

### **BBS as a management system for safety and health**

The BBS approach is expanded with the behaviour-based approach to "Dealing with risks" under the term "BBS+".

The system introduced by **RENOLIT** is based on current scientific knowledge regarding occupational safety, but also on internal methodical experience from practice as well as legal standards such as the Working Conditions Act in Germany.



With the expansion of "BBS+", **RENOLIT** has methodically further developed behaviour-based occupational safety under the term "Dealing with risks". The focus of this additional and new approach is the training of all employees in recognizing hazards and risk assessment, "GuRT" for short. GuRT stands for "Gefahren erkennen und Risiken abschätzen-Training" (Recognizing hazards and risk assessment training). With this method, cooperation and co-responsibility of the employees for occupational safety is reinforced by being able to report hazardous locations, remedying the risk themselves and actively participating in the improvement of our occupational safety. At the end of 2022 more than 2000 employees were trained in "GuRT" at the German sites. To be able to measure this "new" safety work, in 2020 additional safety numbers were introduced, which were continued and expanded to 2022: in addition to the number of reports of so-called "unsafe conditions" and their "ultimate solutions", all accident reports and the measures taken were recorded.

Currently eleven of our 18 production sites take part in the BBS programme (2021: twelve). Thus, the BBS system covers a total of 3.811 employees, 76 percent of the workforce. All the participating locations have implemented the first cornerstone "Safety inspections". The second component, "Safety reviews", has already been implemented at the German sites as well as in England, Italy, Spain, Belgium, USA and China. With this, the "Safety reviews" module is used at 14 sites (2021: twelve). The BBS program addition "BBS+" with the addition of the third component "Dealing with risks" is currently being practised only at the four German sites. If the new component proves to be successful, we want to roll out "GuRT" and its subsequent actions at additional locations outside of Germany.

Various measures were taken to increase occupational safety which were partially codified in general works agreements, group processes or guidelines and which apply to all employees. These included:

- The safety guideline of the **RENOLIT Group**.
- Communication of accidents and safety measures to all employees.
- Communication of safety-related actions and measures via digital media, e.g. the E-learning programme "sam<sup>®</sup>". After Frankenthal, Munich, Thansau, Waldkraiburg, Worms, Cramlington, Villatuerta, Sant Celoni and Buriasco, we extended "sam<sup>®</sup>" to Milan in 2022.
- Uniform guidelines for accident analysis to learn from our mistakes and systematically work through them.
- All employees are encouraged to report dangerous areas or, if possible, to rectify the situation themselves. The reports can also be made digitally via the E-learning programme "sam<sup>®</sup>".
- Introduction of accident teams that assess accidents and derive corrective actions.
- Implementation of the 5S programme at now 15 locations (2021: 15) to create a safe, clean and comprehensive working environment and ensure uninterrupted working processes.
- Employees, customers and suppliers can always submit complaints regarding occupational and health protection via an internal or external ombudsman, anonymously if desired.

## Occupational Injuries

GRI 403-9

In the reporting year we were able to achieve a reduction in the Thousand Man Quota (TMQ = number of reportable occupational accidents per year resulting in missing at least one day of work based on 1000 employees) to 8.4 (2021: 15.8, which represents a TMQ of 11.1 according to the new definition). With the new definition of the TMQ at the beginning of 2022 by the ration calculation of the accidents to the overall number of employees instead of the employees exclusively from the direct sector, the TMQ dropped by about 25 percent. Our group goal for the TMQ, that we want to achieve sustainably at the latest from 2025 has been adjusted to seven (by 2021: ten). With an average of 14.3 missed working days, the time for healing has been further reduced compared to the preceding year (2021: 17.8). The average accident severity can be traced back to two severe accidents with behavioural and technical causes (2021: three). According to the GRI standard, this represents a severe accident with an absence of more than six months; this results in a rate of 0.123 per million hours worked.

### Number of accidents requiring reporting

	2019	2020	2021	2022
Germany	24	22	32	18
The rest of Europe	17	15	19	20
America	4	1	2	2
Asia incl. the rest of the world	2	5	2	2
<b>RENOLIT Group</b>	<b>47</b>	<b>43</b>	<b>55</b>	<b>42</b>

Effective technical measures to reduce our accident quota, especially with regard to possible severe Accidents, is our core concern. These measures include the renovation started in 2022 of our calendar lines E and F at the Munich plant, which will be finished at the beginning of 2023. In the same plant, three old printing machines were decommissioned in 2022 because they posed an assumed risk to the employees due to their age. In this context, we would also like to highlight the technical measures taken in La Porte that served for the safeguarding of three calendar take-offs and four roller mills.

Occupational Injuries	2019	2020	2021	2022
Death	0	0	0	0
Amputation	0	2	0	1
Eye Injuries	2	0	1	0
Broken Bones	5	7	9	7
Burns	2	2	0	1
Lacerations/Cuts/Penetration Wounds/Abrasions	13	10	15	12
Contusions/Bruises/Sprains	23	17	20	12
Other	2	5	2	9

Our safety measures in 2022 ensured that none of the occupational accidents resulted in death. Contusions were the most common type of injury at 28 percent (2021: 23 percent) before lacerations at 26 percent (2021: 32 percent).

Improper behaviour was the most common cause of accidents at 66 percent (2021: 75 percent), followed by organisational causes at 21 percent (2021: nine percent) and technical causes at 13 percent (2021: 17 percent).

### ***Minimising the risk of occupational illnesses and work-related accidents***

GRI 403-2, 403-3, 403-10

When needed and within the framework of our safety committees, there are continual inspections of the workplaces together with our occupational physicians. They serve for the early detection and remedy of possible causes of occupational illnesses. In addition to this, our employees undergo regular medical examinations and depending on workplace, are invited for voluntary examinations. Dangers for illness are above all machine noise (hardness of hearing), carrying heavy loads, unfavourable workplace ergonomics (muscle and skeletal problems) or insufficient or lacking workplace lighting (visual impairment). No illnesses were reported in 2022. On the subject of handling hazardous materials (chemical burns, sensitization, allergies), the trade association BG RCI reported to us two respiratory tract diseases that we could not attribute to the affected workplaces in the calendar division.

High accident risks are found in the film operations above all in the intake gaps of running rollers. At **RENOLIT** we see these especially on calendar and extrusion equipment. In the necessary goods logistics for production sites, floor conveyors, in particular forklifts, are a constant source of hazards. Cranes too pose a specific hazard through the high loads they move. Cuts were frequent through the regular use of knives and sharp objects, but were able to be significantly reduced through the use of safety knives and cut-proof safety gloves. Hazardous materials are an important subject in mixtures, paint production and printing, which we are successfully able to counter through the suitable ventilation technology, the right choice of personal protective equipment and training in correct behaviour and working methods.

Thorough and regular controlled and updated risk assessments are the basis of successful occupational safety. In order to rule out or minimise accidents and occupational illnesses to the greatest degree possible, workplaces are regularly inspected and undergo technical, organisational and ergonomic adjustments to the risk situation. In the last step, **RENOLIT** places operating instructions related to the workplace if there are risks that cannot be completely eliminated, which describe the possible required personal protective equipment and correct behaviour for employees at the workplace. Regular training qualifies our employees and thus become a part of our safety philosophy just as the frequent inspections and discussions with the employees (see the section on Organisation of occupational safety - our BBS safety philosophy).

Accidents are for us a weak point of the workplace or work process, that we address through corrective actions. We want to learn from accidents, which is why we report group-wide on them and encourage the affected and comparable workplaces to discuss and take corrective action.

In addition to regular inspections, accident communication and regular health meetings, measurements are made at all production sites regarding noise, lighting levels or hazardous materials. Measurements are usually done when needed, such as after renovations, the installation of new equipment and procedures or the introduction of new materials (Change Management), followed by event-driven risk assessment and possibly required corrective actions.

As described above, the training of all employees in recognizing possible risks and risk assessment (GuRT) is the new component of our safety philosophy. The training, started in 2022, is continued with focused instructional topics such as "Roller intake simulator" or "Transport safety".

### **Promoting the health of our employees**

GRI 403-6

Healthy, motivated and effective employees are a decisive factor in the success of **RENOLIT**. We want to make our contribution at the various sites so that our employees retain and promote their health over their entire working lives.



### *Corporate health management*

A significant component in this is the corporate health management (CHM), which is coordinated by the department of Occupational and health protection at the Worms location. In addition, at the Worms site there is a CHM steering group that is made up of plant management, the HR department and the works council as well as a CHM team with ten employees from production and administration that realise CHM projects in addition to their regular jobs.

We offer several courses and activities at the various sites, including:

- Keeping and maintaining a bonus book at the locations in Worms and Frankenthal to motivate participation in health-promoting measures with four components: Promoting movement, nutrition, medical care and mental health
- Offerings of ergonomics training or stop-smoking courses as well as company fitness cooperation with gyms including a subsidy
- “Mental Well-being” programme in Cramlington (UK) for employees struggling with psychological stress
- Preventive physical therapy courses for office workers at **RENOLIT** Iberica
- COVID vaccinations at the German locations
- Employees can easily have service bicycles deducted from their salaries, including the tax advantages. A total of 369 employees (2021: 289) are currently taking advantage of this offer with 527 leased bikes (2021: 418).
- In Germany: Offering the component “Disability preventative care” within the framework of the social services. All employees receive basic protection financed by **RENOLIT** and have the opportunity to stock this up.
- Communal sports activities, such as participation in the Nibelungen Run.
- Creation of a garden for the employees at **RENOLIT** Cramlington. Communal planting and creation of seating.
- Realization of the “Month(s) of Mental Health” in 2022
- Support in the conclusion of the collective agreement on addiction: From January 2023, our German employees will be offered help through the **RENOLIT** advice hotline in all life situations and thus have the possibility of discussing personal challenges confidentially with professional contacts.



## Future-oriented projects in human resources

### HR Digitization project 2021+

In January 2022, we were able to implement the centralisation of the payroll via “SSC Payroll Germany” in Worms. Additional important steps within the framework of the digitization strategy were:

- the harmonisation of the human resources cost planning in Germany
- the introduction of the digital locker for electronic pay slips
- the relaunch of the international HR reporting including the introduction of the system-based analysis

Simultaneously, some challenges needed to be addressed: Our ECP system for payroll is one of the newest systems on the market and for this reason still not tried and tested on the market. We specifically decided to introduce a system that would support the future of payroll - even if this meant having to tackle recurring system-technical challenges.

And the numerous changes due to legal changes (including energy price flat rates, retroactive adjustment of the income tax tables, increasing the night shift supplement, standard single payments, etc.) were real challenges for us, and with good teamwork we were able to conquer these hurdles.

With the representation of the international organisational structure in our SAP system and the management of the international master data of Management Levels 1 and 2 (ML1/2) and their employees, important first steps were made on the path to our global HR Guide System.

The year 2023 will involve many exciting subjects such as the harmonisation of time management in Germany or the beginning of the global rollout of SAP SF EC and the transfer of data management to the sites. Also the implementation of additional EC (Employee Central) processes for the automation of paper-based work processes and the digitization of additional payroll documents for the electronic locker will be significant steps on the roadmap toward digitization and reduction of paper resources.

## Social commitment

### We live social responsibility

As a family-run, international company we consider ourselves responsible not only for our employees, but also for society in general. **RENOLIT** is committed to education, science, social affairs and culture wherever we are active. The sites make decisions about making donations together with the management. The donation and sponsoring guidelines introduced in January 2021 serve as an orientation for this.

We significantly increased our donation volumes in 2022. The amount of our grants was significantly reduced compared to the previous year, because the grants in Germany were no longer provided in the reporting year:

- Grants in the amount of 145,984 for social projects (2021: 118,662 Euros)
- Sponsoring in the amount of approximately 18,700 Euros (2021: 18,900 Euros)
- Provision of grants in the amount of 6,752 Euros (2021: 29,986 Euros)

An excerpt of our social commitments at the various locations:

- Cooperation between the American **RENOLIT** Corporation and La Porte High School:

Support of the teachers in the equipment of the classrooms.

- Leave to participate in examination committees:

**RENOLIT SE** supports the voluntary commitments of employees to participate in examination committees and thus the contribution to education. The employees are granted leave for this.

- "Wish List" campaign:

Participation in the "Wish List" campaign of the St. Anna Foundation in Ludwigshafen. The wishes of 50 children from the orphanage were able to be fulfilled through personal donations from the various German plants.

- Group-wide Christmas donation campaign:
  - Participation in the world's largest gift campaign for Children in Need "Operation Christmas Child" with the campaign of the Christian association "Christmas in a Shoebox"
  - **RENOLIT SE** Worms donates to the "Demenzlotse" dementia project, Malteser Hilfsdienst e.V. Worms (emergency services) and sponsors paediatric ventilators for the Worms Hospital.
  - **RENOLIT SE** Frankenthal donates to the Frankenthaler Table (Malteser Hilfsdienst) and to Street Doc (Ökumenische Fördergemeinschaft Ludwigshafen GmbH, (the Ecumenical Promotional Society)).
  - **RENOLIT Iberica S.A.** donates to the Sant Celoni Red Cross and the municipality of Sant Celoni
  - **RENOLIT Chile SPA** donates to the Proyecto del Colegio Pastoral
  - **RENOLIT Italia S.r.l.** donates to the project "My perfect mistake"

Support of "The Peoples Kitchen" by the employees of **RENOLIT** Cramlington: Donations of food, clothing, books and hygiene articles as well as a monetary donation of 1,000€.





- **Donations for the victims of the war in Ukraine:** **RENOLIT** donates 100,000 € to “Kunststoff hilft: a donation campaign for Ukraine”. The donation campaign bundles the individual donations of the industry as a communal campaign of the German plastics industry and is involved in the “Aktion Deutschland Hilft”, a federation of German aid organisations that has been dedicated to the affected people in catastrophe areas since 2001.

### Dedication within the framework of Earth Days 2022 and regarding our ecological responsibility

April 22 is “International Mother Earth Day”, “Earth Day” for short, around the world. This day is dedicated to the conscious and responsible treatment of resources that we have on our unique planet. This day involves numerous campaigns around the world. Through concrete and visible projects such as planting trees, we want to make people aware of this subject and show how everyone can make an important contribution. Much attention was paid to the various campaigns, both by those directly involved and by many interested parties who we make aware of the subject via social media or with exhibitions. The activities organised included the following:



**American RENOLIT Corporation, LA:** Employees planting trees



**RENOLIT Guangzhou Ltd.:** Employees planted a garden in front of the cafeteria, and sustainable menus were offered in the cafeteria



**RENOLIT Italia S.r.L.:** Adoption and planting of trees



**American RENOLIT Corporation, La Porte:** Waste collection on site, Earth Day, Bingo for kids, a tree was planted in the community



**RENOLIT SE, Worms:** Planting of a flower garden, exhibition in front of the cafeteria, sustainable menus in the cafeteria



**RENOLIT SE, Waldkraiburg:** Construction of an insect hotel and planting trees



#### Training on sustainability - Villatuerta school project:

The school of Villatuerta and **RENOLIT Hispania** work in the area of environmental protection and together promote responsible handling of plastics. At the meeting in the school and in the factory, led by Maria Jose Garcia Fernandez from the Spanish **RENOLIT** location in Villatuerta, school children were able to learn about the uses of plastics in various industries and about environmental concepts such as the circular economy. The goal was to make a contribution to a more positive view of plastics in society. The internal part of the campaign at **RENOLIT Hispania** was concluded with a presentation on sustainability by Jennifer Che, sustainability manager of **RENOLIT Ibérica**

## PLANET

We as a group very well know our responsibility to the planet and do everything we can to use natural resources responsibly and sustainably. Due to our business activities as a production company, we use natural resources and there are emissions, greenhouse gasses, waste water and waste created. At the same time, we are affected by climate change in various ways: Heavy rainfall, shortages of water and resources, storms and heat waves all have an influence on our global sites with the buildings, production and the deliveries of raw materials and products.

In our operational environmental management, we must reduce negative environmental effects and make a measurable contribution to environmental and climate protection. We are continually working on increasing the energy efficiency and an efficient use of resources. One of the most important steps in this is the establishment of a circular economy with our initiative **RENOLIT Goes Circular**.

Significant aspects in our sustainability strategy in the Planet area are:

- Circular economy
- Resources
- Environmental Protection
- Climate Protection

We have set the following goals for the scope of Planet:

	Goal 2025	2021	2022	Comment
Recycling of the Reduction materials in the group	100 %	60.5 %	58.4 %	regular review of the sites and products (see also pages 41+42).
Recycling and reusability of the plastic materials in our packaging	100 %			Additional assessment of the actual situation in 2023: Inclusion of all plastic parts in the packaging used*
Use of raw materials of non-fossil origins	3 %	4 %	5 %	Target already reached, there is continual work on the use of increasing plastic additives from non-fossil raw materials.
Percent of recycled materials or renewable raw materials used in our plastic packaging	50 %			Implementation can only occur after determination of the actual situation
Customer projects in which the materials return is done within the <b>RENOLIT</b> material flow	10	2	2	First clarification of varietal purity at the customer
Increase of energy efficiency compared to the base year 2020 by	5 %	5.9 %	3.2 %	The somewhat worse compared to 2021 Efficiency (production capacity), however continued minimisation compared to 2020.

Reduction of CO<sub>2</sub> emissions in  
the group compared to 2010  
by

25 %

29% **26.1 %**

Analogous to improved energy efficiency,  
the specific CO<sub>2</sub> was also reduced.  
Calculation with new or adjusted. Target  
already reached, further minimisation to  
achieve the long-term goals yet to be set is  
required.

“The number of different packaging materials requires an intensive determination of the actual situation on the assessment of recycling or multi-use capabilities. Our site in Enkhuizen has already achieved considerable success regarding this and was able to increase the share of multi-use packaging successively from approximately 28,000 in 2021 to approximately 39,000 in 2022. In 2023 there have already been 20,000 units up to and including April. 3 large health care customers are currently integrated into this packaging flow process.

## Organisation of the operational environmental protection

### Corporate environmental protection

GRI 2-27

In order to meet the complex challenges of our ecological responsibility, our group-wide environmental standard defines minimum requirements in the area of environmental management. This applies worldwide to all **RENOLIT** plants. The department of Corporate Environmental Affairs is responsible for the central steering. In addition, at all production sites, persons responsible for the various environmental themes have been defined. Environmental protection is promoted via four different approaches:

1. Implementation and control of the authority specifications and limit values
2. (Re-)certification of recognised standards such as ISO 14001 or EMAS.
3. Internal environmental reports based on the environmental standards and
4. internal audits by the internal revisions

In order to improve the flow of information, we have included elements of the internal environmental standard in the audit criteria for the audits of the internal revisions.

#### 1. Authority specifications and controls:

Our sites are continually monitored by the authorities who support us in the implementation of legal regulations and in updating present approvals. The national authorities of the current sites found no or only marginal violations in their audit in 2022.

#### 2. (Re-)Certifications:

Ten of our sites are certified pursuant to the internationally recognized standards ISO 14001 and one site (Sant Celoni in Spain) is certified under EMAS. In the annual audit, internally as well as externally by well-respected auditing bodies such as the TÜV, Bureau Veritas and Lloyd's, all plants were able to show that their management systems meet the requirements of the standards and are based on a functioning continual improvement process.

All sites are involved in the introduction of the OCS (Operation Clean Sweep®) Initiative started in 2020 with the goal of reduction of primary microplastics. This certification scheme from the associations EuPC (European Plastic Converters) and PE (Plastica Europe) was presented to all sites with the request for implementation. Our goal is that all the participating sites will be certified after successful introduction.



### 3. Internal environmental report

Each production site is obligated to create an annual standardised environmental report that explains the potential environmental risks and measures for minimising them. At the same time, the comparability of the data is ensured. The environmental reports of the production sites show that the diversity and complexity of environmental themes and regulations are part of the central challenges of our environmental management system. An excerpt of the various themes of last year has been put together as follows:

Thus, for example, the Guangzhou site (CN) reports water savings through the sealing of leaks, using new online monitoring regarding the VOC emissions (Volatile Organic Compounds) and projects for internal dust reduction and limit value reductions of the exhaust regarding NO<sub>x</sub>.

In Munich (DE), new more defined limit values apply to the discharge of waste water, where technical measures had to be taken to maintain these. The implementation of the measures is continuing.

The sites in Waldkraiburg, Worms and Frankenthal (DE) were faced with special challenges - through changes in the legal regulations in the emissions and imissions sector, all plants had to come up with technical solutions to adhere to the tightened exhaust limit values in the production plants, a very challenging technical task.

Villatuerta (ES) reports legal requirements on energy savings, the use of renewable energies, e-mobility and a plastics tax on packaging material, combating this with a decisive avoidance plan.

In Buriasco (IT), the asbestos removal of the roof was integrated into the concept of a PV system.

The noise problem was able to be concluded without further measures in cooperation with the authorities.

Savings with regard to waste volume were reported by Milan (IT) in addition to an improvement in waste separation. In addition, today 85% of the energy consumers have been mapped and good energy efficiency proven. By installing coalescence filters in production, future odours in the environment can be avoided.

### 4. Internal audits

In regular audits, our internal auditors also review the adherence to the specifications listed under 1-3 and additional site-specific goals. In the results, the audits are consistent with the previous authority inspections - no site has significantly violated national environmental law. After the analysis of all reports there were only a few neighbourhood complaints of noise and odours in the reporting period. In addition, there were neither significant complaints about our environmental conduct nor significant events relevant to the environment. Naturally we conscientiously follow up on all complaints, identify causes and take the necessary actions if necessary.



### **Environmental risks and related measures**

In the event of known environmental risks, the authorities are informed immediately and appropriate measures to remove them are successively implemented. The following sites have historically-caused ground contamination or limit values exceeded: Cramlington, La Porte, Milan, Buriasco, Commerce, Thansau, Munich, Worms, Enkhuizen and Chevigny. All sites are monitored by the authorities and then rehabilitated or have taken rehabilitation measures. Concrete examples of these are: At the site in Thansau, retesting of the soil has been started, the results of which serve for the coordination of the rehabilitation measures with the authorities. After the official closure of the sampling locations to monitor soil quality at the La Porte site, no further measures for rehabilitation sanctioned by the authorities need to be taken. Only in new and renovated structures are moisture barriers to be installed under ground level so that no damp gets into the building. In addition, the soil quality must be examined during disposal and the site remains locked for residential construction.

In addition, at the site in Chevigny we have started a pilot project for biological decontamination. Here, we are testing to try to degrade chlorinated hydrocarbons in the soil biologically. Because the method was not successful, the measure was not continued. Two additional measurement probes were required by the authorities for controls, to continue to monitor the status of the soil contamination. In Worms, the authorities ordered a historical exploration of the site, which was started in 2022.

## Climate protection measures

### **Energy and emissions**

The energy consumption and the associated production of CO<sub>2</sub> emissions is one of the crucial factors that we have in the area of climate protection. Only through the significant reduction of the CO<sub>2</sub> production can the climate change be limited - an important issue for us in our responsibility toward people and nature. At the same time, the rising energy costs (from higher energy prices or other fees) also represent an economic risk.

For **RENOLIT**, energy efficiency and preventing emissions are therefore of high ecological and economic relevance.

In 2021 we were able to reduce our CO<sub>2</sub> emissions by 25% compared to the base year 2010. We are striving for further reduction and are currently working on setting our middle and long-term goals.

### **Energy idea campaign:**

We performed the idea campaign for energy savings over the last year together with the innovation team, with great participation and numerous valuable ideas. You will find additional information on the over 150 ideas in the chapter "Creating the future with innovations".

### **Energy measures**

GRI 302-1, 302-3

Alle deutschen Standorte und Cramlington (UK) sind nach einem Energiemanagementsystem DIN ISO 50001 zertifiziert.

The conscious and careful use of energy is a huge topic in daily business. Within the framework of our global energy policy, we are pursuing the goal of realizing all energy measures sensible from environmental viewpoints as well as economically.

Energy management systems provide support by ensuring a high degree of transparency in energy consumption: Both for planning as well as review of the efficacy of measures taken.

To control energy management and the efficiency of the measures and savings, we analyse the absolute energy consumption of the sites in addition to the specific energy consumption per kilogram of produced ready-for-sale films. This provides for a valid comparison over multiple years of the relative energy use in production.

Electricity and natural gas are needed above all for the production process. Electricity is primarily used for the drives of the machinery and to generate cold for process media. Natural gas, and to a lesser degree also heating oil are used to create steam and to heat thermal oil as a convector fluid for the roller technologies. Electrical power and fossil fuels are used to about equal degrees.

The plants themselves with their energy management officers are responsible for the implementation of the **RENOLIT** energy goals and measures; the coordination is done by the central unit Corporate Environmental Affairs.

Absolute energy consumption in MWh			Specific energy consumption (energy intensity)* in MWh/day		
2020	2021	2022	2020	2021	2022
544,652	588,263	539,528	2.3	2.2	2.2
Change	+ 8.0 %	- 8.3 %	Veränderung	- 5.9 %	+ 2.9 %
*= absolute energy consumption in relation to production goods quantities					

The absolute energy consumption of our sites was reduced by 8.3 percent in 2022 compared to 2021. This is due to the reduction in production tonnage.

We were not able to reduce the relative energy use compared to the preceding year. In this we were 2.9 percent less efficient, also caused by the sub-optimal use of our production plants. If we compare the relative energy use in 2022 with 2020, we were able to increase efficiency by 3.2 percent.

### Investments to increase energy efficiency

In total approximately 3 million Euros has been invested in the improvement of energy efficiency at the sites in Buriasco, La Porte, Commerce, Beijing, Villatuerta, Munich, Frankenthal and Worms. At the site in Buriasco, the supply of production with heating energy has been optimized in addition to the lighting. In Enkhuizen, phases one and two of a new energy concept with decentralized heat production without the use of gas as an energy source have been implemented. The plant is using heat pumps as the core technology of the new concept, which is successively being rolled out. Both of our plants in the USA have invested in new hot water production and in a modern cooling unit in addition to new transformers and controls. Munich invested in systems to measure energy consumption, a new transformer station and modernised the cooling water system. In Worms, there was investment in the cold production and a pressurized air compressor, a transformer station was renewed, the adiabatic cooling expanded and a full flow filter acquired for cooling water. A boiler was set to heating cartridges, which is necessary due to the energy crisis, but which can also contribute to CO<sub>2</sub> reductions in the future if it is connected to, for example, PV or wind power systems. In Frankenthal, the central compressed air system was modified and switched to modern technologies, Villatuerta installed modules for adiabatic cooling of the hall air and replaced old heat exchangers with new more efficient ones. Regarding alternative energy sources, our plants in the healthcare sector in Beijing are also making strides forward, where a photovoltaic system was installed within the framework of the construction of the new hall.

With these and additional measures, approximately 1,300 MWh of electrical energy was saved at the sites of Buriasco, Villatuerta and Beijing.

In addition, within the framework of maintenance work, outdated technology was replaced with new, the lighting and air conditioning constantly optimised and employees trained and sensitised to operate their processes using optimal energy. Notable savings were achieved in Cramlington, Enkhuizen and Guangzhou.

Fuel consumption within the organisation	2020	2021	2022
from non-renewable resources	280,056 MWh	300,986 MWh	275,126 MWh

We produced energy ourselves, e.g. in Worms using a gas turbine, that provided production with 14,244 MWh in 2022. In addition, we gain energy industrial areas, e.g. from neighbouring companies in the form of hot steam and hot water. Thus, we were able to source 9,856 MWh from hot steam in Cramlington and 1966 MWh at our site in Beijing. 2,252 MWh were able to be sourced in Chevigny in the form of hot water.

## A view of the future of our energy recovery and consumption

**RENOLIT** concentrates on the acquisition of energy-saving components when repairing equipment or investing in replacements. New investments are already investigated in the planning and design regarding the expected energy consumption. The process itself is also constantly being checked to be able to use as many potentials as possible for improvement and new, innovative alternatives.

A group of employees from various departments looked at considering alternative energies and to formulate targets in 2021. In the interim, concepts for their realisation have already been worked out. The following target images have been developed for the coming years:

- Use of 2 MW hydrogen turbines for own production of steam and electricity.
- Use of wind generators at the pilot site in Worms, to independent from energy purchasing with 10-15 MW.
- All suitable roofs are equipped with up to 30 percent PV units.
- Parking areas with PV charging stations for all e-vehicles in the fleet and of the employees are present.

We will report on the targets and concepts in the next sustainability reports. Because **RENOLIT** had to switch the German plants to alternatives in 2022 due to the predicted gas shortage, the implementation of the aforementioned goals has been delayed, but, where possible, already followed. Thus, mainly the boilers for steam production were switched from natural gas to oil, or as one boiler in Worms, equipped with heating cartridges. The advantage of switching to heating cartridges is the future supply with alternative energies such as photovoltaic (PV) or wind power.

Concepts offered for PV systems are present for Munich, Waldkraiburg, Worms, Cramlington, Villatuerta and Buriasco. In Worms, part of the parking area has already been equipped with PV charging stations for the service vehicles. This should be complete by the middle of 2023.

## Greenhouse gas emissions

GRI 305-1, 305-2, 305-4

**RENOLIT** wants to make an active contribution to climate and environmental protection and thus also reduce greenhouse gas emissions. Because here there is an immediate dependency on the use of energy, the energy efficiency measures described and the transition to renewable energies has a direct effect on greenhouse gas emissions. We are orienting ourselves in this to the international standard of the Greenhouse Gas Protocol (GHG) in which the determination of emissions and the division into three different scopes is described. Other greenhouse gasses that damage the environment, such as methane and nitrous oxide, are recalculated into CO<sub>2</sub> equivalents in this approach but are not present at **RENOLIT**.

By 2025, we want to reduce our direct (scope 1) and indirect (scope 2) emissions by 25 percent compared to the year 2010. Direct CO<sub>2</sub> emissions include all emissions that we are responsible for as a company, such as from the combustion of fossil fuels to produce process heat. The fleet is not currently included in this. Indirect CO<sub>2</sub> emissions according to scope 2 includes all emissions from purchased energy, including related to electrical power from power plant operators.

Under scope 3 fall, according to the GHG, all indirect emissions within the value-added chain that are related to the company's own value creation, but which cannot be immediately influenced, such as driving or business trips of the employees, goods logistics of raw and finished goods or waste removal. This area is currently not considered in our goals.

In order to have more exact data capture and more detailed statements on the determination of potential improvements, we have optimized the CO<sub>2</sub> calculations in the reporting period from the year 2020 and adapted to a site-specific analysis.

**RENOLIT** has internal databases to which the plants regularly upload their data. CO<sub>2</sub> factors are entered site-specific. The factors originate from the calculations of the energy provider or are requested specifically from the provider. Here we would like to point out that depending on the site these may be the estimated values from the supplier for indirect emissions, because the actual values are retroactively published and the reporting deadlines may vary depending on country. Any subsequent correction is done within the framework of the next report as soon as the reported factors are final. This only affects the indirect emissions (scope 2), the factors for direct emissions (scope 1) remain the same. For better comparability with the preceding year, we therefore use the same values and have noted these in the following table with the term "corrected".

The values listed are the total values for all **RENOLIT** sites worldwide.

<b>Direct (scope 1) of CO<sub>2</sub> emissions in t</b>		
2020 = Base year	51,070	Base year
2021	54,887	+ 7.5 %
<b>2022</b>	<b>50,102</b>	<b>- 8.7 %</b>
<b>Indirect (scope 2) of CO<sub>2</sub> emissions in t</b>		
2020 = Base year (corrected)	111,516	Base year
2021 (nachkorrigiert)	110,339	- 1.1 %
<b>2022</b>	<b>102,406</b>	<b>- 7.2 %</b>
<b>Total (scope 1 + 2) of CO<sub>2</sub> emissions in t</b>		
2020 = Base year (corrected)	162,586	Base year
2021 (corrected)	165,225	+ 1.6 %
<b>2022</b>	<b>152,508</b>	<b>- 7,7 %</b>
<b>Specific CO<sub>2</sub> emissions (scope 1 + 2) in t/t product (emission intensity)</b>		
2020 = Base year (corrected)	0,69	Base year
2021 (corrected)	0,61	- 11.6 %
<b>2022</b>	<b>0,63</b>	<b>+ 3.3 %</b>

\*Emission intensity = emissions in relation to tonnes of production goods

Comparison with the preceding year, we book a reduction of the overall CO<sub>2</sub> emissions of 7.7 percent. The direct CO<sub>2</sub> emissions have fallen by 8.7 percent and direct emissions by 7.2 percent. The specific CO<sub>2</sub> emissions, however, being the CO<sub>2</sub> emissions per tonne of production goods, rose comparison with the preceding year by 3.3 percent, but compared to the base year 2020 significantly by 8.7 percent due to the previously mentioned effect of quantity.

The aforementioned chapter describes the “Corporate Carbon Footprint” (CCF) of the **RENOLIT Group**. The calculation shows how much greenhouse gas **RENOLIT** creates and which areas are emission-intensive. On this basis, reduction goals can be made within the scope of a climate protection plan. As already mentioned, to date no scope 3 emissions have been included, but the preparations for this are already under way.

### ***CO<sub>2</sub> Product footprint***

To determine the “Product Carbon Footprint” (PCF) of our products we started in 2022 with the calculation within the framework of a “Life Cycle Assessment” (LCA). This method involves an eco-balance on product level with a focus on the specially caused greenhouse gas emissions. PCF calculations capture the CO<sub>2</sub> emissions of a product in the individual phases of the product life cycle. They provide information on which influence product design or individual content and raw materials have on the reduction of emissions and which goals can be derived from this. To test the process of calculation, we have selected five articles for which we build the calculations models with external support and bring together the required process data. The middle-term goal should be to cover all business units with one model and from this be able to calculate the footprints of all articles. This standardized method also serves the purpose of being able to compare various articles and sites. The results for the selected articles are expected by the middle of 2023.

### ***Additional emissions***

Using softeners, stabilisers, printing ink and solvents, production creates emissions which **RENOLIT** is constantly working on reducing. Depending on process, various methods are needed to treat the exhaust air. This way, mechanical and electrostatic filters are used on the calender and extruder equipment, in some cases in combination with active charcoal, while the exhaust air containing solvents from the printing area is cleaned with regenerative combustion units with energy recovery. In addition, solvent based paints are successively replaced by water-based paints, which also contributes to the reduction of emissions.

We always work on low emissions raw materials to successively reduce the emissions of organic bonds in the calendar division, measured as “Total C” (Ctot.). An improve stabiliser is already being successfully used in series production.

## Recycling & Waste

GRI 306-1, 306-2

**RENOLIT** has made a great commitment to the circular economy since 2021. Within production, we regularly have scrap and remainders that are unavoidable and have environmental risks. In order to minimise these and to reduce the global ecological footprint, a significant aspect of reducing remainders and/or put them back into production. The control of the circular economy has settled in the department **RENOLIT Goes Circular (RGC)** in the central area of Corporate Sustainability. For coordination, responsible parties have been named at all sites. Various production remnants are created within **RENOLIT**, which are collected by type of polymer and sorted. This includes above all PVC, PVC/PMMA bonds, PP, PE as well as PET. In addition, we sort our scrap using their main recipe components. These scrap materials occur in various forms: During the production, above all as rolled goods and loose film material, but also dusts, mixture remnants and plasticized materials of various shapes and sizes. Individual suitable recycling methods must be selected for all these scrap groups. The focus here is on mechanical recycling. For materials that cannot be recycled due to their components or structure, **RENOLIT Goes Circular** works on developing suitable separation or extraction methods to make these materials recyclable again. Through this we prevent resources being end up in waste incineration plants or being destroyed as replacement fuel in cement works.



**RENOLIT** records the aforementioned scrap for each plant on a monthly basis. In this, the scrap groups are divided up and their use further broken down. These numbers serve for the calculation of certain KPIs such as scrap rate, recycling rate and the sale of remnants. These KPIs are part of the annual target agreements with all plants. In order to achieve continual improvement, concrete measures are derived every year from these indicators and implemented.

**RENOLIT Goes Circular (RGC)** works on various projects to close the scrap circuit within the **RENOLIT Group**. The exact identification of the scrap streams plays a particular role in this. This means that we need to know the exact path (traceability) and the composition (formulation) of these scrap streams. These elements help us to select suitable technologies to improve the recyclability of all **RENOLIT** products.

An additional important element for RGC can be summarized under the name “Design for Recycling”. In this, all products are reviewed for their ability to be recycled and possibility of adding recycled materials and, if necessary, the formulation changed. The first can be done by a reduction in the complexity of the structure of the film and the latter through the harmonisation of the various formulations. But even new products are developed during this that have the highest possible content of recycled material.

As an additional point, RGC assumes the steering function of the various scrap flows to use these in other plants or for use in certain products. This requires a clean separation of the materials according to certain characteristics using certain types of recycling processes and their subsequent distribution to various **RENOLIT** sites. One example of these functions is found at the **RENOLIT Hispania SA** site in Villatuerta, where a cooling tower film with a high recycled material content is being developed.

For this, suitable materials from other sites are identified and sent to the site. If this is not possible, to use these scrap materials for internal use at **RENOLIT**, **RENOLIT** strives to recycle these into product with external customers. For this new sales path, **RENOLIT** has established the Joint Venture KAS (Kunststoff-aufbereitung (Plastics Processing) Bad Sobernheim GmbH) with SRK (Sobernheimer Rohstoff Kontor GmbH). Through this, it is possible for **RENOLIT** to ensure the use of our scrap materials that cannot be processed internally and thus simultaneously make a significant contribution to a circular economy.



(from left to right): Sven Behrendt (Executive Board **RENOLIT**), Christian Krönig (SRK), Arndt Ehrlich (**RENOLIT**), Gerald Reinisch (**RENOLIT**) after the contract signing on the establishment of KAS GmbH.

## Our waste volumes:

GRI 306-3

In addition to the aforementioned plastic scrap, which we consider explicitly within the framework of the RGC unit (**RENOLIT** Goes Circular) we also intensively follow the development of waste originating from material components and the production environment. These include erroneous mixtures, raw material and additive residues, exhaust condensate, waste from consumables and operating resources as well as normal industrial waste and construction waste. We differentiate between innocuous and hazardous waste recovery and removal. According to the national legal specifications, these are recorded and balanced. **RENOLIT** sends about 95 percent of the total waste volume for recycling and about 5 percent for disposal. Because the tonnages reported by the production plants are subject to different national waste regulations and definitions, the aforementioned estimation and subsequent quantities are to be seen as approximate values. Because construction waste may not be continuous and could falsify the comparison to the preceding year and to the sites, this was not considered. Because here the innocuous waste was not assessed in previous years, the innocuous waste is calculated and rounded.

For the year 2022, the volume of our plastic scrap was able to be reduced by 2933 tonnes to 34,438 tonnes. This represents an improvement of 7.8 compared to the previous year. On the one hand, this can be traced back to our lower production quantities, but also to the continual improvements that have been being implemented at the sites. Thus, we were able to reduce the absolute waste volume to under the quantity of 2020, even though there was a higher production performance than 2020.





	<b>Goal 2025</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Total waste in t</b>		38.428	40.556	<b>37.500</b>
Plastic Scrap		35.231	37.367	<b>34.438</b>
Hazardous waste		1.597	1.589	<b>1.524</b>
Innocuous waste		1.600	1.600	<b>1.500</b>
<b>Total volume (=plastics) in t</b>		35.231	37.371	<b>34.438</b>
in % of production volume	10,8 %	13,3 %	12,2 %	<b>12,6 %</b>
<b>Sold volume absolute in t</b>		16.530	17.207	<b>14.264</b>
in % of GSV		46,9 %	46,0 %	<b>41,4 %</b>
<b>Recycling quantity in t</b>		19.710	25.204	<b>22.252</b>
Relative incorporation quota (compared to the scrap volume)		49,1 %	60,5 %	<b>58,4 %</b>

Our absolute scrap volume was 34,438 tonnes in 2022. Because this production volume was 27,115 tonnes less (-10.1 percent), the relative scrap volume of 12.2 percent in 2021 increased to 12.6 percent in 2022. If one looks at the long-term trend over multiple years, one can say that achieving the goal of 10.8 percent by 2025 appears realistic. In order to link to the success of previous years, we are continuing to look for potential improvements and implement them in various plants.

The recycling share in 2022 was, at 22,252 tonnes, 2,952 tonnes (-11.7 percent) lower than in 2021. The relative incorporation quota has also reduced in relation to the volume of scrap from 60.5 percent (2021) to 58.4 percent (2022), so by 3.5 percent compared to the previous year. This is the result of the focussing of strong recycling sites on markets with products with a lower share of recycled materials. Additionally, the lower production output of these sites had a lower incorporation of recycled material as a result.

The scrap not able to be recycled in the group was able to be used outside the group with the help of our Joint Venture KAS GmbH. This led to us being able to achieve a strong reduction of the sold scrap materials of 2,943 tonnes (17.1 percent). Our goal is to incorporate these scrap materials into our existing article programme over the long term through adjustments to the formulations and clean separation of these scrap materials.

In 2022, around 0.75 million Euros was invested in our recycling activities. The focus here is mainly on process improvements and expansion of capacity within the recycling process. In the coming year, we will work intensively on the identification and resulting collection and registration of our scrap materials. This includes the exact representation of the scrap material streams within our IT landscape, finer collection and separation criteria and specifications of our scrap materials. This enables us to achieve higher recycling quotas in the future and to find new applications for our scrap materials and recycled material. In addition, our focus will be on the additional development for the separation of PVC and PMMA, the extraction technology to remove softeners and additional components of the formulation. But the expansion of the systems engineering technology will also be an important part of our future work.

There will continue to be further development of known products in the divisions of Interior Surfaces, Protect and Visual Communication, to consistently increase our recycling integration quota. Moreover, product ideas from markets still unknown to us were able to be integrated over the course of the last year. After a feasibility study confirmed the ability to implement these ideas, we can move into the development phase in 2023.

#### **Communication of the approach RENOLIT Goes Circular:**

During 2022, RGC and the sustainability team performed training sessions for trainees at the Worms site. Here, content on sustainability, the goals for sustainable development, recycling in general but also regarding **RENOLIT** activities were explained in more detail. We also emphasized not just providing our trainees with information, but to get them actively involved. It is important to listen to our young employees and to involve them in our improvement process.



In addition, they are involved in the most varied positions in the company and credibly contribute to the theme as a young generation in every department. Therefore, these training sessions will be offered in the future for every additional training year. This contributes to every employee being sensitised to the subject of sustainability and can actively contribute to making our company more sustainable.

In addition, we've been able to expand our internet presence and drive forward various projects in the area of social media. With this, we want to further emphasize the significance of the subject of sustainability and the circular economy. You can find more on the subject using the following link: [circularity.renolit.com](https://circularity.renolit.com)

#### **Dedication to the circular economy in the Vinyl Plus programme:**

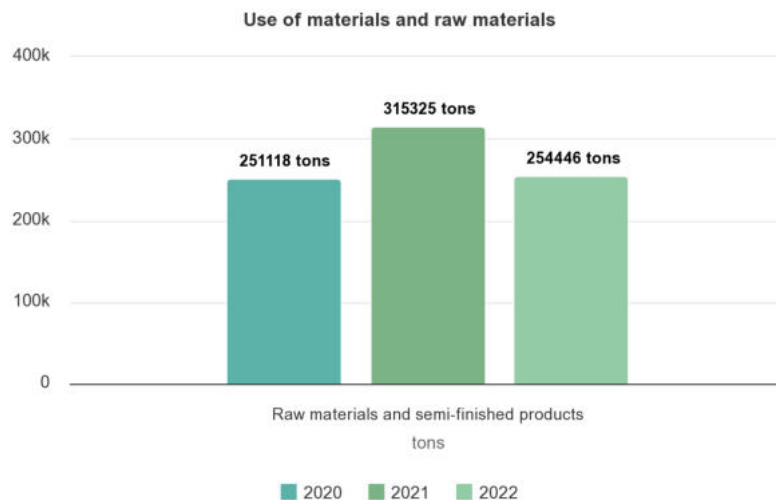
In addition to the internal company recycling activities, the **RENOLIT Group** is also active in the sustainability programme VinylPlus, an initiative of the European PVC industry. It strives for increased sustainable production and use of the plastic PVC with the goal of achieving an annual registered recycling volume of 800,000 tonnes from 2020, from 2025 a volume of 900,000 tonnes and a volume of 1 million tonnes from 2030.

**RENOLIT** is active on the board of VinylPlus as well as on the board of the Vinyl Foundation: Part of the VinylPlus initiative is the Recovinyl/RecoTrace recycling programme, which is to form the basis for a trustworthy cooperation between recycling and processing companies. The PVC recycling volumes registered by RecoTrace were able to be consistently increased in the recent years. On the part of **RENOLIT**, in 2022 a total of 15,777 tonnes were registered. **RENOLIT** sites in Germany, Great Britain, Italy, France and Spain are associated with the certification system.

## Materials & Raw Materials

GRI 301-1

**RENOLIT** is dedicated to the efficient use of materials and raw materials. A total of 254,446 tonnes of raw materials and semi-finished goods were purchased in 2022. The regression of about 19 percent compared to the preceding year 2021 is explained by the factory closure in Thansau, the reduction of demand in Europe in the second half of the year as the result of inflation and increases in energy costs, the then very strict COVID containment measures in China and the liquidation of stocks.



The materials used are primarily polymers (plastics), softeners, stabilisers, fillers, other additives, dye pigments and printing inks, that are sourced from international large chemistry companies and their distributors. These are delivered as solid bulk materials or in liquid form for further processing. The bases for their production are mainly natural gas, petroleum and solid degradation products from mining as well as a small part of renewable raw materials. **RENOLIT** generally has no significant influence on the underlying chemistry of the raw materials. Our goal by 2025 is that three percent of the raw materials originate from non-fossil sources. This goal has already been achieved, and we continue to work on increasingly using renewable raw materials in additives. We are in close contact with our customers regarding this. In discussion we have a growing interest in renewable raw materials, even if the higher associated costs are still seen as a big challenge. **RENOLIT** puts its internal focus on the increase in material efficiency, which is to be achieved, in particular, through the expansion of our own recycling activities.

### Safe use of raw materials and chemicals

New and advancing developments of raw materials (such as in compounds, master batches and stabiliser) ensure the high demands for the quality of our products, guaranteed through solid technical communication and mutual development projects with the suppliers. Through the REACH ordinance, we are subject to an obligation to provide information that offers consumers the opportunity to request information on the hazardous materials our products contain and on safe handling. In addition, we provide our customers with all the relevant information. We constantly strive to replace hazardous materials with innocuous or less hazardous ones.

These approaches not only increase transparency and safety in handling chemicals, but also increase product safety. In the last year there were no violations.

All new raw materials run through an intensive qualification programme. In a multi-level process, in which both the procurement and the development departments of our business units are involved, the potential new and replacement raw materials are tested for suitability. All substances are registered in a raw materials database which enables access to safety data sheets and additional information. A plausibility review ensures that the documents conform and are up to date.

Operating instructions for all relevant materials are posted in the warehouses and locations of use so that they are easily visible. Regular inspections and training on the purchase, transport, storage and handling of raw and consumables are performed at all sites to rule out any dangers to the health of the employees and contaminations of the air, water and soil as well as fire risks.

At every site there is at least one specialist who is responsible for the adherence to all relevant laws and regulations regarding handling materials, in particular hazardous raw materials. As in the previous year, there were no cases in 2022 in which the regulations were not met.

### Safe handling of hazardous materials

Hazardous materials are classified as all substances and mixtures that could have a damaging influence on people or nature. The storage of these substances is a challenge that affects many **RENOLIT** production sites. An important aspect in this is the somewhat older building substances in some plants, which makes storage of substances hazardous to the water according to regulations difficult. In order to ensure the safe and environmentally friendly handling of hazardous materials, **RENOLIT** has reviewed the affected areas and initiated appropriate measures. These include creating sealing surfaces at some sites, that prevent the run-off of fluids into the soil and water.

In addition, some sites have a central hazardous materials storage area. In contrast to decentralised warehousing, waste for disposal can be stored in addition to various hazardous materials. At locations without a separate hazardous materials warehouse, in agreement with the controlling bodies, proper areas were created that minimise the risk of environmental damage. In addition, we have and will successively create the conditions through structural measures to contain contaminated extinguisher water in case of fire and thus protect the soil and ground water.

## Water management

GRI 303-1

The global water supply is becoming increasingly critical and there is a scarcity of water in more and more regions. **RENOLIT** need the natural resource of water at the various sites: Water is used above all in the production process in granulation and sterilization as well as in the infrastructure for process steam and cold provision. The sanitary facilities, however, only consume relatively small amounts.

Therefore, active water management, meaning the responsible use of water, including the monitoring of the water consumption and also reviewing the waste water output, is an important aspect in our corporate environmental management. The focus is on our production sites due to materiality. Our water is for the most part reprocessed in circuits before a part of it is discharged into the public sewer or into bodies of water or in the use of cooling towers, evaporates into the atmosphere.

### Water consumption at RENOLIT production sites

GRI 303-3

**RENOLIT** gets the water it needs from springs and the public water utility. Approximately 25 percent comes from the public water utility and around 75 percent from surface or ground water.

<b>Water consumption</b>			
	2020	2021	2022
Absolute water consumption in total (m <sup>3</sup> )	2,573,834	2,548,201	2,270,933
Specific water consumption (m <sup>3</sup> /t product)	10.95	9.44	9.48

Note: the absolute consumptions were corrected retroactively to 2020 due to an erroneous reporting from one site.

The absolute water consumption fell in 2022 by about 280,000 m<sup>3</sup> compared to 2021. This is not only caused by the site-specific reduction in the production tonnage. While the sites at Waldkraiburg, Buriasco and La Port were able to make good savings relative to the production goods volume, the sites at Frankenthal, Munich, Villatuerta and Sant Celoni balance out the savings with their increased use, whereby the relative water consumption has remained nearly constant in the comparison period.

## Discharge of waste water

GRI 303-2

In the discharge of waste water, we have kept to the legal requirements worldwide, and in addition, both the wastewater volume and quality are controlled by the relevant responsible authorities. Around 20 percent of the waste water is discharged on the surface, and around 80 percent is discharged into the public sewer system. If needed, limiting constraints are conferred.

We are not currently subject to any authoritative restrictions, because the **RENOLIT** business activities have previously not affected the waters, plant or animal world. Some production sites are legally obligated to regularly inspect waste water within the scope of internal controls. This is done at defined discharge points according to the chemical parameters set by the respective authorities. The results are reported regularly to the authorities. In addition, we highlight sites that voluntarily inspect their waste water, such as the plant in Waldkraiburg to check the AOX and hydrocarbon parameters. To ensure that contaminated water cannot enter the soil, we are actively working on the renovation of the sewer systems. We completed the first level of renovation in Frankenthal within the reporting period, so that all German sites will be updated or partially renovated or renovated in turn using an implementation concept due to the technical complexity.

## PROFIT

**RENOLIT** stands for profitable growth and stability, specialists and driver of innovation for film, plates and other plastic products in numerous industries. As a customer-oriented company, the development of future-oriented solutions is a central element of our activities. The needs of the market are always the centre point: They make decisions on the newest offerings.

Significant aspects in our sustainability strategy are:

- Profitable growth
- Focus on the customer
- Innovation
- Market leadership

We have the following goals in our sights:

	Goal 2025	2021	2022	
Market share in all strategic business units	Top 3	6/8	6/8	We are already in the top three of six of eight strategic business units.
Annual production increase		+12.6 %	- 10 %	
Annual sales	1.5 Mrd Euro	1.3 Mrd Euro	1.4 Mrd. Euro	New record value in 2022.
Share of the sales in new, innovative and sustainable products and services	10 %	2.3 %	2.4 %	See also chapter "Shaping the future with innovations"

## Our products and their relationship to sustainability

Polymers are artificially manufactured materials made from organic raw materials such as petroleum, natural gas and coal or from renewable raw materials such as soy, corn or sugar cane.

All polymers have one thing in common: They are made up of long molecule chains. The diverse characteristics of the plastic, whether it is pliable or hard, for example, depend on the aggregates, which are mixed in during production. The multifaceted product world of **RENOLIT** is created from the various formulas. The diverse applications show that products made of plastic are a self-evident part of our lives. In many areas, plastics contribute to energy savings, less greenhouse gas emissions and conserving natural resources. With intensive use, however, we are faced with some challenges: The consumption of (finite) resources and effective waste management. We recognise this responsibility and have described it in more detail in Recycling & Waste.

### Safe and high-quality products

We bear great responsibility for our products because they flow into the processing industries worldwide. Our aspiration is to produce safe and high-quality products. We ensure this through regular product inspections, the replacement of precarious products with alternatives and naturally through adherence to legal regulations. 100% of our products are subject to controls. We know every formulation and thus all the components of our products. There is a careful inspection regarding the safety of humans and the environment. So, we use only carefully selected raw materials.

Our understanding of product responsibility also involves constantly working on extending the life of our products and conserving resources. Design for recycling is the driver for all new and further developments for the use of suitable raw materials to make a contribution to circular economy. Additional information can be found in the chapter "Recycling and Waste".

Naturally, we follow the legal regulations regarding the sale of our products and do not sell any products whose use is prohibited. The focus for us regarding this is, above all, adherence to the **REACH**-regulations. The relevant measures are described in the chapter "Materials and Raw Materials".

A total of 16 production sites have an ISO 9001 certified quality management system. The management system supports us in continually improving the processes and achieving a consistent level of quality. Because the quality of our products is influenced by the raw materials we use, we expect equally high quality from our suppliers. By timely integration of the suppliers into the development and quality planning process, we achieve a seamless flow of information that is essential for perfect manufacturing and delivery in a secure process.

We are increasing the quality level even more at the production sites of our Healthcare business unit. In the reporting year 2022 we implemented Good Manufacturing Practice (GMP) there. That way, we are fulfilling our customers' expectations in the medical sector and the requirements of the FDA (Food and Drug Administration U.S.). We have performed an evaluation of the ISO standards 15378, 13485 and 9001 to ensure that the right quality systems are selected for our applications. As a result, the standard ISO 13485 is retained, which has already been implemented at all healthcare sites. The standard ISO 15378, which covers the ISO 9001 as well as the GMP specifications was introduced for all our sites relevant to medical products. Within the entire company, we adhere to all relevant regulations on the subject of product safety.

In addition to the stringent requirements of the health care sector, we also fulfil the strict requirements of the automobile industry through certifications pursuant to IATF 16949 in the Composites business unit with the sites at Buriasco and Pune.



## Shaping the future with innovations

Sustainability and innovation are two sides of the same coin: not only according to literature and research, but also in practice inside **RENOLIT**. There is a company-wide commitment to both sustainability and innovation – not just individually but also symbiotically – as stated in the group-wide mission statement: We deliver sustainable and innovative polymer solutions.

It is also reflected in our company goal of reaching a 10% share of innovative and sustainable products and services by 2025.

Therefore, the Corporate Innovation unit is dedicated to contribute significantly and positively to all aspects of our Corporate Sustainability Agenda within the framework of PEOPLE, PLANET, PROFIT. We invest in innovative strategies to fulfil the needs of our customers and to meet our responsibility we have towards society and sustainability: We actively foster a corporate culture, which encourages innovations companywide. **RENOLIT** supports self-initiative and, at the same time, provides and shares knowledge and resources. By doing so, we develop practical solutions that benefit both our customers and the environment.

Innovation takes place everywhere where people are faced with challenges. To support different kind of innovations the **RENOLIT Group** structurally contributes a minimum of one percent of its net profits to selected projects in addition to the business driven R&D budgets.

In order to increase **RENOLIT**'s innovation output we also implemented a company wide Innovation Process Management (IPM) which focusses on two critical innovation drivers: firstly by creating transparency and remove unclarity on the current Innovation portfolio and secondly by actively driving go/no go decisions and resource allocation to ensure the projects with highest potential are pursued.

In 2022, Corporate Innovation has consolidated all its key activities under the name **RENNOVA** – a combination of **RENOLIT** and **INNOVATION**.



By focusing on five key activities and communicating these to the **RENOLIT** workforce, innovation has been made more tangible for the whole group than ever before with the clear message: “Everyone can contribute to innovation”. **RENNOVA** is the company's growing innovation community. It fosters the implementation of highly innovative projects and clearly puts a focus on sustainability in most of its key activities. In doing so, it successfully complements the company's existing sustainability initiatives like “**RENOLIT** Goes Circular”. **RENNOVA**'s vehicles to foster sustainability and innovation:

### **Sustainability-oriented Strategic Innovation Fields (SIF)**

Based on both external trends as well as **RENOLIT**'s capabilities, **RENNOVA** has established and developed Strategic Innovation Fields (SIFs) which serve as the new, global and group-wide guiding framework to define the focus areas for our innovation activities. Furthermore, this framework offers every employee the opportunity to contribute. The four SIFs are: Circularize Business, De-Fossilize Raw Materials, Servitize Offerings and Flexible Electronics.

As a clear demonstration of the symbiotic value of innovation and sustainability you find two of the four SIFs are oriented towards sustainability: Circularize Business and De-fossilize Raw Materials.

### Internal incubator (Future Factory) acts as the engine for sustainable and innovative projects

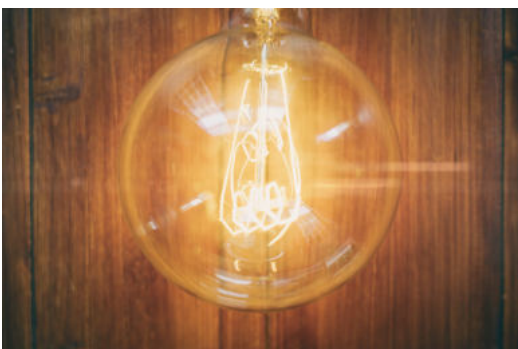
The **Future Factory** is **RENNOVA's internal incubator** and a place where our managers, internal innovators and external experts can examine and research innovative initiatives and ideas apart from their daily routines. It offers both the possibility and the resources to consider the ideas of employees and customers as well as insights and trends from the market. The portfolio of the Future Factory focuses on topics that have been identified in the SIFs (see previous paragraph). In the currently project portfolio of the Future Factory, several sustainability-driven projects can be found. Great examples are development of flexible PV-films (photovoltaics) or new functional films to support the photobioreactor or agri-tech industry (for further examples see "Innovation is key - promising examples")

### Venture Growth Unit (VGU) aims to new innovative business

To further increase focus and visibility both to the internal as well as the external world, in 2012 the **Venture Growth Unit (VGU)** was created which encompasses **RENOLIT's first Accelerator organisation** which is strongly connected to the Future Factory. With the Accelerator RENOLIT has created an organisation specifically designed to scale business opportunities that are outside the core of RENOLIT's existing businesses. Experience shows that especially opportunities which are outside existing business domains are difficult to explore within the existing organisation. For these opportunities, the Accelerator offers targeted resources, business building best practices and separate funding. From January 2023, Venture Façade as a successor of the MU Façade started as first Venture in the Accelerator. Although still in its early stages, the ultimate objective of the VGU is to become a business building machine that generates new profitable businesses for RENOLIT in line with the overall Group strategy.

### German-wide idea campaign to scout for new ideas for energy savings

The willingness to save energy was compounded with the 2022 "energy price shock" mainly in Germany. As a result the Executive Board and Corporate Innovation have launched an idea campaign around energy saving at the German manufacturing sites of **RENOLIT**- with a tremendous success. A total of 161 valuable suggestions were made by the employees. After several rounds of evaluation, the top three ideas per location were identified and their implementation has been initiated. On top of that each location selected one idea for implementation in 2023/2024 with an extra budget provided. Important to say: none of the other suggestions will be lost. Some have already been implemented, others will be re-evaluated and awarded through the continuous improvement programs in the different locations.



These measures led to a high amount of possible savings. For example, the Munich site assesses the energy potential of "only" four ideas in the category of waste heat utilisation at approx. 500.000 kWh (gas) per year and the savings potential of another six ideas in the category of lighting control at 90.000 kWh (electricity) per year. The campaign has helped to secure our competitiveness - and to reduce our carbon footprint step by step.

### Innovation is key - promising examples

- Project Photanol: Photobioreactors with different projects in Healthcare and Corporate Innovation to create polymers with significantly reduced carbon footprint and increase yield of cyanobacteria
- Development of new decking membranes for wet surfaces that have fundamental advantages over traditional tiles in terms of water leakages, hygiene and design. As there is no need for baking at high temperatures, these membranes could also offer potentially a significant advantage in terms of carbon footprint.
- Development of flexible PV film as the next evolution of PV generating systems. Current rigid PV panels have seen a tremendous development over the last twenty years in terms of cost and performance but still today PV-panels are relatively heavy and not flexible so cannot be combined with every surface. We are working together with start-ups in UK and Israel to explore the opportunities for flexible PV-films which can be combined with roofs, façades or other surfaces.

## Suppliers and Business Partners

In the production of our **RENOLIT** products, we rely on semi-finished products such as rubber and plastic moulds as well as technical textiles of synthetic fibres from suppliers. The procurement volume of semi-finished products has been consistently under ten percent for multiple years.

### **Share of local suppliers**

Despite the low volume of semi-finished products, it is important to **RENOLIT** to source these from local suppliers or business partners. We source local deliveries all within the same region (e.g. North America, Europe, Asia). We can save on resources by using short delivery routes. We achieve this through a broad network of suppliers and business partners at our production sites on the respective continents. In this way, we promote the local economy and keep transport emissions as low as possible.

In Europe and Asia, the percentage is significantly over 90 percent, in America this is at just under 75 percent. The lower percentage of local suppliers compared to Europe comes down to the fact that within the framework of the anti-COVID immunization campaign, the demand for biotech films rose dramatically, and special polymers were required that were then only available in Europe, and in addition, production in Chile was started that also required special polymers from overseas. In Europe, only two percent was imported from North America (2020: two percent) and five percent from Asia (2020: five percent).

### **Our requirements for the cooperation with our suppliers and business partners**

GRI 308-2, 407-1, 408-1, 409-1, 414-2

Naturally, in the cooperation with our suppliers and business partners we expect adherence to the standards listed in the purchasing specifications. The purchasing conditions of **RENOLIT** formulate express specifications for suppliers to adhere to the legal requirements in the area of working conditions and safety standards. We explicitly oppose any form of forced or child labour. In addition, we oblige our suppliers to observe the individual and collective labour rights of employees as well as to pay the applicable minimum wage. We know of no violations of this in 2022. We regularly revise our purchasing specifications, but there were no changes required in 2022.

### **Environmental certification requirements**

Another criterion for cooperation is that the suppliers and business partners can prove that they have a certified environmental or energy management system. We have set the following goals for our German sites by 2022:

- At least 85 percent of the procurement volume is sourced from suppliers that work with an environmental management system certified pursuant to ISO 14001 or an at least equivalent standard. In 2022 we significantly exceeded this with 92 percent (52 of 62 assessed suppliers).
- We were also again able to achieve our goal that 60 percent of our raw material procurement volume comes from suppliers that are certified pursuant to the energy management standard ISO 50001 or a comparable standard in 2022 at 63 percent (32 of 62 assessed suppliers).

## Responsible business management

GRI 2-23, 2-27

Responsible business management includes adherence to the law and the recognition of risks to business operations. As an internationally acting company, the **RENOLIT Group** is subject to numerous laws and guidelines. Adherence to these legal provisions has the highest priority and forms the prerequisite for the commercial success of **RENOLIT**. Actions contrary to the law or regulations may lead to a loss of the reputation of the entire company in addition to personal liability in the form of damage compensation claims and penal consequences for individual employees. Behaviour contrary to the rules will not be tolerated, violations will be consequently punished. The non-compliance with laws and internal guidelines can have labour consequences for employees that in extreme cases may lead to the cancellation of the employment contract, or for our suppliers, the cancellation or non-renewal of the business relationship.

In reporting year 2022 during the audit performed by the Internal Revision department there were no violations of laws or ordinances found at **RENOLIT SE** or its subsidiaries. In one case, a violation of the internal **RENOLIT** behavioural guideline was found, which led to disciplinary action for the person involved.

In order to meet the complex challenges of our ecological responsibility, our group-wide environmental standard defines minimum requirements in the area of environmental management. The requirements and measures are described in the chapter "Corporate environmental protection".

### **Group-wide code of conduct**

Our group-wide **Code of Conduct** represents a binding guideline for our employees in their daily work. It is the standard that **RENOLIT** sets both for employees and business partners. The code of conduct emphasizes the fairness and honesty of our corporate culture, which also promotes confidentiality in relation to industrial secrets. It is also clearly stated that no employee may offer another person or provide or condone unauthorized advantages within the context of their occupational activities, neither in the form of monetary gifts nor in the form of other services.

The code of conduct is oriented to the internationally recognized human rights, the core labour norms of the International Labor Organisation ILO, the ten principles of the UN Global Compact and the OECD guiding principles for multinational companies. In the individual sections there is reference to additional **RENOLIT** guidelines for more detailed information, such as the "Guidelines on antitrust laws", the "Guideline for the offering and receiving of gratuities and gifts", "Principles for handling donations and sponsoring" and the "Sanctions Compliance Framework" (customs and export guidelines).

The obligation to uphold the code of conduct is expressly documented by the preamble of all **RENOLIT** board members.

Every employee of **RENOLIT** documents their adherence to and following of the code of conduct by signing the respective formal obligation. Educational programmes and regular internal training sessions cement the knowledge and implementation of the code of conduct. By central filing on the **RENOLIT** internet site, the **Code of Conduct** is accessible to business partners and the interested public.



## **Compliance Management**

Applicable to all sites, our worldwide preventative and reactive compliance activities and risk management processes help us to monitor and check adherence to the law, detect risks and react quickly and consistently to offences.

In 2021, the risk management system of the **RENOLIT Group** experienced a significant further development:

The definition of a group-wide risk strategy and a respective organisational structure that implements the following things: The definition and implementation of principles of risk policy, the definition of strict processes and terms and the formulation of uniform training documents. The implementation of these measures now ensures comprehensive and timely risk reporting to the business division management and to the Executive Board on a quarterly basis. The implementation went off with a bang on 01/01/2022. With our risk management system, we ensure that risks that could endanger the goal achievement of the corporate group are identified in a timely manner. Thus, timely countermeasures can be formulated and initiated.

The overall responsibility falls to the Executive Board. Internal Revision is responsible for the testing, maintenance, further development and implementation of measures of the risk management system. This department reports regularly to the Executive Board and the specialist departments. The Supervisory Board receives an annual report.

The guiding system of our "GRC" approach represents the risk management of **RENOLIT**, into which we integrate governance, risk & compliance. Our risk management processes are based on the international risk management standard "COSO II Enterprise Risk Management". The risk catalogue made available for the purposes of orientation and uniform categorization divides the risks into the categories of "strategic risks", "operational risks", "external risks" and "compliance risks". Using the standard inherent risk inventory, the individual risks of the related production plants are collected on the level of the business units and combined with the comprehensive "strategic risks" of the business unit.

In addition to the regular economic criteria such as sales or raw material price fluctuations, there are also ecological factors such as the potential for the respective site to endanger the environment, processes for environmental management introduced and training sessions of the respective employees on the individual risks to be examined.

During audits by Internal Revision, the completeness of the decentralized stored information of the risk inventory is regularly examined and reviewed. The management and control of the risk monitoring measures are also reviewed and evaluated.

For the management of the compliance activities and internal control measures, we have implemented the “Administrative Internal Control Procedures”, “AICP” for short, as internal standards. The focal themes, in addition to operative financial cycles, are the areas of data and environmental protection, health and occupational safety, antitrust, patent and licensing laws as well as anti-corruption regulations. The Internal Revision department reviews the adherence to the AICP specifications using regular audits of individual sites or departments. Deviations are shown and assessed in the audit reports, corrections ordered and the implementation of remedial measures consistently followed-up. Any identified weak points or potential optimizations are categorized according to the potential effect of the severity. Finally, in a follow-up measure plan, all complaints are pooled and activities to remedy them defined and responsible parties and time frames identified.

The AICP are subject to permanent updates that are then made available worldwide to the site managers and the administrators. The majority of the last updates made involve technical investments and structural measures. They are suitable to better manage the liquidity and minimise potential loss risks. Additional updates in the area of the reinforcement of the internal control system for the prevention of online criminality were implemented and published in reporting year 2022.

### ***Audits and internal controls***

GRI 205-1, 205-3

Due to the somewhat still Corona-related travel restrictions, in the reporting year 2022 only six (24 percent of the sites of subsidiaries) site audits took place in Poland, Italy, Spain and the Netherlands, whereby the majority were follow-up audits as well as a first and compliance audit. We continue to follow the **RENOLIT** group strategy regarding the review of the suitability and functionality of the internal control systems of all group companies. Thus all **RENOLIT** sites worldwide have scheduled reviews in at least a four-year cycle. In addition, risk-oriented selected departments of **RENOLIT SE** plants in Germany are examined for suitability, functionality and compliance.

The purchasing and sales activities of all **RENOLIT** production and sales locations are controlled for compliance in consideration of aspects such as corruption or accepting benefits using the check lists further developed in previous years on the explicit review of the functionality of individual controls in procurement, disposal of production residues and also in the areas of logistics and sales. In addition to the monitoring of the efficiency criteria, these reviews also have the goal of covering any corruption or misappropriation risks and to prevent future threats. No cases of corruption or violations were detected in the reporting year.

The status and security of the data networks and IT terminals have been checked since 206 at all **RENOLIT** sites using our check lists on the topics of “IT Network and Data Security” and “Data Protection pursuant to the GDPR”. In addition, the training sessions for employees regarding data protection and cyber-crime are checked for completeness of participation. In the reporting year 2022 these areas were also reviewed in the six aforementioned locations. In this it was determined that data protection is guaranteed in all cases and that a high degree of data protection is achieved through intensive protective measures.

### ***Ombudsman and training sessions***

GRI 2-25, 2-26

If there is a suspicion of violations of the law or internal company guidelines, our employees can contact an internal and an external ombudsman. The internal ombudsman is represented by the Internal Revision manager. If internal company anonymity must be maintained, the **RENOLIT** employees can contact the external ombudsman, represented by a law firm. The ombudsman's offices were contacted a total of five times in 2022 (of which four via the internal ombudsman and one via the external firm), whereby mostly behavioural transgressions of employees or supervisors were reported; in one case a workplace allegedly a risk to health was reported. All cases and allegations were carefully reviewed and subject to an investigation. Some detected grievances were addressed and corrected. In one case there were disciplinary actions.

The reporting process, contact data and contact points for complaints or reporting suspicious cases, personal or anonymous, are accessible on the internet to all **RENOLIT** employees.

Training sessions on the subject of antitrust law have been held in the respective national language for all companies of the **RENOLIT Group** in 2016 to sensitise the sales employees but also the employees in thematically related departments. These training sessions are scheduled to be repeated in 2024. As in the previous years, in 2022 no cases of corruption were found within the group during the data collection for the current sustainability report.

There were also no fines or penalties reported for violations of the law or regulation throughout the group in 2022. There was also neither procedures nor suspected factors due to anti-competitive behaviour.

### ***Data protection***

**RENOLIT** pays great attention to the subject of data protection. We follow our worldwide data protection guideline, which is based on the legal requirements and on globally recognized data protection principles and ensures careful handling of personal data. This forms the basis for a trustworthy cooperation with our employees and business partners. Since 2018, the European General Data Protection Regulation (GDPR) has formed a uniform framework for data protection in Europe. **RENOLIT** has implemented measures regarding these, the employees informed and trained in it and a data protection officer designated to oversee adherence. The subject of data protection is regularly addressed within the framework of the obligatory online training courses that all employees must participate in once a year. Potential optimizations of the data protection management system of the sites identified by internal audits were implemented as they came up. In the reporting year 2022 there were no data protection violations.

## Initiatives & Associations

GRI 2-28

**RENOLIT** works on its own sustainable solutions. However, we know that we can only solve the big challenges together with others. Therefore, we are active in associations on a national and European level, participate in sustainability initiatives of the plastics industry and work together with specialised partners. In this way we are involved in the important decision-making processes and work actively on solving global challenges.



The Circular Plastic Alliance (CPA) is an initiative of the European Commission, whose goal is the promotion of the circular economy for plastic products in Europe and the return and recycling of recycled plastics in new products on the EU internal market.

In September 2019 **RENOLIT** signed the Circular Plastics Alliance Declaration to promote the use of recycled plastics in Europe through voluntary measures. Previously over 300 associations and companies have joined the CPA and thus declare their dedication to circular economy in the plastics industry. The associations and companies have set the goal of introducing at least 10 million tonnes of recycled plastics in Europe into products and packaging by 2025.

By signing the declaration, we have obligated ourselves to implement the content of the Circular Plastics Alliance Declaration within the framework of our own business activities and the responsibility of working together with other signatories.

As a founding member of the Vinyl Foundation, **RENOLIT** has dedicated itself to the voluntary sustainability programme VinylPlus. **RENOLIT** is active on the board of VinylPlus as well as on the board of the Vinyl Foundation and is actively represented in the Environmental Footprint Committee.

VinylPlus is a voluntary obligation of the European PVC industry for sustainable production and use of PVC. The program creates a long-term framework for the sustainable development of the PVC industry by addressing a series of critical challenges.

The obligation of VinylPlus 2030 is thus based on three paths:

1. Expansion of the circular economy in the PVC value added chain
2. Advancements on the path to carbon neutrality and minimisation of our ecological footprint
3. Building global alliances and partnerships to implementation of the international 17 sustainability goals (Sustainable Development Goals, SDGs)

Among others, the goal has been set to increase the volume of PVC recycling by 2025 to 900.000 tonnes annually and by 2030 to one million tonnes annually.

We see voluntary self-obligation as the key to sustainable development of the PVC industry. As a founding member of the Vinyl Foundation, **RENOLIT** is helping to finance this sustainability initiative.

You will find more information and the progress report on VinylPlus [here](#).



**RENOLIT** is also a member of the VinylPlus Deutschland e.v. (formerly AGPU) and is actively involved on the board and in the working groups “Knowledge”, “Reclamation” and “Communication”. Together with over 60 companies of the PVC value added chain, from salt to the production of raw materials, processing to recycling, the company supports the goals of the association founded in 1988 through its membership.



The association has the following tasks:

- Consult with member companies as service partners on the subjects of environment, sustainable development and consumer protection.
- Offer member companies a broadly linked branch network
- Collect and compress information from the listed areas to provide it to member companies and external decision-makers
- Maintaining the dialogue with decision-makers from politics, economics, science, commerce and NGOs

Bundle the interests of the German PVC industry and represent them in Germany and in Brussels. You can find more information on VinylPlus Deutschland e.V. [here](#).



The IVK Europe represents the common interests of companies that produce plastic and rubber membranes for a number of applications. The IVK Europe is the megaphone for its members on a political and social level, both in Europe as well as in the member states. The cognition of the interests for the material PVC and its substitutes is the focus of the association's work. **RENOLIT** is actively involved on the board of IVK Europe.

The 19 member companies of IVK Europe generate a sales volume of approximately 4.8 billion Euros and today employ a workforce of over 12.000 people. IVK Europe is actively involved in the Circular Plastics Alliance and works closely with VinylPlus®. A group of industry representatives meet at regular intervals to exchange experiences regarding the themes of:

- Raw materials and REACH
- Circular economy
- Packaging
- Directives, laws and ordinances for food contact, drinking water, medical products, biocides, heavy metals,...
- Operation Clean Sweep

You can find information on IVK Europe here: [www.ivk-europe.com](http://www.ivk-europe.com)

Operation Clean Sweep® (OCS) is an international programme that has the goal of preventing the loss of plastic granulates (pellets, flakes and powder) in the use by the various companies of the plastics value-added chain and their release into the environment.

Initially introduced in North America, the OCS program has also been implemented in Europe since 2015. The methodology of this programme has already contributed to the implementation of worldwide effective corrective actions in many companies in the plastics industry.



By signing the European OCS obligation, every company that deals with pellets recognises the importance of the prevention of release into the environment and is dedicated to the following six measures:

- Improvement of the construction site facilities to avoid and prevent spillage
- Creation and publication of internal processes to reduce the loss of industrial plastic materials to zero
- Training employees and assumption of the responsibility for the avoidance, containment, cleaning and disposal of spills.
- Regular performance review
- Follow all of the applicable state and local regulations for the containment of industrial plastics.
- Encourage partners (contractors, transporters, dealers etc.) to follow the same goals

**RENOLIT** has decided to act in accordance with the provisions of the OCS, to implement the measures and to use an accredited certification system.

You can find additional information on OCS [here](#).



**RENOLIT** is also involved in the Steering Committee of the Association of European Plastics Converters (EuPC). The European Plastics Converters (EuPC) is the trade association of plastics processors in Europe. It was founded in 1989 as the European professional association and includes all the areas of plastic processing industries, including recycling.

Rewindo is the recycling initiative of the leading German plastic profile manufacturers for framed windows, roller shutters and doors made of plastic. Rewindo works as a value-added service provider for the window profile manufacturers with service, information and communication and has become an industry brand for efficient circular economies. Rewindo is the driver of a functioning recycling partnership and an economic ecological alliance.





European Single ply Waterproofing Association (ESWA) represents the interests of the leading manufacturers of thermoplastic roofing membrane in Europe and promotes their voices to the European institutions. **RENOLIT** is represented on the board. The goal is the promotion of innovative and safe solutions from production to use and the provision of optimal economic and ecological benefits. Member companies have pledged themselves to environmental policy related to the entire life cycle of their products and are active in the recycling of plastics to minimise waste volumes.

## Imprint

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