



Rely on it.

RENOLIT Sustainability Report 2021



We deliver sustainable and innovative polymer solutions.

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Introduction

GRI 102-1

Dear Readers,

It is with joy and pride that we look back on what has been achieved so far and ahead into the future. Founded on May 4th 1946, beginning with seven employees – from a small business to a family-managed global player – **RENOLIT** is today one of the leading international manufacturers of high-quality polymer films and related products for technical applications, with a workforce of around 5,000, more than 30 locations and a turnover of 1,278.8 million euros.

A future-oriented approach, customer focus and excellent service have always been integral to our company's credo. At the same time, we are fully conscious of and committed to our responsibility towards society and the environment. In 2020 we firmly entrenched this commitment in our company strategy **ONE RENOLIT 2025** and our mission statement "We deliver sustainable and innovative polymer solutions".

To us, sustainability is about reconciling the social (People), ecological (Planet) and economic (Profit) dimensions on an equal footing. The United Nations' targets for sustainable development (Sustainable Development Goals, SDG) provide an important framework for us in this context. We aim to play our part in ensuring the global achievement of the 17 SDGs, which are incumbent upon governments, companies and societies alike through to 2030.

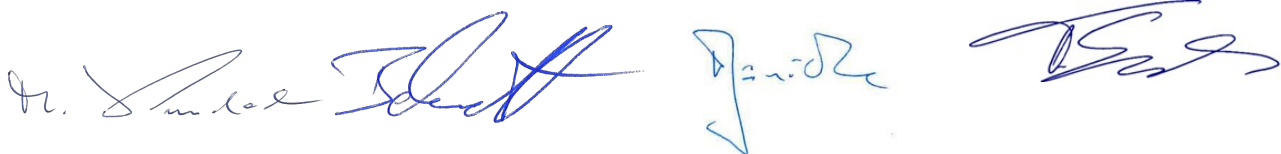
We have thus defined the following mission for our company: our core topics focus upon the three areas of People, Planet and Profit, for which we have set sustainability goals which remain continually under review. As one of the market leaders in the field of polymer films and products, we aim to help drive progress towards the SDGs forward and to achieve concrete results to this end both within and outside of our company.

To this end we have firmly incorporated sustainability into our organisational structure and established a new central unit, Corporate Sustainability. The relevant new department, **RENOLIT Goes Circular**, underscores the standing of the circular economy within our company. Additionally, at the beginning of 2021, we consolidated our voluntary commitment to the Circular Plastics Alliance, establishing a particularly far-reaching commitment to the circular economy. Furthermore, we have, for the first time, taken out an ESG (Environmental, Social, and Governance) promissory note loan for refinancing, which is tied to the sustainability goals of energy efficiency, diversity and recycling.

Beyond this, we undertook further steps towards greater sustainability in 2021. This sustainability report grants you an insight into our activities, progress and further ambitions. True to our motto "Rely on it", we would like to take you with us on our journey to a sustainable future.

We hope you enjoy reading this report and look forward to hearing your views and discussing the various issues concerned.

Your **RENOLIT** Board of Management



Michael Kundel

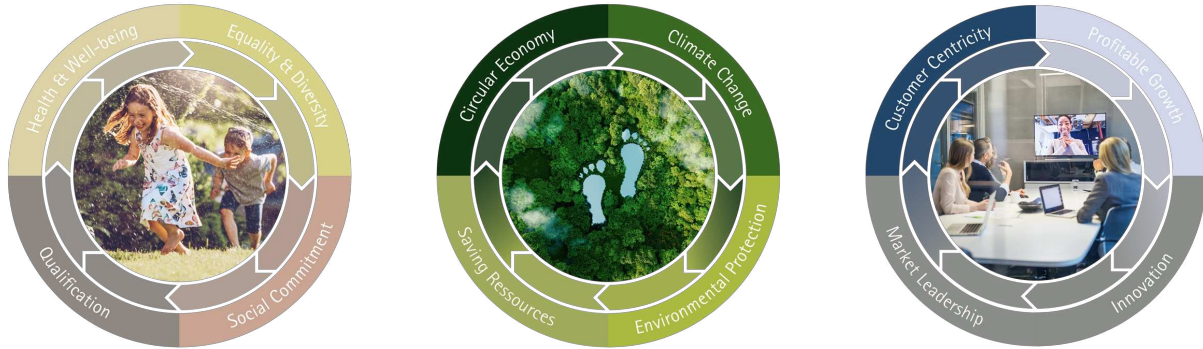
Sven Behrendt

Karsten Jänicke

Thomas Sampers

Our Understanding of Sustainability and our Focus

As the worldwide leading manufacturer of high-quality polymer solutions, we consider ourselves to be under a particular obligation towards the issue of sustainability and are aware of our responsibility towards both people and the environment. Our understanding of sustainability always comprises the following three sustainability dimensions:



Our Sustainability Goals until 2025

People:

Commitment towards our employees.

0 (None) Behavioural 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 CO₂ 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

About this report

Report Profile

GRI 102-45, 102-48, 102-49, 102-50, 102-51, 102-52, 102-54, 102-56

The assumption of our entrepreneurial responsibility for sustainability is reflected in our reporting. We have been publishing a sustainability report annually ever since 2011, internally at first and, since 2017, every year externally as well.

Our last Sustainability Report 2020 appeared in September 2021. This report for the 2021 business year complies, as in the previous three years, with the guidelines of the Global Reporting Initiative (GRI) and was compiled on the basis of the "Core" option. Beyond this, there has been no external auditing of the 2021 Sustainability Report.

Report Framework

GRI 102-48, 102-49

We aim to take a holistic view of our sustainability performance and to set up a comprehensive reporting structure. To this end, we are incorporating the entire **RENOLIT Group** with all its locations and joint ventures into our sustainability reporting for the 2021 business year (calendar year). Although we have already made significant progress regarding the acquisition of the data necessary for this purpose, not all the data to be collected are at present available for every location. Any data which deviates from the defined report framework are identified accordingly.

Compared to last year's report, there are no significant changes in the scope of the report. The quantitative data were collected as of the closing date December 31st 2021; where feasible, we report our key parameters in a three-year comparison. We have included qualitative data up to the editorial deadline in June 2022.

The 2021 Sustainability Report is being published in German and in English.

COMPANY

Company Portrait

GRI 102-2, 102-4, 102-6, 102-7, 102-10

As an independent family-owned company, we have been setting standards in quality and innovation for more than 75 years and stand for technical competence, modern product design and a partnership-based approach to service.



For the period covered by this report, the following changes at two locations should be mentioned:

- The shares in the joint venture **RENOLIT** Guangdong Citiking were sold to our Partner Citiking
- Closure of **RENOLIT** Mexico with effect from December 31st 2021
- These two location alterations have been taken into account in the workforce figures.

Our Structure

GRI 102-3, 102-5, 102-7, 102-14, 102-18, 102-48

RENOLIT SE, with its head office in Worms, is the largest operating single company and holds, directly or indirectly, all shares in the companies belonging to the Group.

100 percent of the shares in **RENOLIT SE** are held by JM Holding GmbH, which in turn belongs to the company JM Industriebeteiligungen. The shareholders in JM Industriebeteiligungen consist of the Lang/Helms and Fischer families, the successor generations of the founding family.

Responsible Management

GRI 419-1

As a European company, **RENOLIT SE** is managed according to a dualistic principle. The Board of Management manages all of the company's business, overseen by the Supervisory Board, which involves partial employee co-determination.

RENOLIT is managed by a four-man Board of Management which consists of the CEO Michael Kundel as well as Sven Behrendt, Karsten Jänicke and Thomas Sampers.

The main task of the Board is to manage the Group in accordance with statutory provisions, statutes and procedural rules. Decisions are taken with equal consideration to the aspects of "People, Planet and Profit". Operational management takes place in the 13 independent Market Units.



The board members (f.l.t.r.): Sven Behrendt, Karsten Jänicke, Thomas Sampers, Michael Kundel



The supervisory board (f.l.t.r.): Helmut Schädler, Reinhard Westhäuser, Pierre Winant, Hilmi Akkurt, Alexander Düll, Andreas Lang

The Supervisory Board consists of six members, two of whom are nominated by the workforce and four by the owner family. Its chairperson is Andreas Lang.

In 2021, Roland Roth voluntarily resigned from his post on the Supervisory Board on personal grounds. Pierre Winant was appointed as his successor on the Supervisory Board. The Supervisory Board is now made up of the following members:

Andreas Lang (Chairperson of the Supervisory Board), Helmut Schädler, Pierre Winant, Alexander Düll, Reinhard Westhäuser (Employee Representative), Hilmi Akkurt (Employee Representative)

Our Development

GRI 102-7

In 2021, the **RENOLIT Group** was increased its worldwide consolidated turnover to a new record figure: 1,278.8 million euros (2020: 1,032 million euros) (+24%)

The increase was double-digit in all regions worldwide. Growth was particularly pronounced in our domestic market, Europe. The gains in Asia and North America were also impressive. The strong sales growth is also attributable in part to necessary price increases as a consequence of massive rises in the costs of raw materials and energy.

All established Market Units have contributed to this positive development in turnover, supported by a strong construction industry and the other key sectors home and living, healthcare and visual communication. Capacity utilisation at the factories remained stable at a high level, with a sustained high level of demand across all quarters through to the end of the year. However, the highly contagious Omicron coronavirus variant led, during the key quarter, to lower production at some plants due to loss of shifts. Together with bottlenecks on the raw materials side, this situation led to longer delivery times in some instances.

Including the financial results after taxes, **RENOLIT** generated annual consolidated profits of 128.7 million euros (2020: 81.6 million euros). The company has thus succeeded in translating its strong organic growth rate, achieved in part by passing on costs resulting from high prices for materials whilst at the same time observing cost discipline, into a significant increase in yields. The equity ratio increased to 39.8 percent as per the balance sheet date (2020: 35.1 percent). Investments in intangible assets and property, plant and equipment increased by 1.9 million euros compared to the previous year and are targeted in particular at expanding capacities, environmental protection, the exploitation of raw materials, improving the assets situation and enhancing our IT infrastructure.



	2019	2020	2021
Group turnover (net) in millions of euros¹	1,059	1,032	1,279
Europe	748.8	776.0	970.9
America	178.2	157.0	187.3
Asia incl. the rest of the world	132.0	99.0	120.5
Consolidated annual profits in millions of euros	74.7	81.6	128.7
Equity ratio	55.4 %	35.1%	39.8%
Investments in fixed assets in millions of euros ²	57.3	36.6	38.5
Annual production in tonnes ³	242,723	233,561	263,001

¹ The data on economic development refer to the consolidation scope of the group report. The non-controlled joint ventures are thus not included.

² Intangible assets, property, plant and equipment plus financial assets are included.

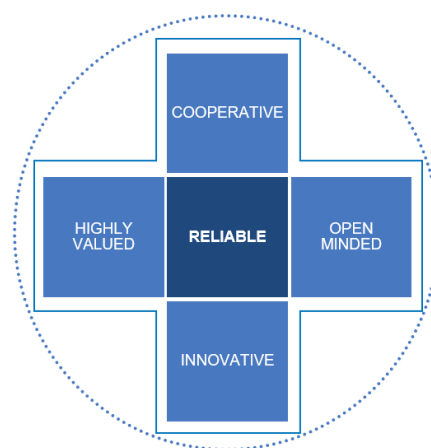
³ Incl. joint venture

Strategy and Values

GRI 102-16

Climate change, the scarcity of resources, supply bottlenecks, changing requirements among the employees and different conditions in the various countries are among the challenges with which we are confronted every day due to our international orientation. As a family-owned company, our thinking is future-oriented and we endeavour to achieve sustainable, profitable growth. We accord to consideration to our environment, to present and future generations. This requires us to assume responsibility for our actions – worldwide and on the part of each and every one of us – today, tomorrow and in the future.

Our **RENOLIT** brand and the claim “Rely on it” form the basis for this and represent a commitment towards our stakeholders. Reliability continues to be the core value of our corporate philosophy. Alongside the brand values “high-quality”, “innovative”, “cooperative” and “open-minded”, it forms the basis for our mission and our actions.



Building upon our strong brand and our values, we have set out our mission in our strategy **ONE RENOLIT 2025**, which we are pursuing resolutely. We take our employees with us along this road by maintaining ongoing communication with them and enabling them to participate in the process.

Firmly Focussed on our Strategy and our Targets

Our strategy and our vision describe the “Journey into the future” - how the **RENOLIT Group** should look in 2025. In the future, we aim to position ourselves even more clearly still as an innovative and customer-oriented company, with its polymer solutions in a wide variety of sectors. We regard our highly-trained and dedicated workforce as the key to our success here. Other main focuses are on the continuous promotion of resource-saving production processes and the development of sustainable products and systems.

We have defined the goals described in the Chapter “Our understanding of sustainability and our focus” to this end, jointly pursuing them with rigour every day, throughout the entire workforce, all departments and central units and at all locations.

Sustainability as an attitude and action principle

In order to firmly establish sustainability as a core principle defining business practice at all levels throughout **RENOLIT**, we have allocated control of this area to our new Corporate Unit, Corporate Sustainability. The following departments are assigned to this Corporate Unit:



The Corporate Environmental Affairs department is responsible for sustainability reporting. Together with the respective Market Units it is pursuing the establishment of a sound database, reporting directly our Board Member Sven Behrendt. However, it is the Board which bears overall responsibility for Sustainability Management and also approves the Sustainability Report.

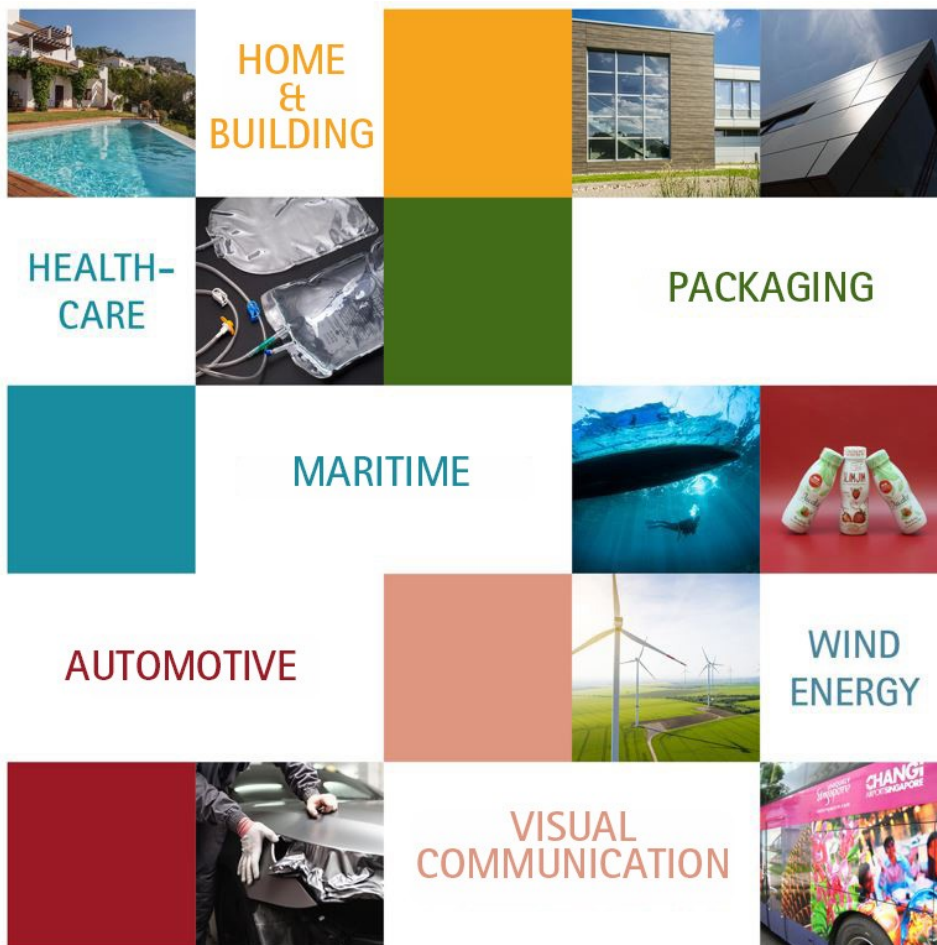
Our Sectors and Products

Plastics – the material of the 21st century

Plastics combine a whole range of highly sought-after properties like no other material can: they are extremely flexible, highly resilient and at the same time particularly light, enabling them to meet the most diverse requirements.

With our high quality films, panels and other polymer solutions, we are a driving force for innovations in numerous sectors. The diversity of our products means added value for our customers.

Our seven most important sectors:



Our Interest Groups and Materiality Analysis

GRI 102-40, 102-42, 102-43, 102-44, 102-46, 102-47

Our Stakeholders and their Inclusion

It is our ambition to take the interests of all internal and external stakeholders that are important for **RENOLIT** into account in connection with the topic of sustainability. The ongoing exchange of opinions and dialogue with the latter is very important to us in order to fulfil their expectations and to arrive at a long-term partnership. Furthermore, we also keep an eye upon our opportunities and risks by way of such an exchange.

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

Our stakeholder groups:

- Employees & management
- Collaboration partners
- Owners
- Suppliers
- Employee representatives
- General public
- Customers and potential customers
- Local community
- Skilled workers and applicants
- Ministries and public authorities
- Associations
- Financial institutions and investors

In order to understand the concerns of our workforce, we are engaged in continuous exchange with them and regularly conduct surveys. We implemented this practice worldwide in 2021. (More information on this can be found in the Chapter "People").

Furthermore, **RENOLIT** is involved in ongoing dialogue with other stakeholder groups. These include:

- Associations, in order to make progress on important topics in our industry and to actively shape its future.
- Suppliers: as a manufacturing company, we are dependent upon our suppliers and their raw materials. We remain in continual dialogue with them in order to be able to weigh up the opportunities and risks in good time.

Materiality Analysis

As a basis for determining the essential topics for **RENOLIT**, a materiality analysis was carried out in 2016, also taking into account the SDGs. The resultant materiality matrix has since formed the basis for our strategic orientation and for our reporting.

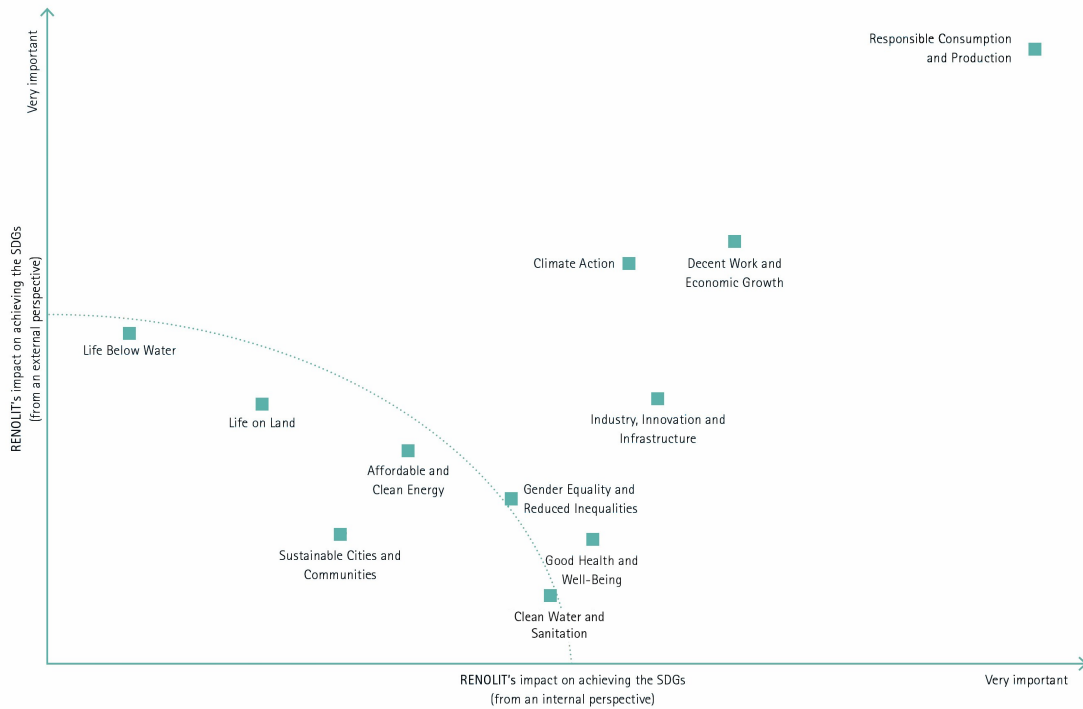
We took the materiality matrix into account when crafting our new **ONE RENOLIT 2025** strategy as well and conducted an internal survey to serve as a basis for setting goals for the strategy. The results of the materiality analysis have shown us which topics are of particular importance to **RENOLIT** and our stakeholders:

- Responsible consumption and production
- Decent work and economic growth
- Climate action
- Industry, innovation and infrastructure
- Gender equality and fewer inequalities
- Good health and well-being

The SDG Responsible Consumption and Production was deemed both internally and externally to be the most relevant. As a manufacturing company, we can make a crucial contribution to reducing the world's ecological footprint with resource-friendly production processes and by continuously expanding our internal recycling activities.

The same applies to the SDG Climate Action, to which **RENOLIT** can make a significant contribution by increasing its energy efficiency and investing in energy-saving measures. The issue of Decent Work and Economic Growth is of primary relevance for our locations abroad and in the supply chain. We see great potential in the development of new solutions and innovations that will be able to meet global challenges.

The biggest discrepancy between internal and external perspectives is in regard to the SDGs Life Below Water and Life on Land. Their high relevance from an external perspective is probably due to a perceived connection between our products and the pollution of the rivers and oceans by plastics waste. Our products are used in technically sophisticated fields of application, and we are intensively committed to closed-loop material cycles. Alongside fundamentally minimising waste, we are also continuously working on reusing all of the plastics waste that is generated during production in our own processes. In addition to this, we also campaign for recycling processes and returns systems in collaboration with our customers.



The results of the materiality analysis reveal to us which topics are of particular importance to **RENOLIT** and our stakeholders.

In the context of developing our sustainability strategy, we have assigned the essential topics to our focuses and SDG.

<p>People</p>	<ul style="list-style-type: none"> Health & Well-being Qualificaion Equality & Diversity Social Commitment 	
<p>Planet</p>	<ul style="list-style-type: none"> Circular Economy Saving Ressources Environmental Protection Climate Change 	
<p>Profit</p>	<ul style="list-style-type: none"> Profitable Growth Customer Centricity Market Leadership Innovation 	

These are explained more closely in the individual chapters of the Sustainability Report and underscored by appropriate measures. However, it may be stated that all essential topics presented in the matrix are of high importance for our stakeholders and our company and are therefore addressed successively in the context of sustainability management.

PEOPLE

FOCUS ON YOU – at RENOLIT, it is people who are at the focus of our attention. Team spirit, trust and successful partnership are the aspects which characterise our collaboration and which are the basis for the successful realisation of our goals.

Demographic change and the resultant lack of skilled workers, new demands made by employees upon employers and technological changes are the challenges with which **RENOLIT** is being faced as an employer all over the world. Our workforce is the most important asset within our company, enabling our joint success on a day-to-day basis. We therefore have one goal: to continue to be an attractive employer everywhere in the world, for both our present and future employees.

Participation and interaction: we are engaged in a continuous dialogue with our workforce in order to constantly improve our business activities together and create working conditions that contribute towards the quality of life and a work-life balance. To this end we regularly carry out global surveys among our workforce – as in 2021 - the results of which find their way into our human resources and sustainability strategy.

Essential aspects of our sustainability strategy are:

- Long-term career prospects and personal development (SDG 5)
- Safe working conditions and the promotion of personal well-being (SDG 3)
- Promotion of diversity and respect for every single individual (SDG 8)

Our Sustainability Goals for People

	Goal 2025	2021	Comments
Behaviour-related accidents resulting in permanent injuries	0		The evaluation of this parameter is planned for 2022.
Accidents per 1,000 employees	< 7	15.8	Behaviour-related safety philosophy (BBS – Behaviour Based Safety) is being constantly further developed and relevant measures introduced with the aim of reducing accidents.
Diversity Quota	35.5 %	33.7%	Cf. Chapter "Equal Opportunities and Diversity". Measures are planned in 2022.

An Overview of the Number of Employees

Total Workforce Plus	
RENOLIT Germany	2,208
RENOLIT (Rest of) Europe	1,655
RENOLIT America	364
RENOLIT Asia & the Rest of the World	857
RENOLIT Group Total Workforce Plus	5,084

Total Workforce Plus = Full- and part-time employees, apprentices and dual students, inactive employees and leased employees

102-8	2019		2020		2021	
	Employees total*	4,892		4,797	-1.94%	4,761
by Region						
Germany	2,088	42.68%	2,067	43.09%	2,085	43.97%
Rest of Europa	1,494	30.54%	1,466	30.56%	1,539	32.33%
America	388	6.91%	327	6.82%	322	6.97%
Asia incl. the rest of the world	972	19.87%	937	1.53%	805	16.91%
after gender						
Women	832	17%	815	17%	798	17%
Men	4,060	83%	3,982	83%	3,963	83%
according to employment relationship						
Full time	4,696	96%	4,509	94%	4,571	96%
Part time	196	4%	288	6%	190	4%
Indefinite	4,354	89%	4,365	91%	4,333	91%
Limited	538	11%	432	9%	428	9%
by age group						
< 30 years	817	16.7%	768	16%	762	16%
30 years - 50 years	2,651	54.2%	2,542	53%	2,428	51%
> 50 years	1,428	29.2%	1,487	31%	1,571	33%

Spreadsheet: Number of active employees (all full- and part-time employees and trainees, plus students with temporary or permanent contracts) worldwide at the end of the year
 Number of employees making up the total workforce, broken down according to regions (HC) – as of 31/12/2021
 Mitarbeitende gesamt = Active employees (direct & indirect) + apprentices + dual students

Development and Satisfaction of our Employees

New hires 401-1	2019		2020		2021	
	Total	551	11.26%	356	7.42%	566
by Region						
Germany	138	6.61%	108	5.22%	213	10.31%
Rest of Europe	133	8.90%	88	6.00%	188	12.45%
America	58	17.16%	54	16.51%	94	28.67%
Asia incl. the rest of the world	222	22.84%	106	11.31%	71	7.88%
Employee turnover 401-1	2019		2020		2021	
	Total	529	10.81%	441	9.19%	469
by Region						
Germany	125	5.99%	115	5.56%	119	5.76%
Res of Europe	143	9.57%	116	7.91%	84	5.56%
America	42	12.43%	66	20.18%	81	24.71%
Asia incl. the rest of the world	219	22.53%	144	15.37%	193	21.41%

Spreadsheet: New recruitments and employee turnover rate refer to the active employees (all full- and part-time employees and apprentices, plus students with temporary or permanent contracts) worldwide on average for the year

In order to analyse the contentment of our employees, we regularly monitor the duration of company service and the employee turnover rate at our worldwide locations, as well as regularly conducting surveys among employees.

Duration of company service:

We, as **RENOLIT**, are proud of the fact that 39 percent of our employees are, on average, employed by us for more than 15 years and that we have been able to keep this figure constant during the past few years (2020: 38 percent and 2019: 37 percent).

Employee turnover rate

The employee turnover rate, in other words the ratio between personnel losses and the average number of employees, was approx. 9.8 percent for the entire Group in 2021 and increased slightly when compared to the previous year (8.7 percent). In America in particular, the employee turnover rate increased when compared to the previous year and was approx. 24.7 percent in 2021 (2020: 18.3 percent). In the European countries that do not belong to **RENOLIT SE**, the employee turnover rate sank by 1.5 percent (2021: 5.6 percent).

Recording the employee turnover rate due to the number of those who hand in their own notices serves as an indicator for measuring the satisfaction of the workforce. This rate increased in comparison to the previous year and is now approx. 5.3 percent (2020: 4 percent). Whereas the figures for the rest of Europe reveal no noteworthy changes (2021: 3.3 percent) (2020: 3.6 percent), the employee turnover rate due to employees handing in their own notices in Germany increased slightly (2021: 3.28 percent) (2020: 1.5 percent). In America, the employee turnover rate due to employees handing in their own notices increased significantly. (2021: 15.5 percent) (2020: 6.3 percent). However, this figure includes short-term layoffs due to the pandemic. Some of these employees were rehired afterwards. In Asia, the figures do not reveal any noteworthy changes (9.8 percent) (2020: 9.45 percent).

Employee Surveys

In order to increase our employees' contentment and to take the issues they have into account when making strategic decisions, **RENOLIT** conducted a worldwide employee survey in the year 2021.

The three most important issues and core statements of the employees were:

- Leadership Development: Further improvement in the uniform understanding and transparency of career opportunities.
- Teamwork and team spirit: optimisation of inter-departmental cooperation and communication.
- Strategy ONE **RENOLIT** 2025: The strategy is supported, but there is a need for further communication and incorporation of the employees.

Improvement measures are being planned in 2022 with regard to these issues.

Increase employer attractiveness together

The lack of skilled workers is by no means a new issue, even though demographic change continues to come to a head. We find ourselves in an increasingly more competitive employee-biased labour market, on which we require a strong employer brand in order to be able to gain the services of employees and to bind them to our company. For this reason, we have implemented a variety of communication measures during 2021.

On the one hand, the **RENOLIT** website and job exchange in the career-area has been optimised with regard to structure, design and user-friendliness. On the other, the Intranet pages of our HR divisions have been adapted to portray current topics and information relating to personnel matters in a more transparent and easily accessible manner. Specifically for the target group of those interested in job training and studying, we opened the first career channel on Instagram, "@renolitkarriere", which is exclusively about topics relating to job training and studying at **RENOLIT**. Trainees and dual students from our company are also actively involved in the design of this channel.

Training and Development

GRI 404-3, 405-1

Our present and future employees represent the mainstay by which we grow together. For this reason, **RENOLIT** offers a variety of opportunities for personal development.

For us, especially the promotion of education and training is of immense importance for the safeguarding of our attractiveness as an employer and the shaping of the future. It is only in this way that we are able to win new talents for our company and retain the services of well-qualified and motivated employees in the long term. We thereby endeavour to develop as many specialist and executive employees as possible from our own ranks.

Training and Development of Young Employees

Worldwide, **RENOLIT** offers various internal and dual training options, for example in both the technical (process mechanics, electronics, industrial mechanics, media technology, machinery and plant management or logistics) and the commercial field (industrial clerk or clerk for e-commerce). We currently employ 107 apprentices and dual education students (previous year: 119). The aim is to appoint these persons to permanent positions directly after they have completed their training/studies.

As well as in Germany, we have also been offering apprenticeships in France, Italy and Great Britain for many years now. At the end of **2021**, we employed five trainees at our Cramlington location in Great Britain (+ 66.6 percent compared to 2020). In France, we have employed two dual students since September. In addition to this, we also successfully integrated two participants in vocational retraining courses in 2021.

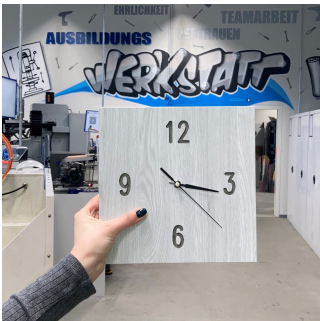
Development Germany:

	2019	2020	2021
Appointments	48	34	42
Percentage taken on permanently	80%	67.6%	90.24%
Proportion of entire workforce	6%	6%	5%

Further Highlights for Trainees and Students in Germany

Junior Company

Apprentices in their second year of training come together to form a fictional company. There they plan, manufacture and market a product of their own making. The profits were donated to charities.



First Aid Course

Theoretical and practical training of 14 apprentices and students in first aid, including a refresher course after two years. From 2022 onwards, all those starting out on their careers will be receive first aid training during the first year of their vocational training.



Enabling internships for school pupils

Despite the pandemic, we made it possible for 36 school pupils to complete internships at all of our German locations.

Energy Scouts

Qualification measure for three apprentices with the IHK (Chamber of Industry and Commerce) in Rhine Hesse. It is intended that the energy scouts should contribute towards the identification and documentation of energy saving potential, make suggestions for improvements and put the same into practice.

Next Generation meets the CEO and the General Manager

All apprentices and students meet the CEO and the General Manager Corporate Human Resources in Worms in order to get to know each other and to exchange



Regular further training for the Training Officers

Workshop on the topic "Future Skills@RENOLIT" and regular talks on subjects related to training.

Start competition on occupational safety

In cooperation with the professional association for raw materials and the chemical industry (BG RCI), a competition on occupational safety for trainees was launched at the Worms and Munich locations.

Stays abroad for industrial clerks

Two commercial trainees from Worms were able to gain insights and experience at the Enkhuizen site in the Netherlands as part of the additional qualification as European clerk.

Practice-oriented insights into financial accounting for commercial training

The commercial trainees at the Munich, Thansau and Waldkraiburg locations acquired practical knowledge for their financial accounting training in Worms.

Further Development of Personal Strengths and Skills

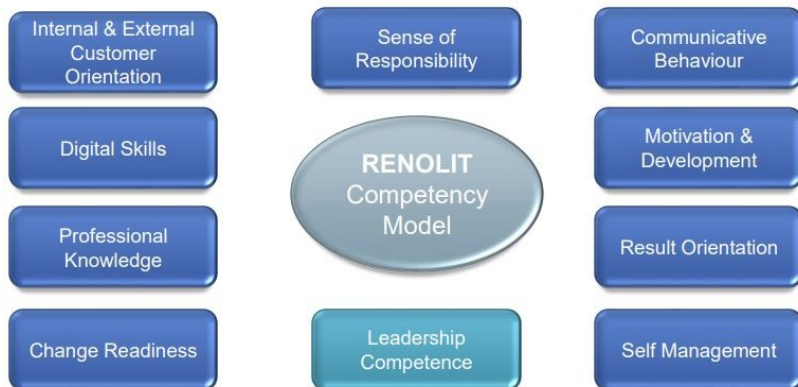
GRI 404-2, 404-3

The qualification and further development of our employees on the basis of their personal goals, strengths and skills is an important concern of ours. We wish to provide an environment that motivates our employees, creates scope for innovations and, at the same time, establishes a willingness to adapt. We support this with an extensive offer of training and further training for managers and employees.

Our Strategic Goals in Personnel Development

- Competence development
- Ensuring readiness to accept for change
- Uniform, international standards for personnel development
- Qualifying of executive employees as personnel development managers
- Enable the measurability of the personnel development measures

In order to realise the strategic targets, a competence model has been developed that depicts ten competences as a basis for an international dialogue or development review. This reflects a continuous and respectful dialogue between employees and managers. In the course of the dialogue, two to four competences (cf. competence model) will be looked at and appropriate personnel development measures lastingly defined in the development plan. Internationally, this dialogue is binding once a year for the first and second management levels, and for all employees at the German locations.



Improvement of one's personal strengths and competence development

RENOLIT specifically promotes the further development of its employees, and the development and strengthening of their competences. To this end we offer our employees an extensive range of professional and personal training courses on the topics of leadership, soft skills, languages, health, specialisations, etc. The **RENOLIT** catalogue of further training contains more than 50 offers of further training, which are carried out both in-house or externally, online, as hybrid or attendance events. Since autumn 2021, additional online training in languages, autogenic training & stress prevention or individual coaching sessions are on being offered. This offer is being continuously reviewed and further developed by Corp. People & Organizational Development.

Guidelines

By way of a supplement, we, in the year 2021, developed various guidelines as a uniform framework, in order to offer all employees the same chances and opportunities and to guarantee employee contentment.

Guideline	Short description
Vacancies and new employees (Open Position and New Employee)	Publication of new recruitments and ensures a transparent recruitment process.
Management Guideline (Leadership)	Definition of an internationally uniform understanding of management within the RENOLIT Group .
Competency Model & Development Review	Description of the competence framework for the various functions and of the process for the development talks.
Talent Management (PLACE & grow)	Process for the individual assessment and promotion of talented persons for the company.
Leadership structure (Organizational Structure):	Regulation of a group-wide, uniform organization of leadership structures.
Adaptation of Remuneration:	Regulation of the annual process for the remuneration of management employees and non-tariff employees.
Performance Management System	Description and regulation of the target agreements process and the remuneration of employees with a variable and performance-related remuneration component.
Expatriate Management	Definition of the shaping of and procedure for temporary assignments of employees abroad.
Onboarding	Description of the inclusion and integration of new employees.
Offboarding	Definition of a minimum standard for the exit process of employees

Common understanding of leadership

Our leadership guidelines were published in May 2021. Together with the management board, top level management and workers, a uniform understanding of leadership within the **RENOLIT Group** consisting of 7 leadership principles was developed in the course of a process lasting several months.

In this illustration it is made clear that sustainability has been integrated as principle of attitude and action for our management executives: **RENOLIT's** management executives act and lead sustainable with regard to the environment, society and the long-term targets. This means that we are constantly further developing our performance and at the same time wish to have a positive impact upon our employees and society.

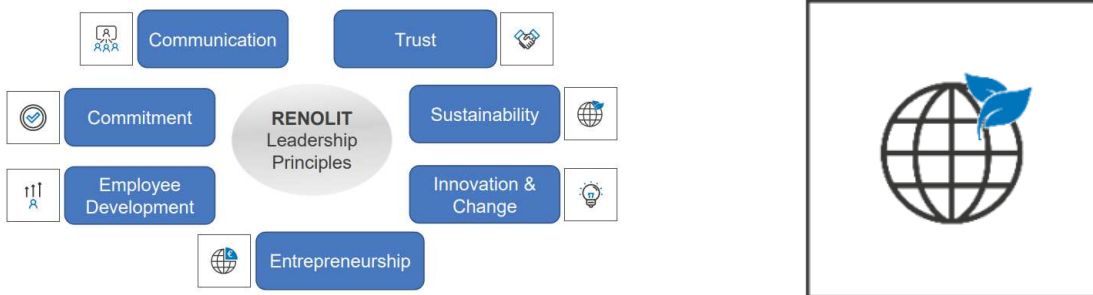


Figure: Overview of the seven leadership principles

Excerpt from our leadership guidelines – Topic of Sustainability (Integrate as a picture)

The following manner of conduct defines a sustainable understanding of leadership:

- assume responsibility yourself in order to increase efficiency
- create an attractive working environment that makes a healthy work-life balance possible
- show a high degree of understanding for questions relating to health and safety
- bring about a change in your sphere of influence, such as a habit, in order to reduce weight
- recognise the effects that actions have upon people and the environment
- consider the present and future impacts the decisions you take will have (globally) upon resources, other countries, society, etc.

Equal Opportunity and Diversity

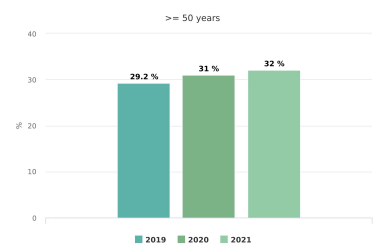
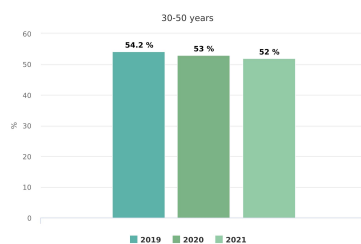
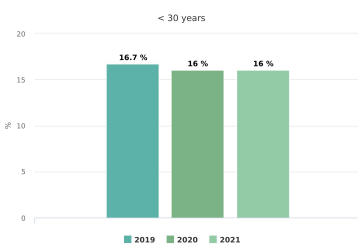
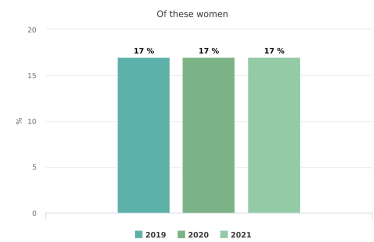
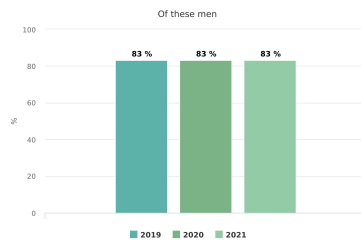
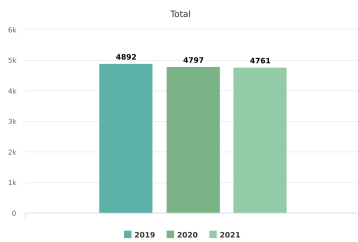


GRI 405-1

Our fair and trusting approach towards one another and our international corporate culture, which is at the same time family-owned, have positive impacts upon our corporate development and innovative strength. We are committed to equal opportunities and diversity. To the principle that each individual should be able to unfold their own potential to the full, regardless of gender, age, colour of skin, national or ethnic origin, sexual orientation, religious affiliation, disabilities, world views or life experience. We have set this down in our code of conduct, which applies to all employees and top executives.

In accordance with our corporate strategy, the promotion of diversity at all levels is an essential goal of our sustainability strategy. We aim to achieve a diversity quota of 35.5 percent throughout our company by 2025.

RENOLIT:



Level 1 and 2 managers:

Total			115
Of these men	81%	81%	83%
Of these women	19%	19%	17%
< 30 years	-	-	-
30-50 years	-	-	-
>= 50 years	-	-	-

Board:

Total	4	4	4
Of these men	100%	100%	100%
Of these women	-	-	-
< 30 years	-	-	-
30-50 years	-	-	-
>= 50 years	100%	100%	100%

Supervisory board:

Total	6	6	6
Of these men	100%	100%	100%
Of these women	-	-	-
< 30 years	-	-	-
30 - 50 Jahre	33%	17%	17%
>= 50 years	67%	83%	83%

We already integrate people with disabilities in our work processes. As was the case in the previous years, 2.5 percent of persons with severe physical disabilities make up 2.5 percent of the workforce at **RENOLIT**. The highest share applies in Germany, at 5.1 percent (six percent in 2020).

Promotion of the Health and Safety of the Workforce



GRI 403-1, 403-2

Healthy, motivated employees and safe jobs enjoy high priority for **RENOLIT** as a manufacturing company. For us, this includes the avoidance of accidents at work and protection against work-related illnesses, as well as offers of preventive health measures during one's entire working life.

Safe Working Conditions

We are constantly working towards the goal of creating safe places of work for our employees. To this end, we adhere to all statutory principles and regulations in the individual countries. We have also set ourselves internal standards, which we continue to develop all the time. We thereby take into account human behaviour as well as technical and organisational safety measures.

Organisation of Safety at Work

GRI 403-3

Our local occupational safety committees – consisting of plant managers, experts, employees' councillors and safety officers – are responsible for the organisation, further development and improvement of safety at work. Throughout the group, 444 (2020: 454) employees are involved in these committees. Their main task is to promote the development and implementation of our behaviour-based safety philosophy (BBS). With the aid of the two key components of the BBS method "Safety Inspection" and "Safety Talk", the aim is to identify potential for improvements and to communicate the same openly. In Germany, as a general rule, the safety committees meet four times each year.

Increasing Safety at Work Together

GRI 403-4, 403-5, 403-8

In order to increase safety at work, many measures have been undertaken. These have also been set out in company-wide agreements and in the group-wide code of conduct and apply to all employees. The measures include:

- Communication of accidents and safety measures to managers and employees.
- Communication of safety-related actions and measures via digital media, e.g. the e-learning programme "sam". Besides Frankenthal, Munich, Thansau, Waldkraiburg, Cramlington and Villatuerta, we also extended "sam" to Sant Celoni and Buriasco in 2021.
- A uniform guideline on the analysis of accidents in order to learn from mistakes and systematically reappraise the same.
- All employees are called upon to report dangers or, if possible, to rectify these themselves. This may be done digitally via the e-learning programme.
- Introduction of accident teams to appraise the accidents and derive measures.
- Implementation of the 5S Programme at 15 locations to date (2020: 15), in order to create a safe, clean and clearly structured working environment and guarantee disturbance-free work processes.
- Employees, customers and suppliers may, at any time, submit complaints connected with safety at work and health protection to an internal or external ombudsman's office, also anonymously, should they so wish.

In the year covered by this report BBS+, a supplementary and extended form of behaviour-based occupational safety, was additionally introduced in Germany. The main focus of this approach is the training of all employees in the recognition of dangers and the assessment of risks (GuRT). The co-determination and co-responsibility of the employees is strengthened in this way, as they report dangers, possibly remedying them themselves, and thus actively participate in the improvement of occupational safety. At the end of 2021, more than 1,500 employees at our German locations had already been trained in this area. In order to measure the impact of the safety work, additional safety parameters were developed with which we will continue to work in the future: Number of reports of so-called "unsafe circumstances" and their "definitive solutions in %".

Standardised, Safety-oriented Registration Process for Externals

GRI 403-7

At our Healthcare locations and at our locations in Worms and Frankenthal, visitors register with their personal data via tablet computers. In the course of the registration process, they are informed about the applicable safety precautions and subsequently called upon to answer related questions. We implement joint risk assessments with employees of external companies such as assembly, maintenance or cleaning staff at our German, European and Chinese locations.

82 percent of the Workforce is covered by the BBS Programme

Currently, 13 of our 18 manufacturing locations participate in the BBS Programme (2020: 13). The BBS Programme thus covers 3,960 employees in total. All participating locations have implemented the first component "Safety Inspection." In addition to the German locations, the second component "Safety Talks" is being put into practice in England, France, Italy, Spain, Belgium, the Netherlands and China – and is thus being used at thirteen (2020: eleven) locations. We are, for the time being, practising the BBS+ programme only at our German locations. Should the new methods prove successful, we intend to introduce BBS+ at other locations outside Germany.

Accident Figures

GRI 403-9

In the year covered by the report, we recorded an increase in the thousand-man quota (= number of reportable accidents at work per year resulting in the loss of at least one working day with reference to 1,000 production employees) to 15.8 (2020: 12.5). Even though this figure has increased, it remains our goal to achieve a thousand-man quota of less than ten by carefully targeted measures. At our German locations, we review accidents under the aspects of technology, organisation and behaviour, thereby identifying options for improvement.

With an average of 17.8 (2020: 25) working days lost, the recovery time decreased in comparison to the previous year. The severity of the accidents is attributable first and foremost to three (2020: eight) severe accidents relating to behavioural and technical causes (according to the GRI standard, this corresponds to five severe accidents resulting in lost time of more than six months; this results in a rate of 0.77 per one million hours worked).

	2019	2020	2021
Germany	24	22	32
Rest-Europe	17	15	19
America	4	1	2
Asien inkl. Rest of the World	2	5	2
RENOLIT Group	47	43	55

Effective technical measures for the reduction of our accident quota, particularly with regard to severe accidents, are among our central concerns. Safety-related measures in 2021 include the conversion of our calender line C at our plant in Munich and the new construction of calender 35 in La Porte. At our Waldkraiburg plant, we continued the ongoing measures to reduce the threat posed by open gaps that could draw in limbs at calender 4 and are planning conversions for calender 3 in Waldkraiburg and E / F in Munich.

Once again in 2021, our safety measures avoided any deaths resulting from operational accidents. Bruises, at 23 percent (2020: 33 percent), were the second most frequent type of injury after lacerations, at 32 percent (2020: 21 percent).

	2019	2020	2021
Lacerations/cuts/stabs/abrasions	13	9	15
Burns	2	2	0
Bruises/squashes/sprains	23	17	20
Broken bones	5	7	9
Eye injuries	2	0	1
Amputation	0	2	0
Death	0	0	0
Other	2	6	2

As in 2019 and 2018, behaviour-related causes of accidents were the most frequent, at over 70 percent; they were followed by technical (17 percent) and organisational causes (nine percent).

Accidents are not recorded according to gender within the **RENOLIT Group**, as this does not contribute towards accident prevention in the follow-up analysis. As accident reports frequently have a wide distribution list, personal data are kept down to a minimum. It is also for this reason that neither the age nor the name of the accident victims were recorded (for example.).

Minimisation of the Risk of Occupational Diseases

GRI 403-10

In order to rule out the risk of occupational diseases as far as possible, **RENOLIT** has drafted operational instructions that describe the correct behavioural reactions for employees to dangers arising at the place of work. As a general rule, hardness of hearing represents the greatest risk of an occupational disease at **RENOLIT**. In order to prevent occupationally related diseases, measurements are carried out at all manufacturing locations in addition to regular inspections and health-related meetings, for example with regard to noise and illumination levels or to dangerous conversion work. As a general rule, measurements are carried out as warranted, for example after conversion work, the installation of new machinery and processes or the introduction of new materials.

In 2021, one case (2020: one case) of hardness of hearing was recognised by the occupational insurance associations in Germany.

GRI 403-6

Healthy, motivated and efficient employees are a decisive factor for the success of **RENOLIT**. We aim to play our part at our various locations in helping to ensure that our workforce are able to preserve and further their health throughout their professional lives.

Company Health Management

An essential component in this is our company health management (BGM), which is coordinated by the Health and Safety at Work department at our location in Worms. At our location in Worms, there is also a BGM Steering Committee comprised of plant management, personnel management and works council, plus a BGM team of ten employees from production and administration who put BGM projects into practice in addition to their main tasks.



At our German locations, our company doctor, in addition to supporting employees following accidents at work, is also responsible for the timely recognition and avoidance of occupationally related adverse effects on health. In this context, regular appraisals of the workplace are carried out. In this way, areas of potential for improvement can be discovered and modifications to the workplaces implemented.

Company integration management is also part of the BGM. This is responsible for ruling out incapacity for work on the part of the employees to as large an extent as possible, preventing renewed incapacity and preserving the workplace of the person affected in the individual case.

A Variety of Offers and Actions at the various Locations

Introduction of a voucher booklet at the Worms location as an incentive to participate in health-promoting measures, consisting of four components: promotion of exercise, diet, medical precautions and mental health.	Offer of ergonomic training or non-smoking courses, plus company cooperations with fitness studios including subsidies.
"Mental Well-being" programme in Cramlington (UK) for employees who are suffering from psychological stress.	Preventive physiotherapy courses for office employees at RENOLIT Iberica .
Vaccination programme against COVID19 at our German locations.	Prevention teams to contain the spread of coronavirus at our German locations.

Facility for employees to obtain company bicycles, including tax benefits, via their salary statements. A total of 289 employees (2020: 277) with 418 (2020: 389) leased bicycles are currently taking advantage of this offer.	In Germany: Offer of the component "Provision against Occupational Disability" in the context of social benefits. All employees receive basic coverage financed by RENOLIT and have the option of topping this up.
Offers of joint sporting activities, e.g. participation in the "Nibelungen run".	Design of a garden for those working at RENOLIT Cramlington. Together, plants are cultivated and seating installed.

Future-oriented Projects in the Human Resources Field

HR- Digitalisation Project 2021+

In the Human Resources field, we are constantly reviewing how we can support our workforce in the best possible manner and increase their satisfaction. This also applies to the workflows and processes within personnel administration. At the end of 2020, the decision was taken to address further digitalisation measures in the context of the standardisation and harmonisation of personnel management processes at our German locations. In the course of the further development of SAP Success Factors, payroll accounting was harmonised and standardised at all German locations in 2021 by way of the Employee Central Payroll module. The Employee Central module is being extended as a basis for payroll accounting and will thus serve in the future as a central system for managing employees' master data. With the relaunch of the Recruiting module and introduction of the ATOSS time management system at the Munich plant, Corporate Human Resources increased its level of digitalisation.

Generally speaking, the overriding goal is that fewer paper documents for applications should be in circulation, thus enabling the Shared Service Center Payroll Germany (SSC) and the local personnel management of the various locations to process inquiries more quickly. With the aid of digitalisation, processes can be mapped more efficiently, thus saving time. This also contributes to the shift in roles in the human resources sector.

To sum up, in the context of the HR Digitalisation Project 2021+, during 2021 a uniform master data system for our German locations was set up, the digital personnel file was introduced and payroll accounting were harmonised and standardised throughout the country via a cloud-based solution. The SAP Success Factors software forms the basis for this. Furthermore, the time management solution of **RENOLIT**, the HR Staff Center, was updated, including a new, intuitive interface. All employees in Germany now have the option, via the HR Staff Center, of submitting their holiday applications electronically or making time bookings themselves autonomously. This saves them a great deal of time in their daily working lives.

The introduction of payroll accounting by the nationwide standardised system marked the inception of state-of-the-art technology, and there was also an organisational change in the form of the Shared Service Center Payroll Germany (SSC). It also proved possible to digitalise the personnel files of all German employees and pensioners. Since this change of technology, the SSC is also the central point of contact for the payroll accounting of all German locations.

With the realisation of the HR Digitalisation Project 2021+, workflows have been significantly simplified and made more efficient for our employees. At the same time, we have been able, thanks to digitalisation, to save paper and thus make a positive contribution to environmental protection.

Social Commitment

GRI 102-12

We live social responsibility. As a family-owned global company, we consider ourselves to be under obligations not only towards our employees but also to society. Wherever we operate, **RENOLIT** takes up an involvement in projects in the fields of education, science, social affairs and culture.

The locations decide, together with company management, over the granting of donations. The Donations and Sponsoring Guideline introduced in January 2021 provides the necessary terms of reference.

We significantly increased the volume of our donations in 2021:

- Donations amounting to 118,662 euros (2020: 20,000 Euro) for social projects
- Sponsoring amounting to approx. 18,900 euros (2020: 2,500 euros)
- Provision of scholarships amounting to 29,986 euros (2020: 30,979 euros)

Examples of our social commitment at our various locations:

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

Support of the teaching staff in equipping the classrooms.

Exemptions from duties in order to participate in examination committees:

RENOLIT SE supports the voluntary commitment of its employees in participating in examination committees and thus making a contribution towards education. The employees are exempted from their duties for this purpose.

“Wish List Campaign”:

Participation in the Wish List Campaign of the St. Annastift in Ludwigshafen. Thanks to personal donations from the various German plants, the wishes of 50 children from this orphanage have been fulfilled.

Donation of Christmas Presents:

- Participation in the largest present campaign for children in need anywhere in the world, “Operation Christmas Child”, with the campaign of the Christian Charity “Christmas in a Shoebox”

An additional donation of 200 Christmas presents from the employees of **RENOLIT** Cramlington, who participated in the campaign “Cash for Kids” staged by a local radio station.

RENOLIT donates to Flood Victims:

- Against the backdrop of the devastating flood disaster in Germany, especially in the North of the Rhineland-Palatinate, **RENOLIT** donated 50,000 euros to the relief fund of the State Government of the Rhineland-Palatinate.
- In addition, employees donated time credits and holiday entitlements which, converted into money, amounted to 25,000 euros, to the victims of the Ahrtal flood disaster.



Donations to Heath Organisations:

The American **RENOLIT** Corporation LA donated 5,000 U.S. dollars to the Leukaemia and Lymphoma Society and a further 5,000 dollars to the Emily Whitehead Foundation in 2021.

Action against Refuse – Cleaning up local beaches:

Employees from **RENOLIT** Cramlington participated in the cleaning up of local beaches. In this instance, plastics were collected which duly enabled the Marine Conservation Society to carry out relevant data analyses.

PLANET

Globally, we as a Group are aware of our responsibility towards our planet. We only have one planet, and it is precious. We therefore do all we can in the interests of responsible and sustainable use of our natural resources. Due to our business activity as a manufacturing industry, we use natural resources and emissions, greenhouse gases, waste water and waste products arise as a result. At the same time, we are affected by climate change in various ways: heavy rainfalls, scarcity of water and resources, storms, heat waves – all of these have different impacts upon our worldwide locations with regard to buildings, production processes and the supply of products.

Our corporate environmental management centres on reducing negative environmental impacts and making a measurable contribution towards the protection of the environment and the climate. We are actively committed to the efficient deployment of resources and the circular economy by way of our initiative **RENOLIT** Goes Circular and our efforts to increase energy efficiency.

Essential aspects of our sustainable strategy are:

- Circular economy
- Saving resources
- Environmental protection
- Climate protection

To this end, we have set ourselves the following goals in the “Planet” area

	Aim 2025	2021	Comments
Recycling of reusable production materials in the Group	100%	65.5%	Regular review of the locations and products (cf. also page 41-42x)
Recycling and reusability of the synthetic materials in our packaging	100%		Realisation and measurement are planned for the future.
Use of raw materials of non-fossil origin	3 %	3%	The goal has already been achieved; we continue to work towards the goal of increasing the deployment of polymer additives made from non-fossil raw materials.
Percentage of recycled materials or renewable raw materials that is contained in our synthetic packaging	50 %		Realisation and measurement are planned for the future.
Customer projects in which materials are taken back in the RENOLIT material cycle	10 %		Realisation and measurement are planned for the future.
Realisation of energy efficiency compared with the reference year of 2020	-5 %	-5.9%	Thanks to optimisation of the production processes, we have already been able to reduce significantly the specific energy consumption per kilogram of ready-for-sale film produced and have achieved our goal (cf. page 29).
Reduction of CO ₂ -emissions within the Group compared with 2010	25 %	25.2%	Analogue to the improved energy efficiency, the specific CO ₂ emissions also decreased.

Further key indicators which we review regularly are:

- Specific residual volumes of synthetic materials: 138 kg/t product
- Specific hazardous waste products: 5.89 kg/ t product
- Specific water consumption: 8.04 m³/t produc

Organisation of Operational Environmental Protection

Organisation of Operational Environmental Protection

GRI 307-1

In order to meet the complex requirements pertaining to our ecological responsibility, our group-wide environmental standard defines minimum requirements in the field of environmental management. The standard applies to all our plants all over the world. The Corporate Environmental Affairs department is responsible for central coordination. Additionally, responsible officers have been appointed at all production locations with regard to environmental issues. Our locations are also subject to ongoing monitoring by external authorities, who support us in implementing statutory regulations and updating existing licences. The national authorities at the respective locations established only marginal violations at most during their inspections in 2021.



Ten of our locations have been certified according to the internationally recognised ISO 14001 standard and one location (Sant Celoni in Spain) according to EMAS. At the annual reviews – conducted both internally and also externally by renowned controlling bodies such as TÜV, Bureau Veritas and Lloyd's – all plants were able to prove that their management systems comply with the requirements of the standards and are subject to a functioning continuous improvement process.

Every production location is obliged to compile an annual standardised environment report that reveals potential environmental risks and measures to minimise these. The comparability of the data is also guaranteed. The environment reports of the production locations reveal that the diversity and complexity of environment-related issues and regulations are among the central challenges faced by our environment management system. In order to improve the flow of information, we have thus incorporated elements of our internal environment standard into the criteria for the audits performed by our Internal Auditing department.

In the final analysis, the audits tally with the aforementioned inspections by the authorities – no location has significantly violated any national environmental laws. Evaluation of all the reports revealed that there had only been a small number of few complaints from the neighbourhood because of noise and smell in the reporting period. Beyond that, there had been neither any significant complaints about our environmental behaviour, nor any significant incidents of relevance to the environment. It goes without saying that we conscientiously look into all complaints, identify causes and, if need be, instigate any necessary measures.

Where environmental risks were identified, the authorities were informed without delay, appropriate measures for the rectification of the situation have been instigated and are successively being implemented. The following locations are subject to historical soil contamination or excessive threshold values: Cramlington, La Porte, Milan, Buriasco, Commerce, Thansau, Munich, Worms, Enkhuizen and Chevigny. All locations are being monitored by the authorities and remediation is either in progress or has been completed at all affected sites. In the year covered by this report, the authorities responsible for the La Porte site, which has been subject to ongoing remediation, consented to the cessation of remediation and monitoring measures. We have also launched a pilot project for biological decontamination at our location in Chevigny. Here, the biodegradation of chlorinated hydrocarbons in the soil is being tested. As soon as the first insights have been gained, further measures are to be instigated in coordination with the local authorities in order to contain the contaminant plume.

Measures for Climate Protection

Energy and Emissions

For **RENOLIT**, energy efficiency and the avoidance of emissions are matters of high ecological and also economic relevance. Because of our high energy consumption, increases in energy costs such as higher energy prices or other levies have a direct effect on our profitability.

In order to make our contribution towards climate protection while at the same time according due consideration to our profitability, we set ourselves new goals in the reporting period. By the end of 2025, we aim to reduce our energy consumption by five percent and our CO₂ emissions by 25 percent, based on the reference year of 2010.

All German locations and Cramlington (UK) are certified according to a DIN ISO 50001 energy management system.

Energy Measures

GRI 302-1, 302-3

The conscious and careful handling of energy is a firm fixture in our daily business. In the context of our global energy policy, we pursue the aim of putting all energy efficiency measures that make sense from both the ecological and the economical point of view into practice at our locations as soon as possible. It is the plants and their respective responsible Energy Management Officers who are responsible for realising **RENOLIT's** energy goals and measures; coordination is carried out by the Corporate Unit Corporate Environmental Affairs.

In order to control our energy management and the efficiency of the measures and savings, we also monitor, in addition to the absolute energy consumption of our locations, the specific consumption per kilogramme of produced ready-for-sale film. This enables a valid comparison over a period of several years of the actual, conscious and sustainable deployment of energy in our production. It is electricity and natural gas that are first and foremost required in the production processes. Electric current is primarily used for the machine's drive systems and to cool process media. Natural gas and, to a minor extent, heating oil or bio fuel, are used by us to generate steam and to heat thermal oil as a heat carrier for our roller equipment. Electric current and fossil fuels are used to roughly the same extent.

Absolute Energy Consumption in MWh		Specific Energy Consumption* in MWh/t	
2020	2021	2020	2021
544,652	588,263	2,317	2,180
Change	8 %	Change	- 5.9 %

*= absolute energy consumption in relation to the production volume

The absolute energy consumption of our locations increased in 2021 by eight percent compared to 2020. This is attributable to increased production tonnage at our manufacturing locations.

We were, however, already able during the reporting period to achieve considerable savings in our specific energy consumption by optimising our production workflows, and were thus already able to achieve our goal for 2025. These savings were achieved with the aid of newly designed ventilation systems, the optimisation of heating and cooling systems, the replacement of antiquated pumps, the installation of oil-free refrigerating machines and the set-up of modern monitoring software in our production processes. An exemplary measure here is the compression refrigeration machine which was completed in Worms in 2021 in combination with a hot water absorption refrigerator, which makes its contribution towards considerable savings.

In order to further optimise and reduce our energy consumption we have established a company-wide energy-saving initiative in pursuit of our defined goals. Together with the goals themselves, measures are defined under this initiative and subsequently discussed and amended as appropriate in regular discussion panels comprising all energy management officers. In 2021, we invested a total of approx. 1 million euros in order to realise measures in on-going projects for greater energy savings and efficiency gains as well as energy saving projects. Our endeavours are aimed to an equal extent at reducing electrical and thermal energy.



When repairing machinery or making replacement investments, **RENOLIT** pays attention to energy-sparing components right from the procurement stage. New investments are reviewed during the planning and design stage with regard to their anticipated energy consumption. The process as such is also subject to continual scrutiny with the aim of exploiting as many opportunities for improvement and using as many new, innovative alternatives as possible.

In 2021 a group of employees from various departments was tasked with looking into alternative sources of energy and formulating targets. Whilst these projects have yet to be implemented, concepts for their realisation have been drawn up. The following targets have been developed for the coming years:

- Deployment of 2 MW hydrogen turbines for the production of our own steam and electricity
- Use of wind turbines at the Worms pilot site in order to be independent of electricity purchases with 10-15 MW.
- 30 percent of all suitable roofing areas are to be fitted with PV power plants
- Parking areas with PV charging systems for all e-vehicles in the fleet and for employees available

We will be providing information on implementation of these visions and concepts in subsequent sustainability reports.

Greenhouse Gas Emissions

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

RENOLIT aims to make an active contribution to climate and environment protection and to reduce its greenhouse gas emissions. As a direct link to the deployment of energy applies here, the energy efficiency measures described in the Chapter “Energy” and the shift towards renewable sources also have a direct effect on greenhouse gas emissions.

By 2025, we want to reduce our direct (Scope 1) and indirect (Scope 2) emissions by 25 percent compared to 2010.

Direct CO₂ emissions include those emissions incurred when burning fossil fuels in order to generate process heat, for example. Indirect CO₂ emissions include those that arise from the purchase of electrical current from power plant operators. Emissions from means of transport for goods or persons (Scope 3) have not been taken into account. In order to achieve more exact data acquisition and provide more detailed information on the determination of improvement potential, during the reporting period we optimised the CO₂ calculation from 2020 and adapted it to a location-specific analysis.

Direct (Scope 1) CO₂ Emissions in t		
2020 = Base year	51,070	Base year
2021	54,887	+ 7.5 %
Indirect (Scope 2) CO₂ Emissions in t		
2020 = Base year	99,321	Base year
2021	103,950	+ 4.7 %
Total (Scope 1 + 2) CO₂ Emissions in t		
2020 = Base year	150,391	Base year
2021	158,837	+ 5.6 %
Specific CO₂ Emissions (Scope 1 + 2) in t/t Product		
2020 = Base year	0.64	Base year
2021	0.59	- 7.8

Compared to the previous year, an increase in total CO₂ emissions of 5.6 percent was recorded. Direct CO₂ emissions have increased by 7.5 percent and indirect emissions by 4.7 percent. The specific CO₂ emissions on the other hand, i.e. the CO₂ emissions per tonne of produced foil, sank by 7.8 percent in comparison with the base year 2020. The improved consumption levels are attributable to good production capacity utilisation levels, which avoided machine down-times.

Other Emissions

The deployment of plasticizers, stabilisers, printing inks and solvents in the production process leads to emissions, the levels of which **RENOLIT** is continually working to reduce. Depending on the process, different methods need to be applied to treat the exhaust air. For example, mechanical and electrostatic filters are used on the calender and extruder machines, sometimes in combination with activated carbon, whereas the solvent-containing exhaust air from the printing shops is cleansed using regenerative incinerators with energy recuperation. In addition, solvent-based paints are being phased out and gradually replaced by water-based alternatives, which is also helping to reduce emissions

Materials & Resources

GRI 301-1, 301-2

RENOLIT is committed to the efficient deployment of materials and resources. In total, 315,325 tonnes of raw materials and semi-finished products were procured. The increase of around 25 percent compared with the previous year of 2020, with its 251,118 tonnes, is accountable to the increased production and stockpiling.

The materials deployed are essentially polymers (synthetics), esters, additives, pigments, fillers and printing inks which are purchased from companies of the international chemical industry and their distributors. These are supplied as solid bulk materials or in liquid form for further processing and are made up, for the most part, of natural gas, crude oil and solid waste products from the mining sector and, to a minor extent, from renewable resources. **RENOLIT** does not have any noteworthy influence upon the composition of the source materials.



Our goal for 2025 is that three percent of the synthetic materials deployed should derive from non-fossil sources. We have achieved this goal already, but continue to work towards increasing the use of renewable materials along our production chain. We are engaged in a close dialogue with our customers on this. In our discussions, we note a growing interest in renewable source materials, even though the higher costs that go hand-in-hand with this are still perceived as a major challenge. **RENOLIT** is thus placing its focus on increasing material efficiency, to be achieved first and foremost by extending our internal recycling activities. However, our customers remain hesitant about demanding products with a specific percentage of recycled material.

Safe Deployment of Raw Materials and Chemicals

We use various raw materials and chemicals in our production processes. It is only through the conscientious handling of these that it may be ensured that the contamination of the air, water and soil, as well as the risk of fire and dangers to the health of the employees can be ruled out. For this reason, we regularly conduct inspections at all our locations and provide instruction on the purchasing, transportation, warehousing and handling of materials.

In addition, operating instructions for all relevant materials and the storage and deployment locations must be displayed in a prominent position.

There is at least one competent person at each location who is responsible for ensuring adherence to all relevant laws and regulations regarding the handling of materials, especially hazardous raw materials. As in the previous year, there were no instances in 2021 in which the regulations referred to were not adhered to.

Safe Handling of Hazardous Substances

The storage of hazardous substances is a challenge which faces many **RENOLIT** production locations. A key aspect here is the predominantly old building stock at some plants, which complicates the storage of water-endangering substances in accordance with the relevant regulations. In order to ensure the safe handling of hazardous substances in accordance with environmental considerations, **RENOLIT** has identified the areas concerned and initiated appropriate measures. Additionally, sealed surfaces have been created at some locations to prevent liquids from flowing into the soil and bodies of water.

In addition, some locations have warehouses central for hazardous substances. In contrast to de-centralised storage, waste for disposal can be stored centrally here along with various hazardous substances. While not every location has a separate warehouse for hazardous substances, in consultation with the supervisory authorities areas have been established here which minimise the risk of damage to the environment. We have also established the necessary conditions to retain contaminated extinguishing water in the event of fire by way of appropriate construction measures. This prevents the water from flowing into the surrounding area and contaminating the soil and groundwater.

Recycling & Waste

GRI 306-1, 306-2, 306-3

RENOLIT is firmly committed to the circular economy. Within the production processes, materials and residues are often accrued that are unavoidable and which entail risks for the environment. In order to minimise these and to reduce our worldwide ecological footprint, a key policy is to reduce waste products or to reintroduce them into the production process once again. Management of our circular economy policy has been allocated to the department **RENOLIT Goes Circular (RGC)** within our Corporate Unit Corporate Sustainability. In addition, responsible officers have been appointed at all locations.

How we are proceeding:

Priority 1: Reduction of materials and waste.

Priority 2: Internal treatment of materials and residues, with the aim of preserving the value of these substances and reducing the need for primary raw materials. Separation of the materials according to synthetics, colour and hardness, in order to improve the purity and quality of the recycled materials. Options:

- direct deployment at the place of accrual.
- treatment for conversion into a recycled product for used at the location or within the Group.

Priority 3: Recycling and sale of the recycled product to customers as secondary raw materials.

Priority 4: Materials which are not suitable for machine treatment are to be rendered suitable for recycling via separating processes or, by way of chemical recycling, converted back into raw materials from which synthetic materials may be created.

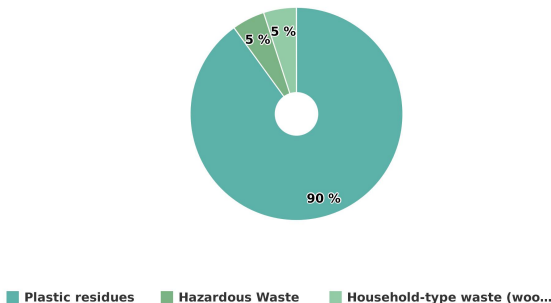


Taking priorities 1 and 2 into account, our goal is to improve our material and residual treatment to such an extent that, by 2025, no materials will need to be sold externally.

Our waste product volumes:

GRI 301-2

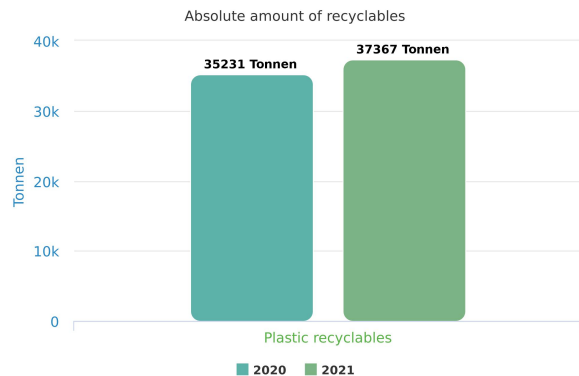
Distribution of Group-wide waste generation 2021



An alternative assessment is obtained by differentiating waste products according to recycling (both internal and external) or disposal. **RENOLIT** recycles approx. 95 percent of its entire volume of waste products and disposes of around five percent. The disposal of harmless waste products is de facto zero, while hazardous waste products are disposed of or recycled in equal measure. As construction waste products tend to accrue only sporadically, they have not been included in this analysis.

In 2021, the absolute volume of reusable synthetic materials increased by 6.1 percent compared to the previous year. This is to be attributed firstly to the fact that the stored reusable materials that do not directly accrue during the production process have also been taken into account and secondly to the fact that the sales volume, which increased by 35,000 tonnes, also led to an increase in the absolute amount of reusable materials accrued.

In order to make the percentages of recyclables and raw material input more comparable in the future, the referential value "production volume" was changed to "raw material input" from 2021 onwards. For this reason, the percentage value of recyclables in 2020 of 13.3 percent is only comparable to a limited extent with the value of 12.2 percent in 2021.



Although the absolute amount of recyclables in 2021 is about 2,100 tonnes (+ six percent) higher than the tonnage in 2020, the production tonnage has increased by 35,000 tonnes (+ 15 percent) in the same period, which corresponds to a significant improvement in the production process.

In addition to the amount of recyclables produced, the share that can be returned to the production process (internal recycling rate) and the share that is still sold to external recycling companies today are important in order to meet the strategic goal of no longer selling recyclables to external parties by the end of 2025. The internal recycling rate (after changing the reference value) could be increased from 49.1 percent in 2020 to 60.5 percent in 2021. This corresponds to an absolute increase in the use of recyclables of 5,300 tonnes, which can be explained by the higher production tonnage and the resulting increase in production batches and better separation of recyclables at the plants.

In total, the amount of recyclables sold externally in 2020 of 16,584 tonnes (47.1 percent of the recyclables volume) was not reduced in absolute terms in 2021, but increased to 17,467 tonnes (46.7 percent of the recyclables volume) due to the 15 percent higher production volume, which corresponds to a relative improvement in the ratio of 0.4 percentage points.

In total, around **0.9 million euros were invested** in the **RENOLIT Goes Circular** initiative in 2021. The investments at the various locations primarily concern measures for improvements to internal processes or to increase capacities – in the areas of pulverization and regranulation, for example. In addition to the technical investments, we will be increasing efforts to train our employees in the handling of reusable materials in order to further improve our material efficiency.



In 2021, we reorganised our internet and intranet presence with regard to RGC, so as to render all information available on the topic of recycling transparently accessible to all interested parties. Further information on this matter may be retrieved via the following link: circularity.renolit.com

In addition to its own internal recycling activities, the **RENOLIT Group** is also actively involved in the VinylPlus sustainability programme:

- **RENOLIT** is committed to the VinylPlus voluntary sustainability programme: this initiative of the European PVC industry is actively involved in promoting the more sustainable production and use of the synthetic material PVC, with the goal of achieving a registered recycling volume of 800,000 tonnes of PVC per year from 2020, of 900,000 tonnes from 2025, and of 1 million tonnes from 2030 onwards.
- **RENOLIT** is actively involved in the management of VinylPlus and the Vinyl Foundation: the recycling programme Recoviny/RecoTrace is part of the VinylPlus initiative and is intended to create the basis for trustworthy cooperation between recycling and processing companies. The recycling PVC volumes registered by RecoTrace have been increased continually over the past few years. A total of **15,064** tonnes were registered by **RENOLIT** in 2021. In all, ten **RENOLIT** locations in Germany, Great Britain, Italy, France and Spain are affiliated to this certifying system.

Water Management

GRI 303-1, 303-3

The global supply of water is becoming increasingly problematic as water scarcity is arising in an increasing number of regions. **RENOLIT** also requires the natural resource water at its various locations: water is consumed in the production process in particular for the generation of steam and for refrigeration such as granulation and sterilization. Sanitary facilities use only small quantities by comparison.

An active water management system, i.e. the responsible handling of water which, in addition to monitoring the extraction of water, also involves examining the discharge of waste water, is thus an important aspect of our company environment management. In view of the crucial nature of this area, our focus is on water management at our 18 manufacturing locations.

Water Consumption at RENOLIT's Manufacturing Locations

GRI 303-3

RENOLIT draws the water it requires from wells and from the public water supply system. Approx. 25 percent comes from the public system and approx. 75 percent from groundwater.

Water Consumption			
	2019	2020	2021
Absolute water consumption in total (m ³)	2,274,913	2,250,398	2,169,095
Specific water consumption (m ³ /t product)	9.64	9.57	8.04

The absolute amount of water extracted sank in 2021 by around 80,000 cubic metres in comparison to 2020. It also proved possible to clearly reduce water consumption in relation to the production volume during the reference period by 16 percent to 8.04 cubic metres per tonne. This reduction is to be attributed to the following measures in particular:

- Introduction of a water management system at our location particularly affected by water scarcity, Commerce in California (USA): Continual monitoring of water consumption in the most important processes, such as reuse of some of the process water.
- Repair of leakages at our Milan location
- Reduction of drinking water consumption at our Munich location through organisational measures
- Reduction of well water use at Thansau by means of an instruction to save water

Waste Water Discharge

GRI 303-2

When discharging waste water, we adhere to statutory regulations worldwide; in addition, both the quantity and quality of waste water are checked by the respective responsible authorities. Approx. 20 percent of waste water is discharged above the surface, approx. 80 percent lands in the public sewage system. Where necessary, restrictive conditions are imposed.

We are not currently subject to any official restrictions, as **RENOLIT's** business activities have so far not had any negative impacts upon waters or upon flora and fauna. Some manufacturing locations have been obliged by law to regularly review waste water by way of self-checks. This is done at pre-defined discharge points in accordance with the chemical parameters determined by the respective authorities. The results are reported regularly to these authorities. In addition, we point out other locations voluntarily check their waste water.

In order to guarantee that no contaminated waste water can enter into the soil, we actively participate in the cleaning up of the sewer systems. During the period covered by this report, we concluded the first clean-up stage in Frankenthal. This means that all German locations have now been fully or partially cleaned up or, due to the level of technical complexity involved, are being successively cleaned up on the basis of an implementation concept.

PROFIT

Profitable growth and stability, a specialist and driving force for innovations in the field of films, sheets and other polymer products in many sectors – these are what **RENOLIT** stands for. As a customer-oriented company, the development of forward-looking solutions is a central element of our activities. The prevailing market requirements are always our main focus here and inform our actions in this field.

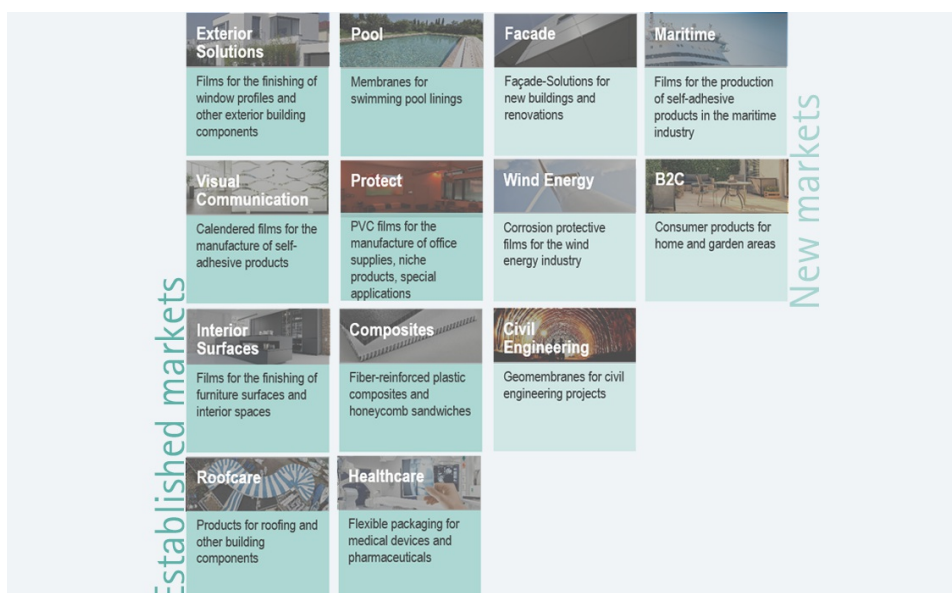
Essential aspects of our sustainability strategy are:

- Profitable growth
- Customer centricity
- Innovation
- Market leadership

We have our eyes firmly fixed upon the following goals:

	Goal 2025	2021	
Market share for all Strategic Market Units	Top 3	6/8	We are already among the TOP3 in six of eight Strategic Market Units.
Annual productivity increase	3%	+12.6%	Increase in annual production from 233,561 tonnes in 2020 to 263,001 tonnes in 2021. Further information in the Chapter "Our Development".
Annual turnover	1.5 thousand million euros	1.3 thousand million euros	A new record in 2021. An increase of 24 % compared to 2020 (1 thousand million euros). Further information in the Chapter "Our Development".
Percentage of turnover generated by new, innovative and sustainable products and services	10 %	7%	

In order to do address market demands and global challenges effectively and to successfully achieve our goals, we amended and realigned our service structures in 2020. This enables us to offer well-targeted products and solutions, react to market changes in good time and exploit our great innovation potential.



We pursue and achieve various SDGs with our product solutions.
www.renolit.com

Our Products and their Connection to Sustainability

GRI 417-1

Polymer products are artificially created materials made from organic raw materials such as crude oil, natural gas and coal, or from renewable substances such as soya, maize or sugar cane.

All plastic products have one thing in common: they consist of long molecular chains, known as polymers. The manifold properties of synthetics, for example whether they are malleable or hard, depend on the additives that are admixed during manufacturing. The many-faceted world of **RENOLIT** products derives from a wide variety of formulae. The manifold applications show that synthetic products are a natural part of our daily lives. In many fields, plastic products contribute to energy being saved, fewer greenhouse gases emitted and natural resources conserved. The intensive usage of these products does, however, also present some challenges relating to the consumption of (finite) resources and the need for an effective refuse management system. We are facing up to this responsibility, as described in detail in Chapter Recycling & Waste.



Safe and High-Quality Products

We bear enormous responsibility for our products, as they flow into processing industries all over the world. Our aim is to manufacture safe products of a high quality. We guarantee this through regular product controls, the replacement of dubious substances by alternatives and, of course, by adhering to statutory regulations. Our controls apply to 100 percent of our products. We know every formula and thus all components of our products. A careful review with regard to safety for human beings and the environment follows. As a result, only carefully selected raw materials are used by us.



Our understanding of product responsibility also involves constantly working on the longevity of our products and the conservation of resources. One example of this is **RENOLIT EXOFOL** – thanks to further development efforts, we were able to increase the warranty periods for this window film to up to 15 years. It goes without saying that we adhere to statutory regulations regarding the marketing of our products and do not sell any products whose use is prohibited. This is the spirit in which **RENOLIT**, for example, handles the processing of titanium dioxide: The EU Commission has classed this white pigment as “presumably carcinogenic if breathed in”. However, this only affects titanium dioxide in powder form; when the pigment is incorporated in a matrix, such as in a plastic film, this classification does not apply. The concentration of titanium dioxide permitted in the air by law differs depending on the country. The existing health and safety at work regulations at the **RENOLIT** plants worldwide permit adherence to the prescribed threshold values at all times. Additional protective measures due to re-classification are not necessary according to official estimations. Should the statutory threshold values alter, we will, of course, take measures to comply with the same and to protect our workforce.

In all, 16 production locations have a quality management system certified according to ISO 9001. This management system supports us in the continuous improvement of our processes and achievement of a constant level of quality. As the quality of our products is also influenced by the raw materials we acquire, we expect an equally high standard of quality from our suppliers. Through the timely incorporation of the suppliers in the development and quality planning process, we achieve an unbroken flow of information that is essential for faultless manufacturing and reliable delivery.

At the production locations of our Market Unit Healthcare, we are raising our quality standards even further. For this unit, we have set ourselves the goal of realising Good Manufacturing Practice (GMP). In this way, we fulfil customer expectations in the medical field and the requirements of the FDA. We have carried out an analysis of ISO standards 15378, 13485 and 9001 in order to ensure that the correct

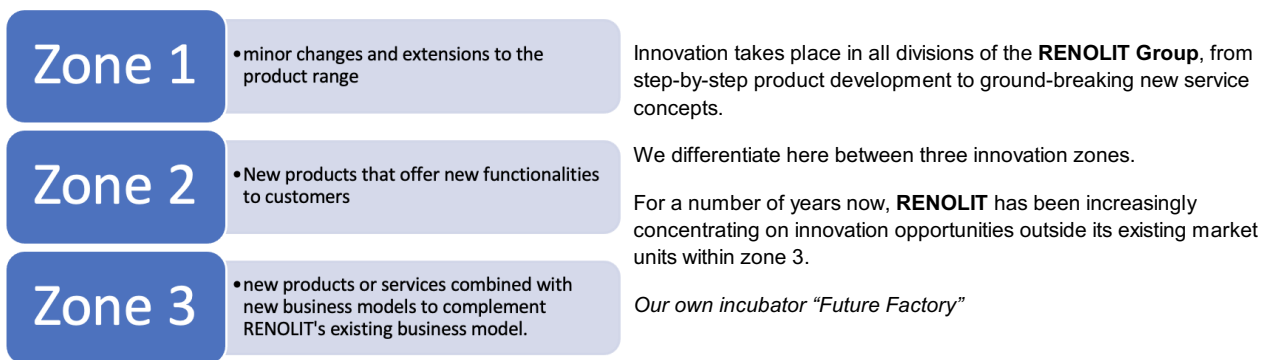
quality system for our applications is selected. As a result, the ISO 13485 standard, which is already implemented at all Healthcare locations, is being retained. The ISO 15378 standard, which covers the requirements of both ISO 9001 and of the GMP, was introduced at all production locations relevant to our medical products. Throughout our company, we do, of course, adhere to all relevant regulations in the field of product safety.

In this regard, our focus is above all upon adherence to the REACH Regulation. **RENOLIT** uses only registered raw materials and is working on the successive replacement of dangerous substances with alternatives. This is dependent upon the availability of adequate substitute products. Under the REACH Regulation, we are subject to an obligation to provide information that affords consumers the opportunity of requesting information on the dangerous substances contained in the products and the safe handling thereof. In addition, we provide our customers with all relevant information. This approach not only increases transparency and safety in dealing with chemicals but also strengthens our product safety. There were no violations last year.

Shaping the Future by Innovation

RENOLIT unites two principles: competence deriving from many years of experience and long-standing product traditions, and the strategic aim of driving innovation forward. “Innovative” is thus at the centre of our business activity as one of our brand values.

We invest in innovative strategies in order to fulfil the needs of our customers and to do justice to the responsibility we have towards society. In order to achieve this, we actively support an innovation-promoting corporate culture. **RENOLIT** aims to grant its workforce scope for self-initiative and, at the same time, provide and share knowledge and resources. In this way, we are able to jointly develop practical solutions of high benefit to our customers.



In the context of these endeavours, we have set up our own internal incubator, the Future Factory. The Future Factory is 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 for to take into account the ideas of employees and customers, and insights and trends from the market and market research. The portfolio of the Future Factory focuses on possibilities that have been identified in the so-called Strategic Innovation Fields and that are compatible with the strategy of the **RENOLIT Group**.

In recent years, the Future Factory has researched numerous new ideas, compiled new opportunity studies and realised new products and services. In this role, it strengthens the entrepreneurial spirit and influences our team's way of thinking. This market- and customer-oriented approach is based on the incorporation of our external and internal stakeholders. For example, **RENOLIT CP**, which develops anti-corrosion protective film for the wind energy sector, is the result of an employee's idea. The idea of selling garden furniture directly to customers also originated in the context of the incubator and has now been realised via the new e-commerce website under the **RENOLIT** brand ArtYard. In 2021, 165,893 euros were invested in the Future Factory; a total of 22 employees from 6 different locations in 5 countries worked together on a total of 11 projects.



Also the idea of selling garden furniture directly to customers sell, was created as part of the incubator and is now being sold via the new e-commerce website under the **RENOLIT** brand ArtYard implemented.

Exploiting Opportunities for Cultural Dialogue

We have established the Innovation Academy in order to promote innovation and creative thought beyond national boundaries. The Academy's offer is multi-faceted ranging from small group training sessions, dedicated workshops to on-demand training on specific topics. The trainings take place either online or face-to-face bring international teams together in order to discuss methods, concepts and new perspectives for our business. Alongside our cultural diversity arising from our different national companies, we also wish to promote a culture of openness towards others and offer our employees the possibility of transfers all over the world and assignments at international locations.



During the pandemic, the Innovation Academy moved fully virtual in 2021 where we took the initiative to roll-out the first in **RENOLIT's** history global training to a cross-unit group on Innovation Management topics. Based on stakeholder insights, four different functional groups were selected (ie R&D, Sales, Product Management and Leadership) who all participated in self-paced online trainings combined with teams sessions guided by Corporate Innovation. Via the online EDX platform, participants from different businesses and geographies studied selected courses from respected Universities on different topics such as "From lab to market", "Innovating in Healthcare" or "Creating and Sustaining an Innovation Culture". A total of 32 employees successfully completed the training and received a validated certificate.

Brainstorming Programme

A further means of listening to our workforce and entering into contact with them is provided by the Idea Campaign as a Service (ICaaS). ICaaS is the brainstorming programme at **RENOLIT** which offers a structured process and an infrastructure in order to translate challenges and needs into ideas and projects. In this way, we bring different groups of people together in order to pool their knowledge and create something extraordinarily new.

Further development of our Innovation Management System

An important step along our path to the structuring and harmonisation of innovation processes and the creation of synergies was the worldwide introduction of the module Future Factory 2.0 in **RENOLIT's** project-based innovation management system InnoView. This new module was updated in order to incorporate the insights gained in recent years and the best external innovation practices. The system's capacity to offer employees worldwide an unprecedented degree of transparency in the innovation activities of **RENOLIT**, to enable cooperation and the distribution of work packages, to collect information and to coordinate decision-making processes remains unchanged.

Suppliers and Business Partners

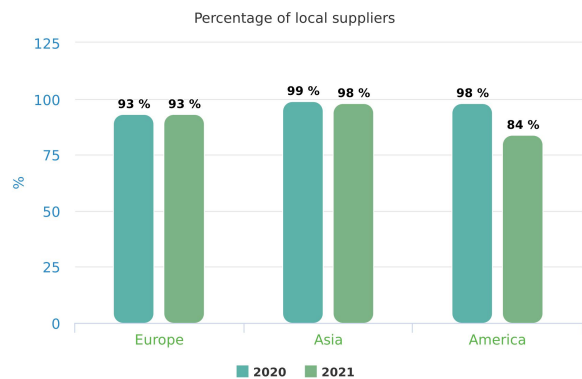
GRI 102-9; 102-10, 204-1, 417-1

When manufacturing our **RENOLIT** products, we are dependent upon semi-finished products such as rubber and synthetic moulded parts, as well as industrial textile fabrics made from man-made fibres by suppliers. For many years now, the volume of semi-finished products has remained constant at less than ten percent.

Percentage of local suppliers

Despite the low number of semi-finished products, it is important to us at **RENOLIT** to procure these from local suppliers or business partners. Through short delivery routes, we are able to save resources. We achieve this through a broad network of suppliers and business partners at our production locations on the respective continents. In this way, we further the local economy and keep transport emissions as low as possible.

In Europe and Asia, the percentage is well over 90 percent, in America it is approx. 85 percent. The lower percentage of local suppliers, in comparison to Europe, is due in part to the fact that the demand for biotech films has increased in the context of the anti-COVID vaccination campaign, and special polymers are required for this purpose which are currently only available from Europe. In Europe, only two percent (2020: two percent) are imported from North America and five percent (2020: five percent) from Asia.



Our Requirements Pertaining to Cooperation with our Suppliers and Business Partners

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

Our standards as set out in our purchasing conditions naturally also apply to our cooperation with our suppliers and business partners. **RENOLIT's** purchasing conditions stipulate explicit requirements for suppliers to ensure due compliance with the statutory regulations in the field of working conditions and safety standards. We clearly reject all forms of forced and child labour. Furthermore, our suppliers also undertake to respect the individual and collective labour rights of employees and to pay the respectively valid minimum wage. No violations are known to us.

We revise our purchasing conditions regularly; however, in 2021, no amendments were necessary.

Certification Requirements

A further criterion for cooperation is that suppliers and business partners should be able to present a certified environment or energy management system. We have set ourselves the following goals for our German locations:

- At least 85 percent of our purchasing volumes should be procured from suppliers who work with an environment management system certified according to ISO 14001 or a standard at least equivalent thereto. In 2021, we exceeded this target clearly, at 94 percent.
- Our set goal for 60 percent of our purchased volumes of raw materials to come from suppliers who are certified according to energy management standard ISO 50001 was also exceeded in 2021, achieving a level of 83 percent and thus surpassing the set target by around 23 (2020: 21) percentage points.

Responsible Company Management

GRI 102-11

Adherence to laws and recognising risks for business operations are part and parcel of responsible company management. As an internationally operative company, the **RENOLIT Group** is subject to a multitude of laws and guidelines. Adherence to these statutory provisions enjoys the highest priority and forms the basic prerequisite for **RENOLIT's** business success. Conduct in breach of laws or other rules may, in addition to personal liability for individual employees in the shape of compensation demands and penal consequences, lead to a loss of reputation for the entire company. Non-conforming conduct will not be tolerated; violations are resolutely punished. Failure to comply with laws and internal guidelines may have consequences for our employees under labour law. In extreme cases, this may extend to termination of their employment contracts or, for our suppliers, the cancellation or non-resumption of our business relations, for example.

Group-wide Code of Conduct

Our group-wide code of conduct represents a binding guideline for all employees in their daily work. This is the standard that **RENOLIT** applies to the conduct of employees and business partners alike. The code of conduct emphasises our business culture, characterised by fairness and honesty, which requires, among other things, confidentiality with regard to business secrets. The code of conduct also clearly stipulates that no employee may offer, grant or approve unjustified advantages to any other persons in connection with their work, neither directly nor indirectly, nor in the form of gifts or money presents or any other benefits.



Compliance Management

Our global preventive and responsive compliance activities and risk management processes, which are valid for all locations, assist us in complying with laws, identifying risks and responding quickly, effectively and resolutely to any transgressions.

In the 2021, the Risk Management System of the **RENOLIT Group** experienced a significant further development: the specification of a risk strategy and of a risk policy, the establishment of an organisational structure, the definition of strict processes, homogeneous definitions and training materials now ensure comprehensive risk reporting to the Board and General Managers on a quarterly basis. These measures were implemented on 01.01.2022. This system now increases the probability that risks that potentially threaten the Group can be identified in good time so that counter-measures may be initiated and introduced.

Overall responsibility lies with the Board of Management. Our Internal Auditing department bears the central responsibility for the review, maintenance, further development and realisation of measures. This department reports regularly to the Board and the respective units. A report is submitted to the Supervisory Board annually.

Our risk management processes are based on the international risk management standard "COSO II Enterprise Risk Management". With the aid of risk registers, the risk areas identified within the Group are monitored by the respective locations responsible for the registers. The centrally developed, uniform format of the risk register contains prescribed categories and standards and is updated at least once a year. In addition to the usual economic criteria such as fluctuations in sales or the prices of raw materials, the risk categories also include ecological factors such as the potential for endangering the environment of the respective location, introduced environment management processes and training of the relevant employees with regard to environmental aspects of all kinds. In the course of auditing by our internal auditing department, the completeness of the de-centrally managed information from the individual companies is regularly reviewed. The monthly risk reporting in the context of financial reporting means that **RENOLIT's** legal, financial and insurance departments promptly receive all the relevant information required to deal with potentially threatening court cases and to limit the entailed risks.

In order to guide the compliance activities and internal controlling mechanisms, we have implemented the "Administrative Internal Control Procedures", in brief: AICP, as internal standards. In addition to operative financial cycles, the main focuses also cover the fields of data

and environmental protection, health and safety at work, anti-trust, patent and licensing laws plus anti-corruption regulations. Our Internal Auditing department reviews adherence to the AICP on the basis of regular audits of individual locations or departments. Any deviations are presented and evaluated in the audit reports, corrective measures are instigated and the implementation of remedial measures is monitored. Any identified weak points or potential for optimisation are categorised according to their severity.

All non-conformance issues are subsequently incorporated into a follow-up plan of action and rectification measures are defined, along with corresponding responsibilities and timeframes.

The AICP are subject to ongoing updates, which are made available worldwide in each instance to the site managers and the members of staff responsible for administration. The most recently undertaken updates affect in the main technical investments and construction measures. These are designed to enable a better control of liquidity and reduce potential loss risks. Other updates in the field of strengthening our internal control systems for the prevention of online crime are in the planning stage and will be published in 2022.

Audits and Internal Controls

GRI 205-1, 205-3, 206-1, 412-1

Due to the coronavirus-related travel restrictions, which also applied in 2021, and to the implementation of the new company strategy, only three location audits took place in the reporting year 2021 - in Belgium, Poland and France. In each case, these were follow-up audits plus a compliance audit. The **RENOLIT Group** strategy regarding the review of the appropriateness and functioning of the internal control systems of all companies within the Group continues to be pursued unchanged. This means that all **RENOLIT** locations worldwide are reviewed in a four-year cycle. In addition, departments of the **RENOLIT SE** plants in Germany, selected on a risk-oriented basis, are inspected for appropriateness, functioning and correctness.

On the basis of the check lists, which have been optimised in recent years for the explicit review of the effectiveness of internal controls in the areas of procurement logistics and sales, the purchasing and sales activities of all **RENOLIT** production and sales locations are monitored to verify that they are proper and correct, taking aspects such as corruption or the acceptance of bribes into account. The aim of these reviews is to identify potential risks of corruption and to guard against future threats. In the year covered by this report, no cases of corruption or violations were established.

On the basis of our check list for the area of "IT network safety and data protection", the condition and safety of the data networks and IT terminals have, since 2016, been reviewed step-by-step at all **RENOLIT** locations worldwide, and the training sessions implemented for employees have been reviewed with regard to data protection and cyber criminality. In 2021, all three locations were subjected to a review of these issues. It was established that data protection is guaranteed and a high degree of data security is achieved through intensive protection measures.

Ombudsman's Office and Training Sessions

GRI 407-1

In the event of suspicions of breaches of laws or internal company guidelines, our employees may approach both an internal and an external ombudsman's office. The internal ombudsman's office is represented by the head of the Internal Auditing department. Where anonymity is to be preserved within the company, **RENOLIT** employees may approach the external ombudsman's office, which is represented by a law firm. The ombudsman's office was contacted a total of five times (all of these internally) in the year 2021, with complaints concerning conduct-related transgressions on the part of employees or superiors. All cases and accusations were reviewed carefully and subjected to investigation. In some instances, established abuses were discussed about and rectified; three of the cases led to consequences under labour law.

In order to instil a due awareness among those working in sales, as well as employees in related departments, training sessions on the subject of anti-trust law were held back in 2016 for all companies of the **RENOLIT Group** in the respective languages of the countries concerned. These training sessions are to be repeated in 2023. As in the previous years, no cases of corruption anywhere within the group were established in 2021 when gathering the data for this sustainability report.

Similarly, no fines or other punishments due to non-adherence to rules or regulations reported anywhere within the group in 2021; equally, there were no proceedings or suspicions in the area of anti-competitive conduct.

Data Protection

RENOLIT devotes a great deal of attention to the topic of data protection. We adhere at all times to our globally applicable data protection guideline, which is based on statutory requirements as well as on globally recognised data protection principles and guarantees the careful handling of personal data. This forms the basis for trusting cooperation with our employees and business partners. Since 2018, a uniform framework for data protection in Europe applies in the guise of the European General Data Protection Regulation (GDPR). **RENOLIT** has implemented the provisions of this Regulation, informed its employees accordingly and appointed a data protection officer to monitor due compliance. The topic of data protection is covered in mandatory online training sessions in which all employees are required to participate once a year. Potential for optimisation within the data protection management systems at the locations which is identified in the course of

internal audits is duly exploited; no data protection violations were established during the year covered by this report, 2021.

Initiatives & Associations

GRI 102-13

It is important to us to pass on our know-how and our work, to which end we are active all over the world in numerous industrial associations and interest groups.

- VinylPlus Deutschland e.V. (formerly AGPU)
- European Plastics Converters (EuPC)
- Industrieverband Kunststoffbahnen e.V. (IVK Europe)
- ESWA
- CIRCULAR PLASTICS ALLIANCE
- Rewindo Fenster-Recycling-Service
- VinylPlus



VinylPlus und VinylPlus Deutschland e.V. (ehemals AGPU)



European Plastic Converters (EuPC)



Industrieverband Kunststoffbahnen e.V. (IVK)



Circular Plastics Alliance (CPA)



European Single Water ply Association



Rewindo Fenster-Recycling-Service



Operation Clean Sweep (OCS)

(ESWA)

About us

(GRI 102-53)

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Editorial Deadline

09/30/2022

Picture Credits

RENOLIT, GettyImages

In Accordance

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201-1 Direct economic value generated and distributed

For a precise distribution of the added value we make for reasons of Trade secret no information.

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414-2	Negative social impacts in the supply chain and actions taken	Suppliers and Business Partners	p. 42
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GRI 415: Public Policy

415-1	Political contributions		not any
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GRI 416: Customer Health and Safety

416-1	Assessment of the health and safety impacts of product and service categories		not any
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416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		no violations
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417-1	Requirements for product and service information and labeling	Our Products and their Connection to Sustainability	p. 38-39
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