200 years
SEMPERIT

ESG



Environment · Social · Governance

SUSTAINABILITY REPORT 2023

NON-FINANCIAL REPORT

TOPICS OVERVIEW



SEMPERIT GROUP

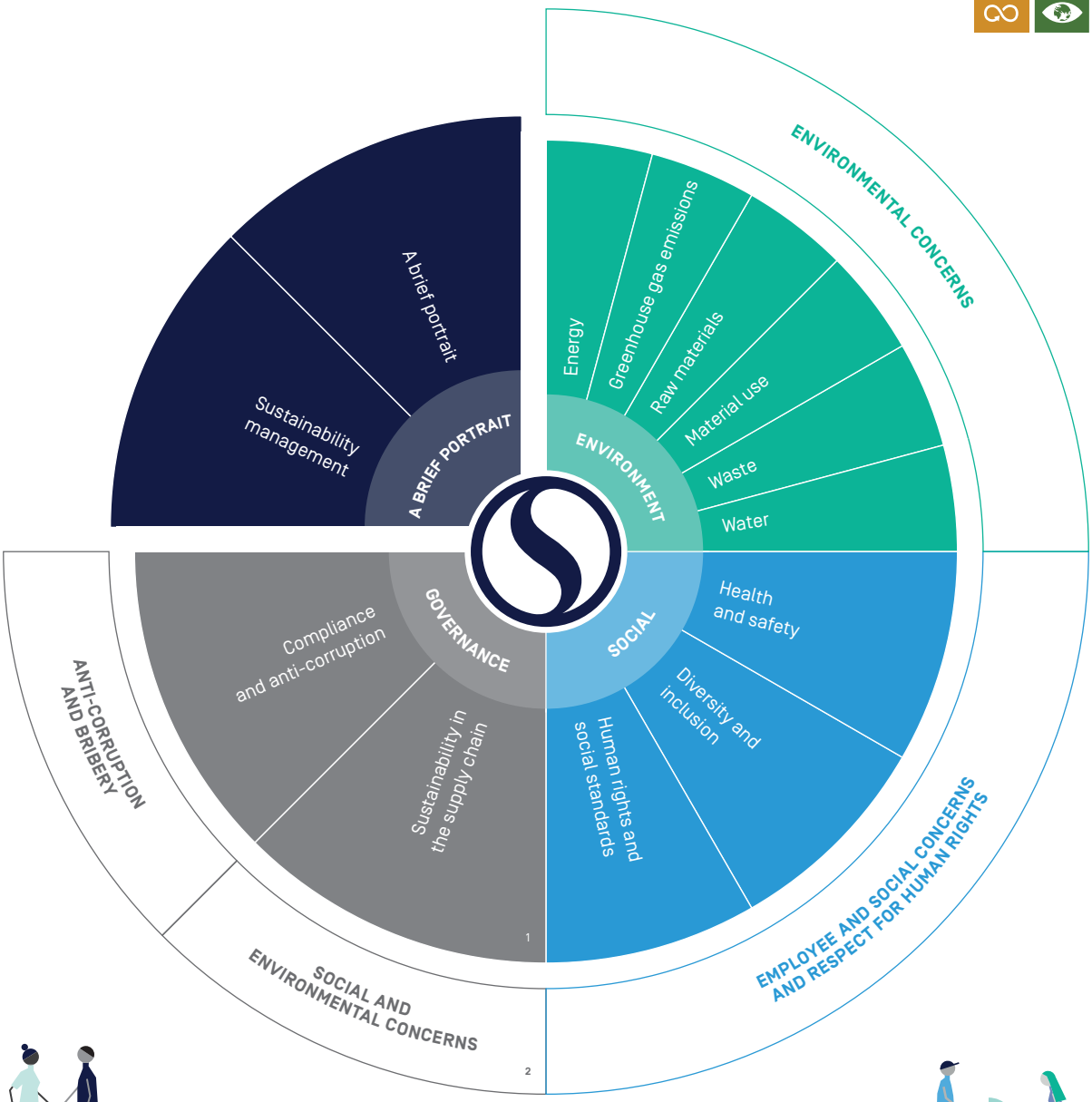
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ENVIRONMENT AND CLIMATE PROTECTION

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GOVERNANCE

page 128



SOCIAL

page 102

[1] Material topics according to GRI 3-2 are energy, greenhouse gas emissions, raw materials, material use, waste, water, human rights and social standards, diversity and inclusion, health and safety, sustainability in the supply chain, compliance and anti-corruption.

[2] Concerns according to the Sustainability and Diversity Improvement Act (Nachhaltigkeits- und Diversitätsverbesserungsgesetz – NaDiVeG) in accordance with the European Sustainability Reporting Standards (ESRS)

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STATEMENT IN SUPPORT OF THE UN GLOBAL COMPACT

Dear Secretary General, dear stakeholders,

We are pleased to reconfirm that supporting the Ten Principles of the United Nations Global Compact in the areas of human rights, labor standards, environmental protection, and anti-corruption is a top priority for Semperit AG Holding.

In our Sustainability Report 2023, we provide an overview of the various measures we have taken to continually improve the integration of the UN Global Compact and its principles into our business strategy, corporate culture, and day-to-day activities.

We look forward to sharing our work with you as together we drive the ten principles of the UNGC forward.

Yours faithfully,



KARL HAIDER
CEO



HELMUT SORGER
CFO



GERFRIED EDER
CIO

FOREWORD FROM THE EXECUTIVE BOARD



Dear readers,

Without any doubt, 2023 was a challenging year for our company. After the sale of the medical business last summer, we now focus on our industrial core business. In addition, with the acquisition of the Rico Group, we took another step towards strengthening our position as a specialist for elastomer products and further expansion of our leadership position with even greater customer proximity.

The transformation focused on the industrial business and underlined the need for a leaner organization and an even more competitive fixed cost structure. This also led to the revision of our sustainability strategy in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the adjustment of several ESG targets of the "Sustainability Strategy 2030" to the new organizational and regulatory framework. Sempermed, the most energy-intensive production, which also had the greatest potential for improvement, has now left the Semperit Group. As a result, Semperit's new structure now comprises of a reduced savings potential compared to our original target. Nevertheless, our new targets are quite ambitious and are being pursued with extensive action plans at all sites.

In the area of Social and Governance, Semperit continues to place a strong focus on diversity and inclusion: we set a quantitative objective for gender equality and reaffirmed our commitment by signing the United Nations Women's Empowerment Principles and adopting the first Semperit Diversity Charter. We are thus sending a clear message: gender equality has not yet been achieved at Semperit, but we are aware of our obligation and will fulfill it.

We also implemented new initiatives in other areas in the course of the expansion of our ESG management. As part of the continuous improvement of our climate risk management and the implementation of the EU Taxonomy and CSRD, we carried out a climate scenario analysis for all sites, selected strategically important suppliers for the first time and gained important insights for Group-wide adaptation to climate change. Another milestone was the establishment of our ESG Committee, in which the Executive Board and Supervisory Board deal in depth with environmental,



KARL HAIDER
CEO



HELMUT SORGER
CFO



GERFRIED EDER
CIO

social and governance issues, as well as CSRD and other strategic and regulatory sustainability topics. This committee is an important platform for our ESG plans and contributes to anchoring them even more firmly in our corporate strategy. Semperit also concluded ESG-based financing with a volume of EUR 250 million, consisting of a loan and a credit line, for the first time in the past financial year.

Our progress is also recognized internationally. Semperit once again achieved EcoVadis Platinum status in 2023. EcoVadis is considered the world's largest provider of sustainability ratings for companies. This award underlines our success in integrating sustainability into our business processes and corporate strategy. By publishing our environmental data as part of the Carbon Disclosure Project, we were able to achieve a score of C from the CDP Climate Change program. We are proud of these successes, but also take them as an incentive to continue on our path towards a more sustainable future.

On the following pages, you will read about the developments we have seen in recent months, the areas we have defined as essential for the sustainable development of the company and our employees, and the goals we have set ourselves for the next stages of our journey towards an environmentally conscious and successful future. We will be delighted if you join us on this journey!

March 18, 2024

The Executive Board



SEMPERIT GROUP

Semperit at a glance	9
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FACTS ABOUT SEMPERIT



GLOBAL PLAYER

Development and production of highly specialized elastomer products and solutions that are sold **in more than 100 countries**.

TWO STRONG DIVISIONS

SEMPERIT INDUSTRIAL APPLICATIONS

Focus on industrial applications with highly efficient production and cost leadership; this includes **hydraulic** and **industrial hoses** as well as **profiles**.

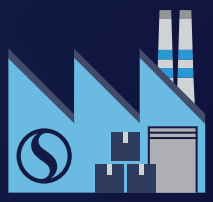
SEMPERIT ENGINEERED APPLICATIONS

Focus on customized technical solutions including **handrails for escalators**, **conveyor belts**, **cable car rings**, other **technical elastomer products** and the liquid silicone specialist **Rico Group**.



LEADING MARKET POSITION WITH STRONG BRANDS IN THE INDUSTRIAL SECTOR FOR

200 YEARS



16

PRODUCTION SITES WORLDWIDE



LISTING ON THE VIENNA STOCK EXCHANGE SINCE

1890



~ 4,600

EMPLOYEES

REVENUE 2023

721.1 MEUR

EBITDA 2023

71.8 MEUR

EQUITY RATIO (12/2023)

45.3%

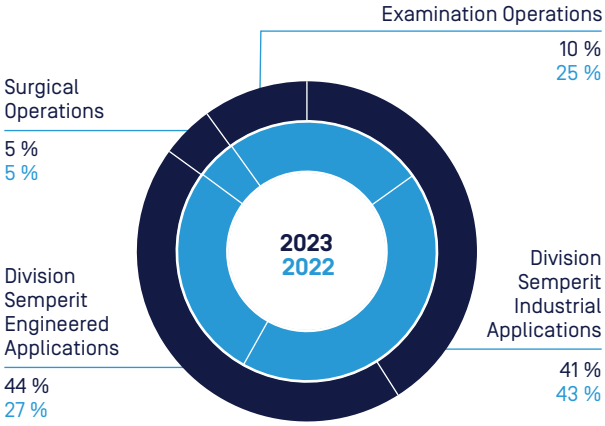
SEMPERIT AT A GLANCE

The publicly listed Semperit AG Holding has been a global provider of quality products made of natural and synthetic rubber or elastomer materials. The international group, headquartered in Vienna, produces and sells its products in more than 100 countries and is one of the leading suppliers in its sectors. The main product categories are hydraulic and industrial hoses, conveyor belts, escalator handrails, profiles for windows, doors and facades, cable car rings, ski foils, products for railroad superstructures as well as toolmaking and the production of precision liquid silicone parts. Semperit operated 16 production sites in the past financial year and employed roughly 4,600 people at the end of 2023. The products were sold in the business-to-business field using its own distribution network in Europe, Asia, North and South America and Australia.

LEADING SPECIALIST FOR INDUSTRIAL ELASTOMER PRODUCTS

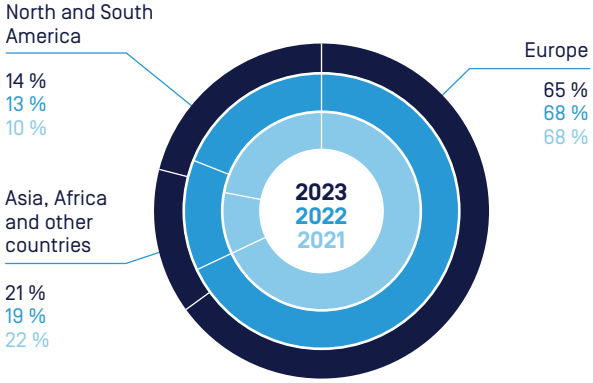
At the beginning of 2020, as part of Semperit's strategic realignment, Semperit decided to focus on the identifiable potential in the industrial sector going forward and to complete its transformation to become a specialist for industrial elastomer products.

REVENUE SPLIT BY SEGMENT [1]





REVENUE SPLIT BY REGION [2]



[1] The segmentation by business segments serves for internal control and reporting and still includes the entire former Medical sector in the fiscal year 2023, divided into the Surgical Operations and Examination Operations business segments. With effect from July 1, 2023, the organizational structure was adjusted, and the previously existing segments of the Industrial sector were divided into two divisions. The Semperit Industrial Applications division focuses on industrial applications such as hydraulic and industrial hoses (formerly the Semperflex segment) as well as profiles (formerly part of the Semperseal segment). The Semperit Engineered Applications division includes escalator handrails, cable car rings, and other custom-designed elastomer products (formerly the Semperform segment) including elastomer plates (formerly part of the Semperseal segment) and conveyor belts (formerly the Sempertrans segment); the newly acquired Rico Group is also part of this division. The comparative figures for the previous year 2022 have been adjusted accordingly.

[2] Statements regarding revenue split by regions exclusively refer to the continuing business segments.

The restructuring steps taken in previous years have significantly strengthened resilience within the industrial sector and laid solid foundations for future growth. In the past financial year, this transformation was implemented through the sale of the medical business and a powerful divisional structure that is oriented towards Semperit's two main business models was introduced. The Semperit Industrial Applications (SIA) division focuses on highly efficient production and cost leadership for industrial applications in connection with large-scale production, while the innovation- and technology-driven Semperit Engineered Applications (SEA) division focuses on customized solutions and attractive niche markets. The new positioning enables the optimal scaling of the business for future profitable growth.

FOCUS ON CUSTOMER-ORIENTED SOLUTIONS

For both divisions, the priorities are a significant increase in customer proximity, a market-oriented alignment of the entire organization and a stronger focus on customer-oriented solutions. The goal is to serve existing and future markets faster, more effectively and more efficiently. In addition, the systematic and continuous improvement across all areas of the company is intended to further improve the Semperit Group's competitive position and sustainability. The organic growth potential for the existing divisions is coupled with a clearly aligned M&A strategy. The focus on the strategic M&A activities will be on profiting from key trends, improving the geographical footprint, broadening the range of business activities and driving automatization, digitalization and circular economy.

Against this background, Semperit took an important growth step with the acquisition of the internationally active Rico Group in the financial year 2023, which gave Semperit a leading technological position in liquid silicone and high-end toolmaking and expanded the portfolio in terms of products, processing technologies, automation and materials.

200 YEARS OF EXPERIENCE FOR TOMORROW

The Semperit Group story began all the way back in 1824. Semperit is taking its 200th anniversary in 2024 as an opportunity to highlight its centuries-long tradition as well as its path to a successful future in a number of ways under the motto "200 Years Semperit – Experience for Tomorrow". On the 200-year website www.200.semperitgroup.com/en, Semperit looks back on the company's history, which is a story of outstanding personalities and innovative ideas, of resounding successes and also of overcoming crises that threatened the company's existence. At the same time, solutions and people are presented who are already working on Semperit's future successes today. Visit our website to find out how the Semperit Group keeps its customers' technology and infrastructure running in the world of tomorrow with its products and solutions.

KEY PERFORMANCE FIGURES (EUR MILLION)

	2023	2022	2021
Revenue	721.1	779.8	601.8
EBITDA	71.8	100.5	54.0
EBITDA margin	10.0 %	12.9 %	9.0 %
EBIT	34.6	62.1	25.2
EBIT margin	4.8 %	8.0 %	4.2 %
Earnings after tax	-17.1	-5.6	247.5
Earnings per share[1], in EUR	-0.82	-0.27	12.0
Free cash flow before company sales	26.3	-2.8	238.4
Return on equity [2]	-4.0 %	-1.1 %	45.7 %

Due to no marginal relevance for Semperit, in the Sustainability Report 2023 the previously shown metric „Cash flow from operations was replaced by „Free cash flow before company sales".

BALANCE SHEET KEY FIGURES (EUR MILLION)

	2023	2022	2021
Balance sheet total	937.9	842.9	958.6
Equity [2]	425.3	518.2	540.1
Equity ratio	45.3 %	61.5 %	56.3 %
Investments in tangible and intangible assets[3]	277.0	37.6	34.6
Employees (at balance sheet date)[4]	4,435	6,515	6,948

[1] Earnings per share refer to the shareholders of Semperit AG Holding (excluding compensation from hybrid capital).

[2] Refers to the shareholders of Semperit AG Holding (excluding non-controlling interests).

[3] Excludes lease liabilities according to IFRS 16.

[4] The employee total in the Sustainability Report refers to the number of own employees at all locations, including the discontinued business segment of surgical gloves, with employees from Rico Group, and excluding apprentices and interns, who are recorded as leased workers according to GRI.

SUCCESS FACTORS
OUR DNA

This experience and our strong focus on our success factors enable us to actively shape the future. With our products and solutions, we keep our customers' technology and infrastructure up and running in the world of tomorrow.



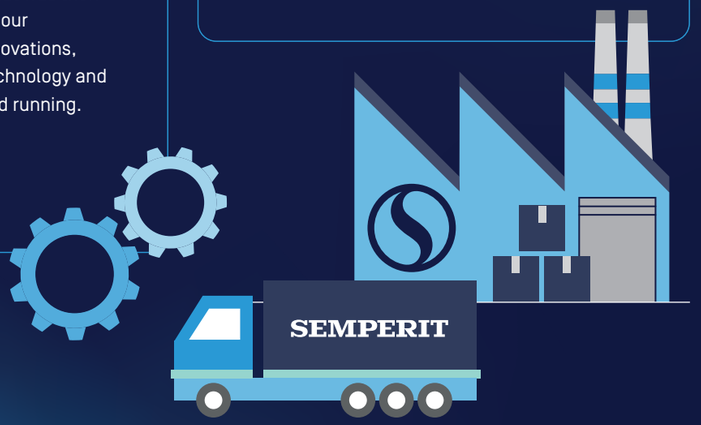
INNOVATION ENGINE

Enabling innovation was the birth of Semperit in 1824: developing products that give our customers a clear advantage. What was then water-repellent clothing are now our technologically sophisticated innovations, which we also use to keep the technology and infrastructure of tomorrow's world running.



GLOBAL PIONEER

For over 200 years, Semperit has made success possible by thinking and acting on an international scale. This was true before the First World War, when Semperit was already a multinational company by the standards of the time. And it is all the more true today and in the future, when we, as a leading supplier, constantly expand our global footprint and grow intelligently and profitably.



Find out more on our microsite!



CUSTOMER PLAYER

The constant search for customer benefits and the commitment to go the extra mile have made Semperit the partner of first choice more and more often over the years. This is also our credo for the future: in a world that never stands still, we, as a reliable partner, will ensure that our customers are successful. With top performance in quality and service.



SOLUTION MAKER

"Semper it", there is always a solution – this is the mindset that has made Semperit robust and successful for two centuries. Sometimes our team has to be inventive and innovative, sometimes it is more important to act with pragmatism and routine. But it always goes on, and there is always a solution – you can continue to rely on that in the future.





SUSTAINABLE PARTNER

Without sustainability in its corporate DNA, Semperit would not celebrate its 200-years anniversary. And without sustainability as a strategically anchored basic principle, no promising future would be possible for Semperit. In implementing this principle, we make small and large adjustments, from climate protection and sustainable supply chains to a healthy and safe working environment. This makes Semperit a sustainable partner and fit for future challenges.

SEMPERIT ENGINEERED APPLICATIONS

2023

351.0
MEUR
REVENUE

50.5
MEUR
EBITDA

With our Semperit Engineered Applications (SEA) division, we are an internationally sought-after supplier of customized and tailor-made technical solutions based on elastomers, including escalator handrails, conveyor belts and track underlays. We also occupy a leading technological position in liquid silicone and high-end toolmaking. The SEA division, which is strongly driven by innovation and technology, includes the Form and Belting business units as well as the Rico Group, which was acquired in 2023.

SEA

LOCATIONS[1]	COUNTRY	PRODUCTION	SALES	R&D	BUSINESS
Thalheim	AT	●	●	●	Rico
Wien	AT		●		Belting
Wimpassing	AT	●	●	●	Form
Wimpassing	AT			●	Belting
Moers	DE		●		Belting
Wolfhalden	CH	●	●		Rico
Béthune	FR		●		Belting
Courbevoie Cedex	FR		●		Belting
Sopron	HU	●		●	Form
Bełchatów	PL	●	●	●	Belting
Warsaw	PL		●		Belting
Miramar, Florida	US	●	●		Rico
Winnipeg	CA		●		Belting
Querétaro	MX		●		Belting
Newnan, Georgia	US	●	●		Form
Newnan, Georgia	US		●		Belting
Shanghai	CN	●	●	●	Form
Jakarta	ID		●		Belting
Mumbai, Kolkata, Delhi, Chennai	IN		●		Belting
Roha	IN	●		●	Belting
Dubai	UAE		●		Belting
Thornton (NSW)	AU		●		Belting

1 Group headquarters: Vienna

FORM

Our Form business unit is a leading manufacturer of molded and extruded polymer and plastic products. The extensive product range includes handrails for escalators, mountain applications (ski and snowboard foils, cable car rings and track belts or drive belts for snow groomers) and elastomer sheets, which are used in sealing applications, among others. The Engineered Solutions unit comprises customer-specific solutions with sealing or insulating functions. These include, for example, rail pads in railroad superstructures, various pipe seals and large membranes that are used worldwide, for example in filtration presses.

While research and development, mixing operations and toolmaking are concentrated in Wimpassing, Austria, the products are manufactured at sites in Austria, Hungary, China and the USA.



>2,000
KM
HANDRAILS SOLD

>12,000
TONNES
MOLDED ARTICLES

4
PRODUCTION SITES

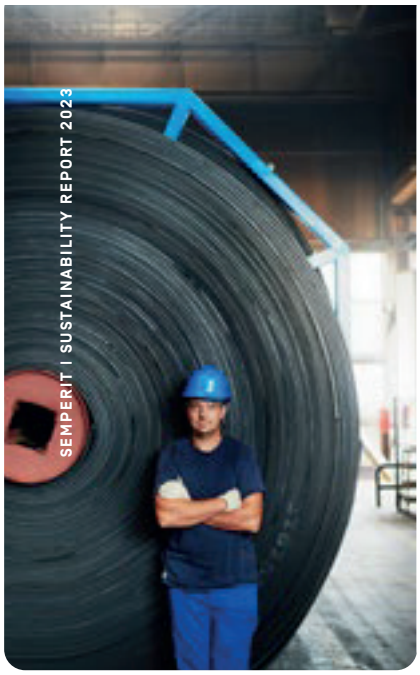


















BELTING

Innovation, experience and know-how have made Semperit one of the world's leading suppliers in the conveyor belt industry. Production takes place at two locations in Poland and India. With standard products ranging from textile belts to steel cord belts with maximum breaking strength, Semperit guarantees safe, top-quality and highly efficient transportation even under extreme conditions. Conveyor belts are used in mining, in the steel industry, in the cement industry, in power plants, in bulk material handling terminals and many other areas. Thanks to their customized production, the solutions are extremely versatile. Customers are supported from the design stage through to production, installation and maintenance.

~ 1,000
KM
BELTS SOLD

2
PRODUCTION SITES

RICO

The Rico Group is a technology leader in toolmaking and the production of precision liquid silicone parts and offers complete customized solutions in large quantities. Rico covers the entire value chain in the field of liquid silicone – from prototype development and toolmaking to large-scale production (including clean room production). The company is an international leader, particularly in tool manufacturing and multi-component injection molding products. Rico serves industrial customers with its customized solutions and supplies products for the healthcare, mobility, food, industrial, consumer goods and appliances, and sanitation sectors. The Rico Group has a total of four production sites; two in Austria and one each in Switzerland and the USA. Rico was acquired by Semperit in 2023, the closing took place on July 31, 2023.

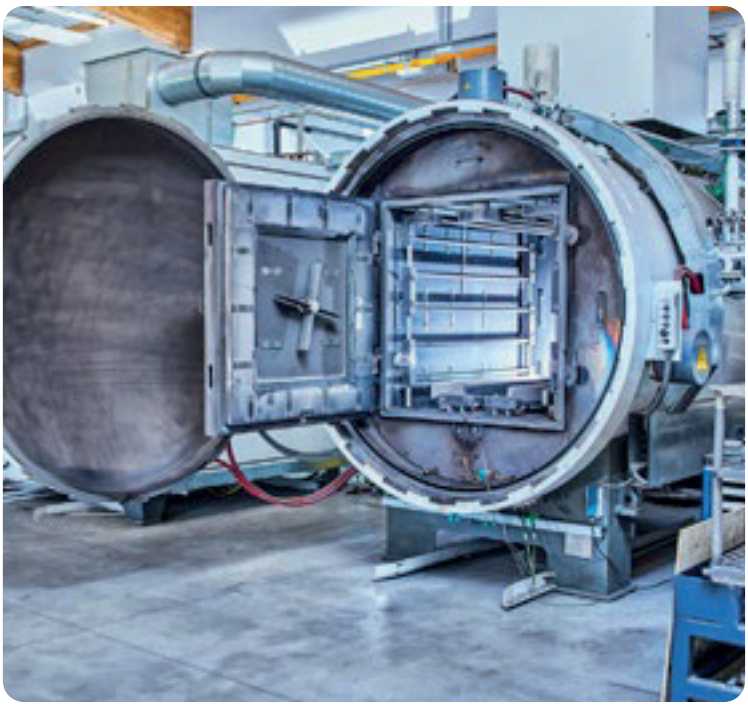
rico GROUP

MORE THAN
140
INJECTION MOLDING MACHINES IN OPERATION

UP TO
200
MILLION UNITS PER YEAR
THE LARGEST MACHINE PRODUCES

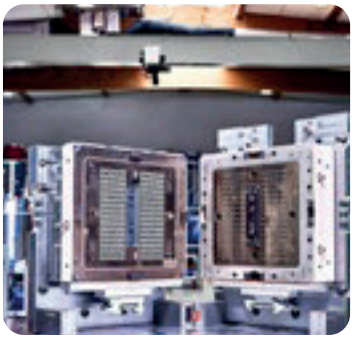
4
PRODUCTION SITES











SEMPERIT INDUSTRIAL APPLICATIONS

2023

330.8
MEUR
REVENUE

46.9
MEUR
EBITDA

With our Semperit Industrial Applications (SIA) division, we are a leading international supplier of hydraulic and industrial hoses (Hoses) and sealing profiles (Profiles). In these business units, we focus on highly efficient production and cost leadership for industrial applications in connection with large series.

SIA

LOCATIONS[1]	COUNTRY	PRODUCTION	SALES	R&D	BUSINESS
Wimpassing	AT	●	●	●	Hoses
Odry	CZ	●	●	●	Hoses
Deggendorf	DE	●	●	●	Profiles
Hückelhoven	DE	●	●	●	Profiles
Seligenstadt	DE	●	●	●	Profiles
Waldböckelheim	DE		●		Hoses
Newnan, Georgia	US		●		Hoses
Newnan, Georgia	US	●	●		Profiles
Shanghai	CN	●	●		Hoses
Mumbai, New Delhi	IN		●		Hoses
Singapore	SG		●		Hoses
Hat Yai	TH	●			Hoses

1 Group headquarters: Vienna

HOSES

With its hose-only strategy, Semperit is one of the world's largest and most successful manufacturers of hydraulic and industrial hoses. Our application-oriented and high-quality hydraulic hoses are used in machinery, mining and plant engineering as well as in agricultural machinery. Our industrial hoses, which are used in the construction, chemical and food industries, among others, ensure the safe transportation of materials. They are manufactured to the highest quality standards at our production sites in Austria, the Czech Republic, China and Thailand.

>1,000
HYDRAULIC AND INDUSTRIAL HOSES

~90
MILLION METERS
OF HOSES SOLD

4
PRODUCTION SITES





















PROFILES

With our Profiles division, we are one of the most important European gasket specialists for construction elements and industry and have already produced well over 20,000 geometries for our customers, individually tailored to their needs. Whether it is seals for windows and doors, facade seals, glazing seals, pipe insulation, EPDM seals or many more – our custom-made Semperit seals offer lasting protection and optimum tightness for every end product.

~ 19,000
TONNES
GASKETS PRODUCED

~2,800
DIFFERENT PROFILES MANUFACTURED

4
PRODUCTION SITES

EMPLOYEES

The success of a company greatly depends on its employees. Semperit, like many other companies, is facing significant personnel challenges due to global crises, a shortage of skilled workers and political decisions. In order to offer employees a secure and satisfying workplace in the long term and, in return, to be able to rely on their expertise, commitment and integrity, Semperit is constantly striving to create a modern, health-conscious and supportive corporate culture.

Training and development opportunities, health and safety activities, ongoing modernization and diversity & inclusion are just some of the topics that are subject to continuous improvement. Semperit is constantly working on further developing the conditions for its own employees. The updated "People Policy"[1], which defines the company-wide principles and objectives with regard to employees, is publicly available on the website.



SEMPERIT IS CONSTANTLY STRIVING TO CREATE A MODERN, HEALTH-CONSCIOUS AND SUPPORTIVE CORPORATE CULTURE.



The Semperit Group was dominated by change in 2023. The sale of the Sempermed division reduced the number of employees to 3,904 in September 2023 (compared to 6,515 in 2022, full-time equivalents). Conversely, 531 employees joined the Semperit Group as a result of the acquisition of the Rico Group.

At the end of 2023, the total headcount was 4,435 (full-time equivalents). 3,073 (79 %) of them worked in Europe, 776 (20 %) in Asia and 56 (1 %) in America (including the rest of the world) for Semperit (without the Rico Group). The total proportion of women was 24 %. At 138 employees, the number of temporary workers was significantly lower than in the previous year following the sale of the medical business.

Building a solid bond with existing employees is equally important as creating an interesting offer to attract new employees. In order to strengthen this bond, there are clear objectives, such as increasing the number of management vacancies filled internally.

Skilled workers can be developed, and positions filled internally through various initiatives such as the People Days, the Technical Development Path or the New Horizon Academy (see chapter "Diversity & Inclusion" on page 111) as well as the "Internal Job Exchange", which informs existing employees about new vacancies.

[1] https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/mitarbeiter/People_Policy_in_English.pdf

EMPLOYEE INDICATORS

	2023	2022	2021
NUMBER OF EMPLOYEES AS YEAR-END (FTE)	3,904 (4,435 incl. Rico)	6,515	6,949

EMPLOYEES BY REGION (FTE)

Female Europe	790	908	895
Male Europe	2,283	2,476	2,470
Non-binary Europe	0	0	n.a.
Undeclared Europe	0	0	n.a.
Unknown Europe	0	0	n.a.
Total Europe	3,073	3,384	3,365
Female Asia	124	550	636
Male Asia	652	2,484	2,861
Non-binary Asia	0	0	n.a.
Undeclared Asia	0	0	n.a.
Unknown Asia	0	0	n.a.
Total Asia	776	3,034	3,497
Female Americas (incl. rest of the world)	19	37	33
Male Americas (incl. rest of the world)	37	60	54
Non-binary Americas (incl. rest of the world)	0	0	n.a.
Undeclared Americas (incl. rest of the world)	0	0	n.a.
Unknown Americas (incl. rest of the world)	0	0	n.a.
Total Americas (incl. rest of the world)	56	97	87

PERCENTAGE OF EMPLOYEES BY GENDER

Female	24	23 %	23 %
Male	76	77 %	77 %
Non-binary	0	0	n.a.
Undeclared	0	0	n.a.
Unknown	0	0	n.a.

EMPLOYEES BY AGE GROUP (FTE)

< 30	622	1,685	2,157
30–50	2,272	3,618	3,630
> 50	1,010	1,212	1,163

For more employee indicators see pages 118-119.

Note: Rounding of differences in the totaling of rounded amounts and percentages may arise from the automatic processing of data. The employee data is collected directly at the individual sites.

The key figures include all employees of the Semperit Group excluding the Rico Group and the discontinued operations of examination gloves as of 31.12.2023.

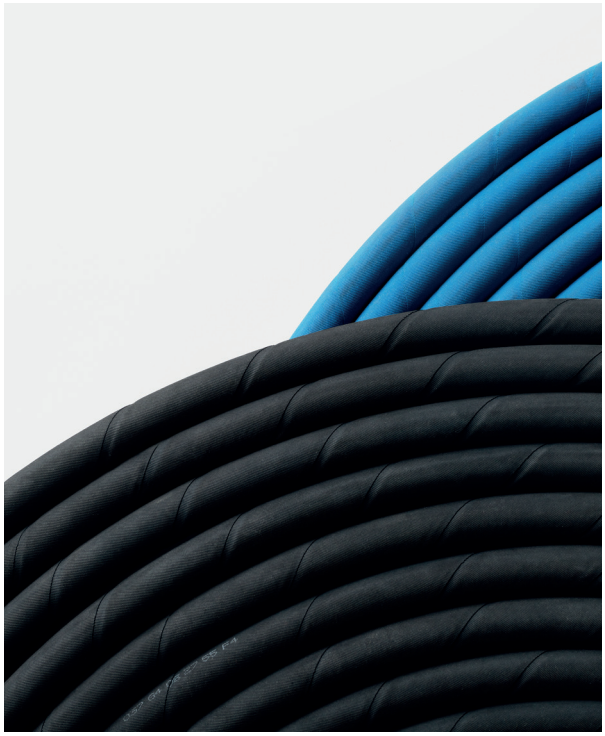
FTE = full-time equivalent

VALUE CHAIN

Diverse customer needs and market requirements are the most important drivers for the strategic orientation of the Semperit Group and its activities. Semperit attaches great importance to close cooperation with existing customers and suppliers as well as the development of new markets.

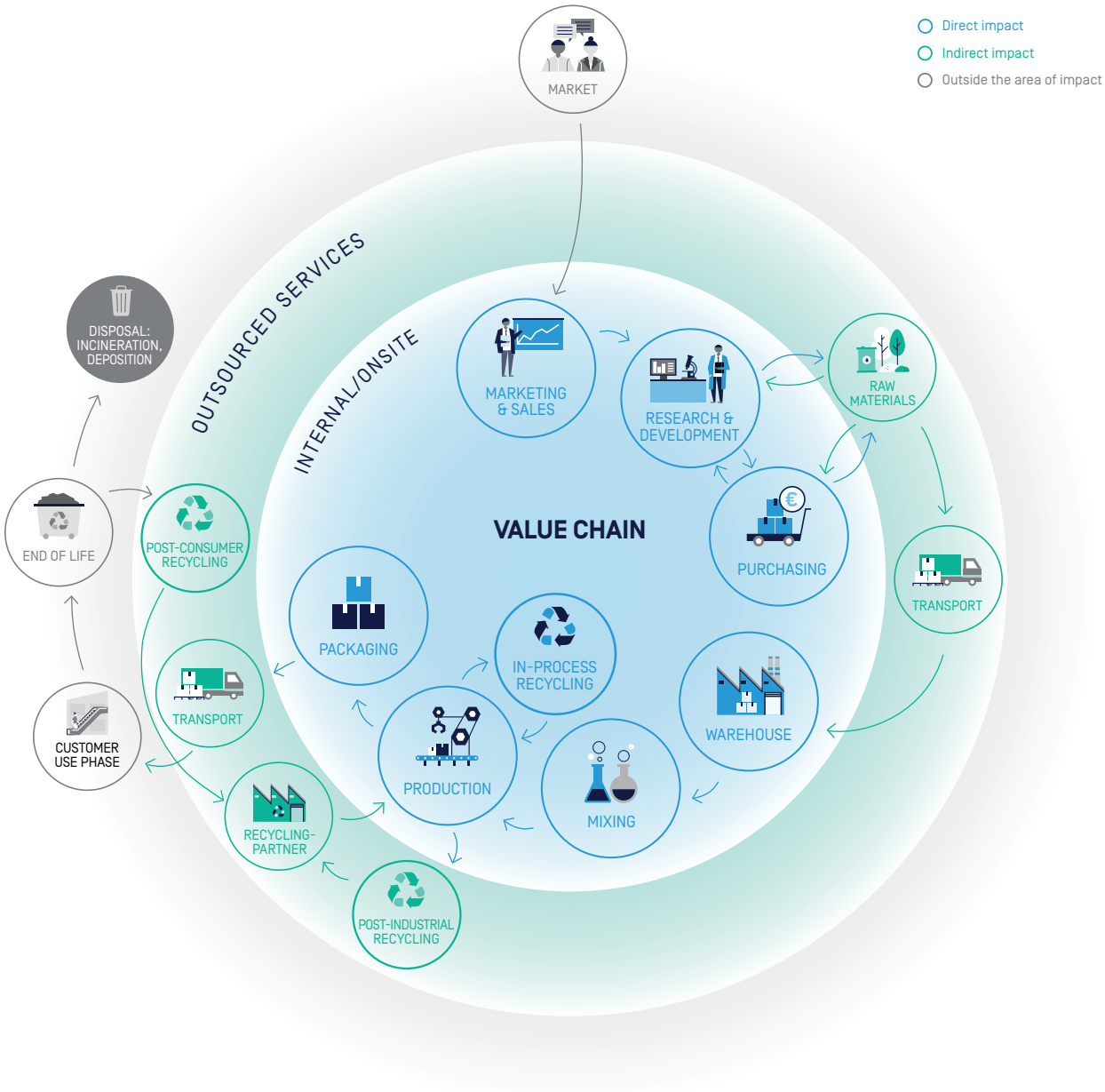
The Semperit Group's value chain is a complex network of interconnected steps and processes that vary slightly depending on the division but can be found in the "Key Value Chain" shown below. The description explains the various stages of value creation that form the basis for the quality and success of Semperit's products.





The social, ecological and economic effects of a company (inside-out perspective) not only arise within its own locations, but also in upstream and downstream areas of the value chain. In the same way, the opportunities and risks from the upstream and downstream processes of the value chain have a financial impact on the company (outside-in). Semperit's sustainability management, the process of materiality analysis and the identification of impacts, ESG risks and opportunities, as well as the Sustainability Strategy 2030 cover these areas and the corresponding business relationships with suppliers, customers and other stakeholder groups.

SEMPERIT VALUE CHAIN AND AREA OF IMPACT



THE INFORMATION IN BRACKETS REPRESENTS THE SEMPERIT GROUP'S SIGNIFICANT STAKEHOLDERS FOR THE RESPECTIVE PROCESS STEP (SEE P. 25).

MARKET Diverse customer needs and market requirements are the most important drivers for the strategic orientation of the Semperit Group and its activities. Semperit attaches great importance to close cooperation with existing customers and suppliers as well as the development of new markets. [1, 2, 3, 5, 6, 7, 9, 10, 11]

R&D: RESEARCH AND DEVELOPMENT Research and development work in the areas of materials, products and processes is based on the knowledge that Semperit generates through stakeholder dialogues, targeted market monitoring and applied research. In close cooperation with the production department, the research and development (R&D) department of the Semperit Group develops the various formulations for rubber compounds, which form the starting point for all further steps. In addition to the continuous improvement of starting materials, the R&D work and strategic orientation of the company focus on the new and continuous development of existing products and production processes as well as a corresponding range of services. [1, 4, 6, 9, 10, 11, 12, 13]

PURCHASING The centrally organized purchasing department is then responsible for the procurement of direct materials for production as well as indirect goods. These include raw materials and secondary raw materials (rubber, latex, carbon black), process chemicals, reinforcing and packaging materials (including steel, textiles, paper, wood and plastic), energy (gas, heating oil, electricity and steam) as well as logistics and the necessary infrastructure such as machinery or vehicles, office equipment and services. Further information on the organization and activities of the Purchasing department can be found in the Supply Chain Management chapter page 140 ff. [1, 4, 5, 6, 7, 9, 10, 11, 12]

WAREHOUSE & INTERNAL TRANSPORT The term "warehouse" refers to a place where all goods received by Semperit as well as semi-finished and finished products are stored. Purchasing is followed by storage, which must be organized according to the chemicals and raw materials required. Compliance with various safety measures must be ensured. Transportation within the individual locations between departments and warehouses is covered by internal logistics. [1, 4, 8]

MIXING is the first production step and produces semi-finished products, the rubber compounds. The value-adding processes of the Semperit Group start with the respective mixing plants, which order raw materials, produce semi-finished products and deliver them to the internal divisions after quality control. [1, 4, 6, 8, 9, 10, 13]

PRODUCTION In the upstream process step, the mixing plant, Semperit produces the rubber compound, the starting product. The composition of the respective compound depends on the future purpose. Depending on the segment, the compounds can subsequently be processed into all Semperit products such as hoses, conveyor belts, window seals or gloves. Production works closely with the research and development department at every stage. The knowledge generated in this process is passed on directly internally and is an essential part of the operationalization of raw material, product and process innovation. [1, 4, 6, 8, 9, 10, 11]

IN-PROCESS & POSTINDUSTRIAL RECYCLING As far as possible, mixing and raw material waste is recycled in the mixing plant or in product manufacturing by returning it to the production process (in-process recycling). Waste from the post-industrial sector that cannot be recycled in the process is currently recycled for energy recovery (incineration). In the area of post-industrial and post-consumer recycling, Semperit is currently researching possibilities to cover these recycling processes in the future. However, in order to contribute to circular economy, Semperit relies on cooperation with external partners in post-industrial recycling (devulcanization as an outsourced service), which helps to devulcanize production waste from window, door and facade seals and to integrate the resulting recycling material back into the company's own production cycle of profile production. Further information on this project can be found on page 95 ff. [1, 4, 6, 10, 11, 12, 13]

PACKAGING The finished products are packaged according to their properties and customer specifications. The most important packaging materials include cardboard, wood and plastic. Internal improvement measures enabled Semperit to save cardboard and plastic at selected locations in 2023, see page 96. [1, 4, 5, 6, 8, 9]

MARKETING & SALES The market-oriented sales, product management and back office teams use a strong customer-oriented approach to identify potential and initiate product innovation in cooperation with research and development (R&D) to meet market requirements. Made-to-stock products (primarily Semperit

Industrial Solutions division): Semperit's sales teams identify and sell those products that best fit customers' requirements based on their specifications. Engineered-to-order products (primarily Semperit Engineered Solutions division): The global sales teams work together with customers and product management to design and develop a customized solution that meets the customer's needs.
[1, 2, 3, 4, 5, 6, 7, 11, 12]

TRANSPORTATION Procurement and transportation of raw materials from suppliers are the first steps in value creation (inbound logistics), extend to the availability of raw materials and mixtures both in production (intralogistics) and between the individual locations (inter-company logistics) and end with the arrival of the product at the customer's site (outbound logistics). With the exception of intralogistics within the sites, all other transportation services are provided by third parties (outsourced services). Various chemicals are required for the manufacture of rubber products. Strict regulations must be observed and complied with when handling these substances, from transportation to storage and processing. In the EU, for example, the requirements of the REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and Deforestation Regulations must be continuously monitored and complied with.
[1, 4, 6, 8]

CUSTOMER: USE PHASE & POST-CONSUMER RECYCLING

The use phase follows the packaging and shipment of the products. Semperit is a component manufacturer; the finished products are installed in systems at the customer's premises and either installed directly or sold on to the end customer. The divisions of the Semperit Group have a broad customer portfolio ranging from OEMs (original equipment manufacturers) and system manufacturers to distributors and wholesalers, retailers and institutions in the healthcare, technology, agriculture and construction industries, among others. Therefore, Semperit does not always have information on where the products are located during the use phase. At the end of the products' useful life, depending on their composition, they are either sent for thermal utilization or disposed of in accordance with regulations. Solutions for post-consumer recycling currently available on the market are being analyzed on an ongoing basis; at present, there are hardly any options for Semperit as a component manufacturer to identify and recover end-of-life products that are integrated into system solutions at the end of their life cycle (reverse logistics).
[2, 3, 4, 5, 6, 9, 10, 11]

RICO

At the Rico Group, the procurement and transportation of raw materials are the first steps in the value chain. Upstream and downstream logistics are handled by third parties at Rico Group. Incoming goods and raw materials are stored in compliance with safety measures. The raw material, such as silicone or thermoplastic, is processed into customer-specific end products. Before a product goes into series production, specifications are clarified with the customer – the exact proportions of thermoplastic and silicone are determined according to customer requirements. In toolmaking, customized overall concepts are also developed in close cooperation with the customer. The sales and customer service teams use a strong customer-oriented approach to identify potential and develop product innovations through technical solutions in collaboration with R&D. Special focus is placed on automation, advanced tool concepts and optimized injection processes.

As with the Rico Group, close cooperation with customers forms the service-oriented value chain of HTR, which specializes in efficient vacuum hardening, nitriding, annealing and deep-freezing processes for components in toolmaking. The logistics vary depending on the order. HTR offers customers a pick-up and delivery service with its own vans, supported by optimized capacity planning. Deliveries of goods for service production, on the other hand, are made directly by the supplier. Incoming goods from customers are divided up according to specification and steel material and then subjected to the heat treatment process. Before delivery to the customer, the components are checked for quality and carefully packaged.

STAKEHOLDER OVERVIEW

STAKEHOLDER-GROUPS	SUSTAINABILITY TOPICS	FREQUENCY	INTEGRATION AND DIALOGUE FORMATS
1. Supervisory Board	ESG risks and opportunities, sustainable financial market, sustainability strategy and target setting, implementation of new laws and guidelines in the sustainability area	Ongoing	Meetings, individual and group discussions, interviews
2. Shareholders	ESG ratings, targets and risks in the area of sustainability, sustainable financing, greenhouse gas emissions, future business alignment (Green Deal, green investments, etc.)	Ongoing	Individual and group discussions, conferences, information events, road shows, telephone calls, Annual General Meeting, annual press conference
3. Banks and financial institutes	ESG ratings, targets and risks in the area of sustainability, sustainable financing, future business alignment (Green Deal, green investments, etc.), ESG-based financing	Ongoing	Individual and group discussions, conferences, telephone calls, stake-holder interviews, negotiations
4. Employees	Social standards, occupational health and safety, diversity, attractive employer, waste, energy, greenhouse gas emissions, etc.	Ongoing	Employee dialogues and survey, internal media, town hall meetings, management calls, employee events, staff meetings, mentoring programs, group conferences
5. Customers	Raw material selection, greenhouse gas emissions, certificates and audits, responsibilities, health and safety, water and waste	Ongoing	Customer meetings, customer survey, social media, trade shows, media
6. Suppliers, business partners	Raw material selection, energy, greenhou-se gas emissions, certificates and audits, efficiency, market developments	Ongoing	Dialogues, events, trainings, talks, supplier surveys, audits
7. NGOs	Circular economy and waste management, human rights and social standards, Green Deal	Ongoing	Dialogues, one-to-one meetings, specialist events, answers to enquiries, media
8. Local stakeholders	Health and safety, waste, water, corporate management, emissions, employee indicators	Ongoing	Personal conversations, factory tours, neighborhood meetings, press conferences
9. Political decision makers	Greenhouse gas emissions, energy, innovative performance, employee indicators	Ongoing	Events, submissions
10. Science, research	Circular economy, raw material selection, smart technologies	Ongoing	Round tables, R&D cooperation, speeches, discussions, cooperation in master theses and dissertations
11. Media	Future alignment of the company and the product portfolio, circular economy, effects caused by climate change	Ongoing	Press meetings, press releases and press conferences, trade shows, interviews, individual interviews, phone calls, informal exchange
12. Networks, associations	Greenhouse gas emissions, circular economy, human rights, supply chain, material use, social standards	Ongoing	Participation of Executive Board members, managers or technical experts in initiatives, forums and events, memberships
13. Students	Social standards, diversity, attractive employer, waste, energy, greenhouse gas emissions, etc., raw materials circular economy	Ongoing	Student dialogues, open days, traineeships, R&D cooperations, lectures, participation in master theses and dissertations

CORPORATE GOVERNANCE AND SUSTAINABILITY MANAGEMENT

MANAGEMENT STRUCTURE AND COMPOSITION

The Semperit Group pursues responsible corporate activities geared towards long-term and sustainable value creation and thus strives to achieve a high degree of transparency for all stakeholders. The Austrian Corporate Governance Code is a regulatory framework for the management and monitoring of Austrian joint-stock companies. This code contains common international standards and significant related regulations in this context, stipulated in the Austrian Stock Corporation, Stock Exchange and Capital Market Acts. The Austrian Corporate Governance Code is based on the EU recommendations on the tasks of supervisory board members and on the remuneration of executive board members and supervisory board members as well as on the principles set out in the OECD Guidelines for Corporate Governance. The code is aimed at ensuring responsible management and supervision of individual companies and groups, with the goal of creating sustainable and long-lasting value. The code seeks to create a high level of transparency for all company stakeholders. Companies voluntarily commit to compliance with the guidelines set out in the current version of the Austrian Corporate Governance Code as amended. The version of the Corporate Governance Code that is applicable to the 2023 financial year was published in January 2023 and can be found online at www.corporate-governance.at.

The Semperit Group, as a publicly listed company that operates globally, hereby declares that it will voluntarily observe the Austrian Corporate Governance Code in its current version and that it also intends to observe the code in the future and justify any behavior to the contrary. Semperit AG Holding complies with all legally binding L-Rules (legal requirements). Unless otherwise declared, the C-Rules (comply or explain) will be ob-served by the relevant bodies and the company.

COMPOSITION AND FUNCTION OF THE EXECUTIVE BOARD

At the end of the 2023 financial year, the Executive Board consisted of three members: CEO Karl Haider, CFO Helmut Sorger and CIO Gerfried Eder. Gerfried Eder took over the position on the Executive Board as of 1 July 2023, following Kristian Brok's early departure from the Executive Board. Brok's term of office lasted from 1 January 2020, to 30 June 2023. The Board has full responsibility for managing the company for the benefit of the business while considering the interests of shareholders and employees as well as the public interest.

The Executive Board's internal rules of procedure regulate the allocation of business responsibilities and the principles of cooperation between members of the Executive Board. Decisions of primary importance are taken by the Board as a whole. The Executive Board is solely responsible for all communications that have a significant impact on how the company is perceived by its stakeholders. Legally binding regulations, the Articles of Association, and the internal rules of procedure for the Executive Board and Supervisory Board laid down by the Supervisory Board form the basis for corporate management.



KARL HAIDER

Chief Executive Officer (CEO) since 11 January 2022; term of office ends on 31 March 2025.

Karl Haider, born in 1965, started his career as a chemical lab technician. He went on to study Technical Chemistry and Economics, eventually going on to complete his doctorate in Technical Chemistry at the Johannes Kepler University Linz in Austria. Following his studies, he worked in sales and project management at the voestalpine group before being promoted to Board Member within the Stainless Steel Division. Most recently, Karl Haider held the position of Chief Commercial Officer at Tata Steel Europe, one of the world's largest steelmaking companies. His previous roles at Tata Steel included managing major M&A transactions and acting as Director Operations Downstream. A highly regarded industry expert and highly qualified manager, he has gained extensive experience at major international industrial corporations throughout his career. In his previous functions, Karl Haider has also held a number of seats on Supervisory Boards at the respective group subsidiaries.

Currently, he does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C-Rule 16 of the Austrian Corporate Governance Code.



HELMUT SORGER

Member of the Executive Board since 1 October 2022, Chief Financial Officer (CFO); term of office ends on 30 September 2025.

Helmut Sorger was born in 1978 and holds a doctorate in social sciences and economics. He started his career as a research assistant and university lecturer at the Department for Quantitative Management at the Vienna University of Economics and Business. In 2007, he joined Wienerberger AG in the Corporate Controlling Department. In the same year, Helmut Sorger took over as head of external reporting. In summer 2010, he moved to the USA and served as Director Finance and IT of General Shale Brick Inc. In 2013, he returned to Vienna taking on responsibility as Head of Corporate Reporting of Wienerberger AG. At the beginning of 2015, Helmut Sorger assumed responsibility as CFO of the North America region for the American financial area of Wienerberger AG for the following seven years and supported the division's strategic reorientation and growth course through acquisitions and their rapid integration into the existing organization.

He does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C Rule 16 of the Austrian Corporate Governance Code.



GERFRIED EDER

Member of the Executive Board since 1 July 2023; CIO (Chief Industrial Officer); term of office ends on 30 June 2026.

Gerfried Eder, born in 1972, Is reponsible in his function for the Industrial Applications Division, which includes production, marketing and sales of hydraulic and industrial hoses as well as profiles.

Gerfried Eder studied business administration at the Vienna University of Economics and Business Administration and has held various management positions at Semperit since 2000. Prior to his appointment to the Executive Board, he was Managing Director of the Hydraulic and Industrial Hose Production Division with plants in the Czech Republic, Thailand, China, Austria, the USA, India and Singapore.

He does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C Rule 16 of the Austrian Corporate Governance Code



END OF TERM IN 2023:

KRISTIAN BROK

Member of the Executive Board since 1 January 2020, until 30 June 2023; Chief Operating Officer (COO).

Kristian Brok left Semperit AG Holding prematurely on 30 June 2023, to take on a new professional challenge.

COMPETENCE PORTFOLIO IN SUSTAINABILITY MANAGEMENT

SUSTAINABILITY SKILLS AND KNOWLEDGE		EXECUTIVE BOARD		
		CEO Karl Haider	CFO Helmut Sorger	CIO Gerfried Eder
GENERAL MANAGEMENT AND SUSTAINABILITY EXPERTISE	CEO expertise	x		
	CFO expertise		x	
	CIO expertise	x		x
	Sustainability strategy and target setting	x	x	x
	Sustainability reporting standards and regulations		x	
	Sustainable finance and EU Taxonomy		x	
	ESG risk management	x	x	x
	Green marketing & sales	x		
	Industrial production operations	x	x	x
	Innovation & Digitalization	x	x	x
	Mergers & Acquisitions	x	x	x
ENVIRONMENTAL EXPERTISE	Climate change (energy, emissions, carbon footprint)	x	x	x
	Circularity (material efficiency, waste reduction, recycling)	x	x	x
	Water resources and risks	x		
	Biodiversity & Pollution	x		
SOCIAL EXPERTISE	Health & Safety	x	x	x
	Human rights and social standards	x	x	x
	Diversity & Inclusion	x	x	x
	People development	x	x	x
GOVERNANCE EXPERTISE	Compliance & anti-corruption	x	x	x
	Sustainable supply chain	x	x	x

Apart from strategic foresight, managing the impacts, risks and opportunities of a company in terms of sustainable development requires a variety of interdisciplinary skills. Semperit therefore relies on a broad and diverse portfolio of competencies at the Executive Board level. This covers the management of key topics such as energy, material use, waste management, health and safety as well as the management of sustainable supply chains, and also includes previous experience in strategic sustainability management. Semperit's gradual shift to renewable energy supply is driven by the Executive Board members' prior experience in implementing energy optimization programs. All members of the Executive Board played leading roles in this area in their previous functions.

Health and safety were one of the core areas of CEO Karl Haider. In his function as Director of Operations Downstream, he was dedicated to the development and implementation of safety concepts for 18 sites. In addition, he was a decision-maker in responsible sourcing and therefore brings relevant knowledge from sustainable supply chain management.

In addition, Karl Haider has been involved in the topics of "Green Steel", carbon storage, capture and utilization, CO_2-low steel production and hydrogen-based energy systems in his previous work in the steel industry. CFO Helmut Sorger was entrusted with the development of sustainability reporting in his function as Head of Corporate Reporting as early as 2013. As sustainability management is increasingly intertwined with finance, he is expanding the core competencies to include a capital market perspective.

COOPERATION BETWEEN THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The dual management structure of Semperit AG Holding as a publicly listed stock corporation consists of an Executive Board and a Supervisory Board. Both bodies are strictly separated from each other in terms of personnel and functions and can therefore perform their different tasks independently. The Executive Board is responsible for independently managing the company, while the Supervisory Board is responsible for monitoring it. The Executive Board and Supervisory Board are committed to managing the company in accordance with the principles of good corporate governance. This management takes place in an open dialogue between the Executive Board and the Supervisory Board as well as within these corporate bodies to ensure its continuous development. Among other things, the Executive Board's internal rules of procedure govern the Executive Board's ongoing reporting to the Supervisory Board. They also specify a catalogue of transactions and measures that, in addition to legal provisions, require the Supervisory Board's explicit authorization. The Supervisory Board monitors the Executive Board and supports it in managing the company, particularly when decisions of fundamental importance are to be made. The strategic direction of the company is determined in close cooperation between the Executive Board and the Supervisory Board and is discussed in Supervisory Board meetings held at regular intervals.

FUNCTION AND COMPOSITION OF THE SUPERVISORY BOARD

At the end of 2023, the Supervisory Board consisted of seven shareholder representatives and four employee representatives and has resolved to establish the following committees consisting of its own members to carry out specific functions: Audit Committee, Nominating and Remuneration Committee, Strategy, Growth and Innovation Committee, ESG Committee and Committee for Urgent Issues. The authority to make decisions and pass resolutions rests primarily in the hands of the entire Supervisory Board.

COMPOSITION OF THE SUPERVISORY BOARD [1]

	Year of birth	First appointed to the Supervisory Board	Current term of office [2]	Supervisory board positions in other listed companies
SHAREHOLDER REPRESENTATIVE				
Thomas Cord Prinzhorn, Chairman since 25.04.2023 [3,4]	1972	25.04.2023	Until the Annual General Meeting, resolving upon the 2025 financial year	Lenzing AG (Chairman)
Stefan Fida, Chairman until 25.04.2023, Deputy Chairman since 25.04.2023[3,4]	1979	29.04.2014	Until the Annual General Meeting, resolving upon the 2024 financial year	Lenzing AG
Birgit Noggler, Deputy Chairwoman until 25.04.2023 Member since [3,4]	1974	08.05.2019	Until the Annual General Meeting, resolving upon the 2024 financial year	Raiffeisen Bank International AG
Stephan Büttner, Member[3,5,6]	1973	27.04.2022	Until the Annual General Meeting, resolving upon the 2023 financial year	–
Klaus Friedrich Erkes, Member[3]	1958	23.05.2017	Until the Annual General Meeting, resolving upon the 2026 financial year	Chairman of the Supervisory Board of Simona AG (based in Kirn, Germany); Member of the Supervisory Board of PRÄZI-Flachstahl AG (based in Everswinkel, Germany)
Claus Möhlenkamp, Member[3,5]	1965	22.07.2020	Until the Annual General Meeting, resolving upon the 2026 financial year	-
Marion Weissenberger-Eibl, Member since 25.04.2023[3,5]	1966	25.04.2023	Until the Annual General Meeting, resolving upon the 2025 financial year	Heidelberg Materials AG, MTU Aero Engines AG, ExxonMobil Central Europe Holding GmbH
EMPLOYEE REPRESENTATIVES				
Herbert Ofner	1966	27.04.2021	–	Deputy Chairman of the Works Council for white-collar workers, Wimpassing
Monika Müller	1964	27.04.2021	–	Chairwoman of the Works Council for white-collar workers, Vienna
Michael Schwiegelhofer	1975	08.03.2017	–	Deputy Chairman of the Central Works Council of Semperit AG Holding, Chairman of the Works Council for blue-collar workers, Wimpassing, Chairman of the European Works Council
Markus Stocker	1979	01.01.2017	–	Deputy Chairman of the Central Works Council of Semperit AG Holding, Chairman of the Works Council for blue-collar workers, Wimpassing, Chairman of the European Works Council

[1] As of 31 December 2023.

[2] According to regulations, each year at least two members resign from the Supervisory Board at the end of the Annual General Meeting.

[3] Have declared their independence to the Supervisory Board in accordance with C-Rule [53] of the Austrian Corporate Governance Code.

[4] Stefan Fida, previously Deputy Chairman of the Supervisory Board, exercised the role of Chairman of the Supervisory Board from 27 December 2022, to 25 April 2023, following the premature departure from the Supervisory Board of Herbert Ortner at his own request. Birgit Noggler acted as Deputy Chairwoman of the Supervisory Board during the same period. On 25 April 2023, Thomas Cord Prinzhorn was elected to the Supervisory Board and as its Chairman, and Marion Weissenberger-Eibl was elected as a member of the Supervisory Board. On 25 April 2023, Astrid Skala-Kuhmann left the Supervisory Board at her own request.

[5] No representation by a shareholder over 10% (C-Rule 54 of the Austrian Corporate Governance Code).

[6] Stephan Büttner is a member of the Executive Board of AGRANA Beteiligungs-AG.

RESIGNED MEMBERS OF THE SUPERVISORY BOARD

Kapitalvertreter:innen	Year of birth	First appointed to the Supervisory Board	Current term of office
Astrid Skala-Kuhmann Member	1953	29.04.2014	Resigned from office as of 25.04.2023

MEETINGS OF THE SUPERVISORY BOARD AND ITS COMMITTEES IN 2023

The Supervisory Board convened for seven meetings and a total of 15 committee meetings in 2023. Overall attendance was 99%; only one member was absent from one meeting. Stefan Fida served as Chairman of the Supervisory Board and Birgit Noggler as Deputy Chairwoman of the Supervisory Board until the Annual General Meeting on 25 April 2023. Thomas Cord Prinzhorn was elected to the Supervisory Board at the Annual General Meeting; he was elected as Chairman and Stefan Fida as Deputy Chairman at the constituent meeting of the Supervisory Board. The individual Supervisory Board meetings focused on the further development of the industrial strategy and the associated implementation of the new organizational structure, the acquisition of the RICO Group, the sale of the medical business and measures to reduce costs and increase efficiency.

The Audit Committee led by finance expert Birgit Noggler performs its duties in accordance with Article 92 Section 4a of the Austrian Stock Corporation Act and Rule 40 of the Austrian Corporate Governance Code. In 2023, the Audit Committee held four meetings, focusing particularly on the preparation of the adoption of the annual and consolidated financial statements for 2022, on the acquisition of the RICO Group as well as the sale of the medical business, on risk management, the internal control system, internal auditing, the compliance organization, IT security (cybersecurity), and the preparation of the annual and consolidated financial statements for 2023.

The Nominating and Remuneration Committee was chaired by Stefan Fida until 25 April 2023, and Thomas Cord Prinzhorn was appointed Chairman at the constituent Supervisory Board meeting following the Annual General Meeting. In eight meetings, the Committee focused on the performance assessment and agreement of targets for the members of the Executive Board. Other focal points were the early departure of Kristian Brok as well as the succession to the Executive Board and the appointment of Gerfried Eder. In addition, the potential and succession issues of the second management level and initiatives for talent management within the company were discussed with the Executive Board.

The Strategy, Growth and Innovation Committee, which was established in April 2023, held two meetings under the chairmanship of Thomas Cord Prinzhorn. The committee focused on supporting the strategy process, including the realignment of the organizational structure, as well as discussing strategic initiatives and growth potential. The committee also dealt intensively with the innovation portfolio and the KPIs of the innovation process.

The ESG Committee, which was also founded in April 2023, monitors the establishment and effectiveness of sustainability reporting, deals with defining ESG targets in Executive Board remuneration and supports the Supervisory Board with other ESG issues, particularly if these are relevant to the Strategy, Growth and Innovation Committee. Under the chairmanship of Thomas Cord Prinzhorn, the committee held one meeting to discuss the updating of the ESG strategy and targets as a result of the restructuring of the Group and the implementation of new ESG regulations and standards (e.g., CSRD).

The Committee for Urgent Issues, headed by Thomas Cord Prinzhorn since 25 April 2023, did not hold any meetings.

In the first half of 2023, the Supervisory Board completed a comprehensive self-evaluation based on both qualitative and quantitative assessment in accordance with C Rule 36 of the Austrian Code of Corporate Governance. In addition to a generally very positive evaluation result for the Supervisory Board's activities, specific measures to increase efficiency were also derived from this. These measures related, for example, to the areas of organization and working methods, information and communication or committee work and further training. An update of the quantitative evaluation is planned for the second half of 2024 in order to review the successful implementation of the measures developed and to identify further areas for increasing the effectiveness and efficiency of the Supervisory Board's work.

COMPOSITION OF THE SUPERVISORY BOARD COMMITTEES[1]

Ausschuss	Geburtsjahr
Committee for Urgent Issues	Thomas Cord Prinzhorn (member and Chairman since 25.04.2023)[2] Stefan Fida (Chairman until 25.04.2023) Markus Stocker
Nominating and Remuneration Committee	Thomas Cord Prinzhorn (member and Chairman since 25.04.2023)[2] Stefan Fida (Chairman until 25.04.2023) Markus Stocker
Audit Committee	Birgit Noggler (Chairwoman, financial expert) Thomas Cord Prinzhorn (Member since 25.04.2023)[2] Stephan Büttner Michael Schwiegelhofer Markus Stocker
Strategy, Growth and Innovation Committee (as of 25.04.2023)	Thomas Cord Prinzhorn (Chairman) Klaus Friedrich Erkes Claus Möhlenkamp Marion Weissenberger-Eibl Birgit Noggler Monika Müller Michael Schwiegelhofer Markus Stocker
ESG Committee (as of 25.04.2023)	Thomas Cord Prinzhorn (Chairman) Stefan Fida Birgit Noggler Marion Weissenberger-Eibl Michael Schwiegelhofer Markus Stocker

[1] As of 31 December 2023.

[2] On 25 April 2023, Thomas Cord Prinzhorn was elected to the Supervisory Board at the Annual General Meeting and elected Chairman of the Supervisory Board at its constituent meeting. At the same time, he took over from Stefan Fida as Chairman of the Committees for Urgent Issues and the Nominating and

GUIDELINES FOR THE INDEPENDENCE OF SUPERVISORY BOARD MEMBERS

The Supervisory Board adopted the guidelines for independence as per Appendix 1 of the Austrian Corporate Governance Code. According to this, all members of the Supervisory Board declared their independence from the company and its Executive Board. In addition, pursuant to C-Rule 54 of the Austrian Corporate Governance Code, the members Stephan Büttner, Claus Möhlenkamp and Marion Weissenberger-Eibl were not shareholders of the company with an investment of more than 10 % each nor did they represent the interests of such shareholders in 2023. There is D&O insurance for the Supervisory Board. The associated expenses are borne by the company.

MANAGERS' TRANSACTIONS

There were no proprietary transactions in the financial year. In general, transactions in shares or debt instruments of the company or related derivatives or financial instruments by members of the Executive Board and Supervisory Board are published in accordance with Art. 19 of the Market Abuse Regulation at https://issuerinfo.oekb.at and on the company's website.

EQUAL OPPORTUNITIES AND DIVERSITY

The promotion of Diversity & Inclusion (D&I) is an essential part of Semperit's sustainability strategy. The vision for Diversity & Inclusion 2040 is to promote a collaborative and inclusive work culture in which all employees feel valued, have a sense of belonging, feel comfortable, can live their authentic selves and are respected as individuals. The intention is to ensure fairness in all aspects. Semperit wants to reduce unconscious bias and use the great diversity in the workforce to its advantage in order to benefit from the experiences and perspectives of people with different cultural imprints and other backgrounds (for details see also Sustainability Report 2023). Respect, diversity, and inclusion are integral and indispensable elements of the corporate culture of Semperit AG Holding and are always considered when filling vacancies. When proposals are made to the Annual General Meeting for filling Supervisory Board mandates and when nominating Executive Board members, special importance is attached to expertise and diversity because this contributes significantly to the level of professionalism and efficiency delivered through the work of the Supervisory and Executive Boards. In addition to professional and personal qualifications, aspects such as age, ethnic origin, gender, education, and experience are also factored in. The written version of a diversity concept of the Supervisory Board was adopted on 1 February 2018 and updated in the 2021 financial year.

ADVANCEMENT OF WOMEN

Semperit is committed to equal opportunities for all employees – regardless of age, gender, nationality, religion, skin color, or sexual orientation. A person's skills and potential are what counts. The gradual increase in the proportion of women in the Semperit Group, which – typical for an industrial company – is lower than in other sectors, is a central goal for human resources. The measures to promote women include flexible working models in the form of flexitime and part-time work as well as special agreements for part-time parental leave. These measures and the new ESG target introduced by the Executive Board in 2023, which will be applicable from 2024, are intended to contribute to a continuous increase in the proportion of women (for more details, see the 2023 Sustainability Report). In addition to the new target, the Executive Board has set another example in the fight against gender inequality and signed the UN-initiated Women's Empowerment

Principles (WEPs). These comprise a series of principles that provide companies with guidance on how they can promote gender equality and the empowerment of women. As a traditional industrial company with a technical focus, the share of women was 27 % across the Group in 2023 (2022: 23 %). Since May 2017, Semperit AG Holding has met the quota for women on the Supervisory Board, which has been required by law since 2018. Overall, the share of women in management (Executive Board, Management Forum, department heads) was around 14 % (2022: 13 %).

REMUNERATION POLICY

In accordance with Section 78c of the Austrian Stock Corporation Act and, as a result, in accordance with the amended reporting requirements in the Corporate Governance Code and AFRAC Statement 37 on the Compensation Report, Directive (EU) 2017/828 to promote long-term participation of shareholders was implemented in the 2019 Stock Corporation Law Amendment Act. Accordingly, the remuneration of the Executive Board and the Supervisory Board must be dealt with in a separate remuneration report and presented to the Annual General Meeting (please also refer to www.semperitgroup.com/investor-relations/reports-presentations).

In general, the compensation system implements the legal requirements of the Austria Stock Corporation Act (Sections 78 et seq. AktG) as well as the recommendations of the Austrian Corporate Governance Code (ÖCGK) to promote long-term success and sustainable corporate development. In the remuneration policy adopted by the Annual General Meeting in 2023, sustainability goals were once again incorporated into the incentive schemes. Performance-based remuneration for achieving sustainability goals was integrated into the Long-Term Incentive (LTI). The LTI is granted on a rolling basis, meaning in annual tranches with three-year assessment periods each. This allows sustainability goals to be regularly adjusted to the business environment of the Semperit Group, and different priorities can be set each fiscal year. In 2023, sustainability goals in the areas of environment (energy and waste) and social aspects (incident rate) were integrated into the bonus system of the Semperit Group through both the Long-Term and Short-Term Incentive (STI) programs. The STI creates incentives for both Executive Board members and employees outside the board to achieve sustainability goals.

Since the performance criteria tied to the LTI are based on the average of a three-year assessment period, a board member can also receive performance-based bonus payments through the LTI even after leaving the board. This occurs when the company's performance remains consistently strong, leading to the achievement of the values necessary for the payout of the LTI. Thus, board members are incentivized to make long-term effective decisions and investments in the company even towards the end of their tenure. Additionally, the impact of cyclical fluctuations in results on the LTI is balanced. The performance evaluation of the board members is conducted annually by the Nominating and Remuneration Committee of the Supervisory Board, and the compensation dependent on it is decided by the committee.

The following table illustrates the ratio of the annual total compensation of the highest paid individual at Semperit to the annual median income of all other employees. In contrast to the „Fat Cat Day Survey"[1] conducted by the Vienna Chamber of Labour (factor 75 in 2022), Semperit calculates this factor based on the total annual income including any special payments, such as those paid upon board exits. The compensation of the top earner at Semperit in 2023 was 111 times higher than the median income of all others. Compared to the previous year, the factor shows a significant increase, which was caused by the change in the Executive Board in 2023 and the associated special payments. As a counter-effect, the departure of the largest facility in Malaysia with the lowest median income in the Semperit Group influenced the factor during the reporting period. The Rico Group was not included in the factor calculation.

ANNUAL TOTAL REMUNERATION FACTOR
(COMPARISON OF THE TOTAL REMUNERATION OF THE BEST EARNER TO THE MEDIAN TOTAL REMUNERATION OF ALL OTHER EMPLOYEES)

2023	2022	2021
111	57	182

For a detailed description of the remuneration system and an overview of the remuneration owed and granted to current and former members of the board of directors and the supervisory board, including all benefits in any form, the Remuneration Report provides further information. This can be accessed for more information on the website.

ORGANISATIONAL ANCHORING OF SUSTAINABILITY

Since sustainability management requires a holistic approach to all business activities, it is the responsibility of the entire Executive Board. In disciplinary terms, sustainability management is assigned to the Chief Operating Officer. The Executive Board is informed by

[1] https://www.arbeiterkammer.at/fatcatday

the Sustainability Council on a regular basis about current issues and developments and, as the highest decision-maker, bears ultimate responsibility for the sustainable orientation of the company. The Sustainability Council, in consultation with the Group Head of ESG, is responsible for defining the focal points of operational sustainability management and driving the implementation of appropriate measures within the company.

Coordinating sustainability agendas is the responsibility of the Group Head of ESG or the ESG expert, who handle all tasks in the context of ESG (Environment, Social and Governance). The Head of ESG reports to the Director Corporate Development, who reports to the CEO. The Executive Board annually (if necessary) approves the list of major topics for the Semperit Group and regularly informs the Supervisory Board about current developments and the progress of sustainability activities. The topic of sustainability is a fixed item on the agenda of every Supervisory Board meeting and the Audit Committee, where current topics and trends are specifically addressed and discussed by the entire Board in order to take essential steps for the sustainable development of the Group. In addition, the ESG Committee was established in 2023 and reflects the importance of the topic within the company. In addition, there are occasional exchanges between Semperit and its sister companies, as well as other companies and industry and sector associations. This allows potential synergies to be identified and utilized. The exchange with core shareholders and all other shareholders of the Semperit Group is also regularly sought in order to align the sustainability agenda of the Semperit Group with their expectations and to involve them. Therefore, there are numerous functions within the Semperit Group that deal with specific sustainability topics. At plant and thus at national level, there are further positions that deal with specific issues and the operational implementation of ESG measures relating to topics such as energy, waste or water, compliance, and HR management.

In 2023, one focus of sustainability management was on the training of employees and members of the management. The first step involved in-house training, e-learning and newly designed onboarding sessions for new employees with a focus on sustainability. In addition to active training, Semperit is committed to continuously communicating the importance of sustainability in the context of its activities. In the reporting period, for example, separate lockscreens were introduced to communicate and display sustainability information to all employees on their laptops or computers for several weeks. In addition, all employees were trained on the topic of ESG using e-learning courses. At the Odry site, managers from HSE, purchasing, logistics, accounting, controlling and site management were trained in the basics of sustainability management, reporting and strategy as part of an in-depth ESG workshop. The combination of these tools raises awareness and knowledge of sustainability. Other important steps included signing the UN Women's Empowerment Principles, setting quantitative targets for diversity and inclusion and establishing a dedicated ESG committee of the Supervisory Board. Other focal points in sustainability management were the expansion of the EU taxonomy, the preparation for the CSRD and the climate scenario analysis. As confirmation of Semperit's performance in the area of ESG, Semperit was awarded "Platinum" by EcoVadis and achieved a score of C by CDP.

ORGANISATION OF SUSTAINABILITY MANAGEMENT



SEMPERIT AND THE GLOBAL SUSTAINABLE DEVELOPMENT GOALS (SDGS)

In 2015, the "Agenda 2030 for Sustainable Development" was adopted at the summit meeting of the United Nations (UN). All 193 member states of the United Nations committed themselves to work towards implementing Agenda 2030 with its 17 Sustainable Development Goals (SDGs) on a national, regional, and international level by 2030. Semperit has analyzed the 17 sustainable development goals in terms of their significance for its business activities. The goals on which Semperit has the greatest influence are presented in the chart on page 51 and assigned to the corresponding topic areas. The versatile business activities and the diverse product portfolio of the Semperit Group also have an impact on other SDGs that are not explicitly listed here. The reason is that the impact in terms of these goals is not seen as primary.



SDG 3 GOOD HEALTH AND WELL-BEING

Semperit makes a significant contribution to SDG 3 on a wide variety of levels. Health and safety of employees have top priority for the company. Semperit has implemented an ISO 45001-certified management system for occupational health and safety, which protects employees from potential hazards along all processes – from the storage of raw materials and the handling of hazardous substances and chemicals to the operation of machinery. Training courses, information offers, and a raft of other services and measures are designed to prevent accidents of any kind and ensure maximum safety for employees. In addition, by producing examination and surgical gloves, Semperit contributes directly to the supply of medical products and thus to the protection of society.



SDG 5 GENDER EQUALITY

Diversity and equal opportunity are important components of successful employee management. For Semperit, diversity and respect are integral and indispensable components of the corporate culture, and are taken into account when filling all positions, among other things. In 2023, Semperit made an important step towards equality by setting quantitative targets for gender distribution. This is reflected in a triple quota for women across the entire organization, in management and senior management, as well as in the signing of the UN Women's Empowerment Principles.



SDG 8 DECENT WORK AND ECONOMIC GROWTH

Through long-term investments and the appropriate innovative performance, the Semperit Group promotes the local economy and contributes to regional value creation, thus creating numerous secure jobs. The health and safety of employees and respect for human rights always have top priority. Semperit attaches great importance to issues such as future-oriented work, fair pay, development opportunities, and a diverse working environment and works continuously on these issues.



SDG 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Semperit attaches great importance to research and development and is characterized by its high level of innovation and high-quality standards. This not only satisfies customer needs, but also makes a significant contribution to issues such as resource efficiency, the circular economy, and long product life cycles. In addition, Semperit strives to optimize the use of secondary materials to keep material waste as low as possible and the internal recycling rate as high as possible within production.



SDG 13 CLIMATE ACTION

The Semperit Group works continuously on optimizing its production processes. The associated activities aim at using resources more efficiently, promoting the use of clean and environmentally friendly technologies, and constantly promoting innovation. The focus here is on energy and emissions, material use, and avoidance of waste. The “Energy Excellence” program implemented in 2021 is dedicated exclusively to the topic of energy, with the aim of creating greater awareness and sustainably improving the energy efficiency of production processes.



SDG 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Integrity and compliance are the prerequisite and basis for success and sustainable cooperation. Internal compliance mechanisms ensure that there is no place for corruption and bribery. Semperit is thus consolidating its reputation as a fair and reliable business partner. In addition, Semperit constantly works to align its business relations with environmental and social criteria.

SEMPERIT'S COMMITMENT TO THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

The United Nations Global Compact (UNGC) is a global initiative for responsible corporate governance. The vision of the UNGC is an inclusive and sustainable global economy based on the ten universal principles. The goal of the worldwide movement of economy, politics, and civil society: to make globalization more social and ecological. The central pillar of the UNGC is composed of the ten universal principles and support of the 17 Sustainable Development Goals (SDGs).

In 2020, Semperit decided to join the network and contribute to the promotion of and compliance with the ten principles. This report provides an overview of the measures and activities undertaken in the relevant topic areas: human rights and working standards, environment and climate protection, as well as prevention of corruption.

THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

HUMAN RIGHTS

01
Businesses should support and respect the protection of internationally proclaimed human rights.

02
Businesses should make sure that they are not complicit in human rights abuses.

WORKING STANDARDS

03
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

04
Businesses should uphold the elimination of all forms of forced and compulsory labour.

05
Businesses should uphold the effective abolition of child labour.

06
Businesses should uphold the elimination of discrimination in respect of employment and occupation.

PROTECTION OF THE ENVIRONMENT

07
Businesses should support a precautionary approach to environmental challenges.

08
Businesses should undertake initiatives to promote greater environmental responsibility.

09
Businesses should encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

10
Businesses should work against corruption in all its forms, including extortion and bribery.

EXTERNAL INITIATIVES, MEMBERSHIPS AND PARTNERSHIPS

Good cooperation with external stakeholders is essential for developing sustainable strategies and solutions. With this in mind, Semperit supports a number of initiatives for sustainable development and is committed to helping achieve the goals of these initiatives. Semperit is, for example, a participant in the UN Global Compact and a member of the amorfi BSCI and Together for Sustainability (TfS) organizations.



EXTERNAL INITIATIVES AND MEMBERSHIPS

- → amfori BSCI – Business Social Compliance Initiative
- → Bundesverband Hautschutz e.V. (Federal Association for Skin Protection)
- → CDP – Carbon Disclosure Project
- → CIRA – Cercle Investor Relations Austria
- → EcoVadis
- → Integrity Next
- → International Rubber Study Group
- → IV – Industriellenvereinigung (Federation of Austrian Industries)
- → UN Global Compact – Network Austria
- → TfS – Together for Sustainability
- → WdF – Wirtschaftsforum der Führungskräfte (Austrian Managers Association)
- → wdk – Wirtschaftsverband der deutschen Kautschukindustrie e.V. (Association of German Rubber Manufacturing Industry)

The company also maintains a partnership-based cooperation with various universities, technical colleges, other research institutes, and industry-relevant institutions. Sustainability issues are not only the focus in research and development projects, but also in the associations and interest groups of which Semperit is a member. The strategically most important initiatives, partnerships, and memberships are listed below.

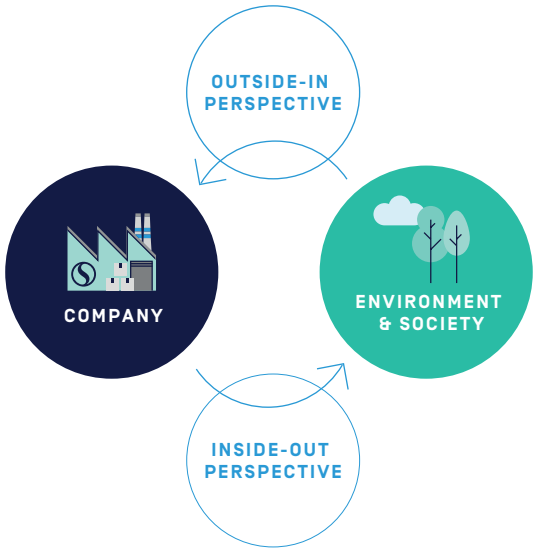


PARTNERSHIPS

- → A.S.I. – Austrian Standards International
- → CEN – European Committee for Standardization
- → DIK – Deutsches Institut für Kautschuktechnologie e.V.
- → DIN – Deutsches Institut für Normung e.V.
- → DKG – Deutsche Kautschuk-Gesellschaft e.V. (German Rubber Society)
- → University of Applied Sciences Wiener Neustadt
- → FMM – Federation of Malaysian Manufacturers
- → GKFP – RAL-Gütegemeinschaft Kunststoff-Fenster-profilsysteme e.V.
- → ift Rosenheim – Institut für Fenstertechnik e.V.
- → Joanneum Research Weiz
- → MARGMA – Malaysian Rubber Glove Manufacturers Association
- → Montan University Leoben
- → MRC – Malaysian Rubber Council
- → MSOSH – Malaysian Society for Occupational Safety and Health
- → OFI – Österreichisches Forschungsinstitut für Chemie und Technik
- → PCCL – Polymer Competence Center Leoben GmbH
- → Graz University of Technology

MATERIALITY ANALYSIS AND ESG RISK AND OPPORTUNITY MANAGEMENT

The international standards for sustainability reporting, such as those of the Global Reporting Initiative (GRI) and the EU's European Sustainability Reporting Standards (ESRS), are based on the performance of a materiality analysis. This analysis serves to identify the company's greatest impact on sustainability aspects (inside-out perspective; impact materiality) and the financial impact of sustainability aspects on the company (outside-in perspective; financial materiality).



This analysis leads to the material topics and the associated requirements for the disclosure of descriptive information and data points in accordance with the respective standards. While the focus is on impact materiality for reporting in accordance with the GRI Standards, financial materiality must also be considered for ESRS compliance.

The results of the materiality analysis are not only the starting point for standard-compliant and transparent reporting. The knowledge gained in the course of conducting the analysis can also be an important basis for decision-making for the development or adjustment of strategies, targets and measures to prevent negative effects and achieve positive effects. For example, the sustainability strategy "Move Hearts and Minds" presented by Semperit in 2021 is also based on the company's first comprehensive materiality analysis.

Since any changes in the company and its environment (e.g. market developments, ecological, social and regulatory developments, portfolio changes) require a regular reassessment of the effects, Semperit conducts a materiality analysis at least every four years.

In the course of the second comprehensive materiality analysis, Semperit also carried out an assessment of the impacts, risks and opportunities of sustainability aspects on the company (outside-in perspective) for the first time in 2023 – in preparation for the requirements of the ESRS.

According to the ESRS requirements, a topic is considered material if the impact in the context of this topic is assessed as material from one or both perspectives.

In accordance with this principle of double materiality, Semperit has evaluated the effects of its business activities on the environment and society in the materiality analysis this report is based on and has qualitatively analyzed the dependencies on natural, human and social resources and the associated risks and opportunities for the Group's financial performance. A monetary assessment of the financial impact has not yet been carried out due to the high level of complexity and insufficient data available.

MATERIALITY PROCESS 2023



DESCRIPTION OF THE MATERIALITY PROCESS 2023

1. Review and update of and supplement to the relevant topics

Based on the 2020 materiality analysis and the updates made to the list of material topics since then, the ESG team worked with selected internal experts to review these topics for relevance and completeness as a first step, taking into account the potential impact along the value chain as well as regional and global developments and trends. In preparation for the ESRS, some new topics were added in this step and existing topics were defined, delimited, assigned or labeled differently than before. Considering micro, macro and megatrends as well as strategic and legal requirements, the environmental, social, financial and governance topics previously identified as material along the value chain were reviewed for topicality and completeness. Based on the ESRS, the topics of climate change (E1), environmental pollution (E2) and biodiversity (E4), for example, were added as relevant.

2. + 3. Stakeholder involvement & assessment of impacts, risks and opportunities

In a next step, these potentially material topics were subjected to an assessment by various stakeholders. In interviews with 33 internal and external stakeholders, Semperit's social, environmental and economic impacts in connection with these topics were qualitatively assessed and their potential financial impacts, opportunities and risks on the company were examined in accordance with the double materiality principle.

The basis for this was the impacts that can occur directly through Semperit's business activities or indirectly in the upstream and downstream areas of the value chain or along the product life cycle.

When selecting the stakeholders, Semperit made sure to interview people with different professional and social backgrounds and perspectives in order to gain as comprehensive a picture as possible of which topics are important to the company's stakeholders. Among others, the following stakeholder groups were interviewed: customers, suppliers, activists (NGOs), financial experts and bank representatives, sustainability experts, students and representatives of universities of applied sciences, external consultants, members of the Supervisory Board, the works council and Semperit employees from different sites and departments. Further information on Semperit's stakeholders can be found on page 25 ff.

4. Consolidation of topics based on ESRS (topic longlist)

In this step, the impacts, risks and opportunities that had been identified in the stakeholder interviews were supplemented by those that were assessed as relevant due to regular internal processes and evaluations. These topics include the Semperit Strategic Foresight Process, the Trend Radar and Future Scenarios, internal surveys, the climate scenario analysis, the budgeting and medium-term planning process and the ESG Risk Matrix. The result was a consolidated list of sustainability aspects and the corresponding impacts, opportunities and risks based on the extensive ESRS catalog of topics.

5. + 6. Workshops with internal experts and assessment of impacts, risks and opportunities based on ESRS

This was followed by workshops with internal experts on the topic-related environmental, social and governance standards of ESRS. The workshops with responsible persons from areas such as Purchasing and Supply Chain, Research and Development, Health, Safety, Environment and Quality (HSEQ), Logistics, Compliance, Legal, HR, Risk Management, Corporate Development, Business Development and Product Management served to raise awareness of future regulatory requirements on the one hand and to assess the impacts, risks and opportunities (IROs) from an inside-out perspective on the other. Topics were assessed as material if they are associated with significant actual or potential, positive or negative effects of Semperit on people or the environment along the entire value chain in the short, medium or long term. The quantitative assessment was conducted on a five-point scale, taking into account the parameters specified in ESRS 1. The assessment of the individual impacts was determined mathematically from the evaluation of the relevant individual parameters (probability, extent, scope, immutability).

The quantitative assessment of the company's dependencies and the associated financial risks and opportunities (financial materiality) was only possible to a limited extent in 2023. The identified opportunities and risks were compared with the existing ESG risks and opportunities catalog (more information on p. 46 ff), supplemented and quantified as far as possible. A quantification of the expected financial impact in monetary terms in accordance with the requirements of the ESRS will be continued in 2024.

7. + 8. Validation and approval of material topics 2023 (shortlist of topics)

In order to finally determine the material topics, an average value was calculated from the aforementioned parameters. Topics with a value higher than or equal to 3 were identified as material. Finally, the list of material topics was validated by the Sustainability Council and approved by the Executive Board.

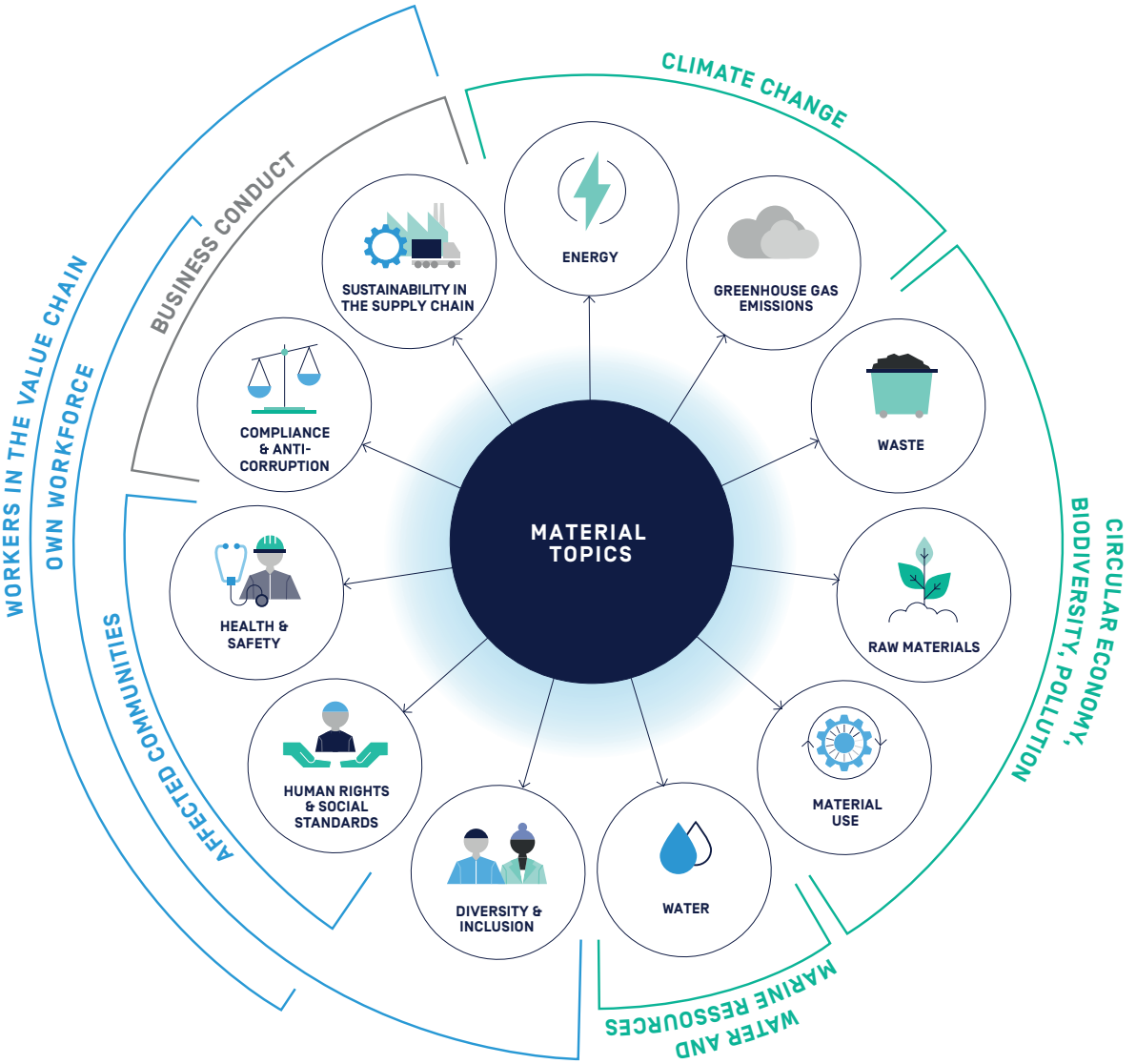
The material topics identified in 2023 form the basis for ESRS-compliant reporting from 2024. Based on this, the corresponding data management processes for the collection of key figures in accordance with ESRS will be defined. These figures are to be disclosed in the management report for the 2024 financial year.

Material topics and changes in 2023

The sale of the Medical Sector and the acquisition of the Rico Group in 2023 have led to changes in the supply chain, in raw material requirements, in the customer structure and thus in the entire value chain of the Semperit Group. Among other things, the previously significant issue of water extraction will no longer be of considerable importance for Semperit in the future, as gloves were the only product in the Group's portfolio for which water was used in large quantities in the production process. Based on the climate risk analysis carried out in 2023, the topic of water nevertheless remains a key issue due to the risks identified (water stress).

Furthermore, the wording of the material topics 2023 was also adapted to the ESRS terminology, and the material topics were restructured. For example, the original material topics of raw materials, material use and waste have been combined under "Resource use and circular economy". The graphic representation of the material topics can be found on p. 41.

MATERIAL TOPICS OF THE SEMPERIT GROUP IN 2023 AND RELATED ESRS TOPICS



TABULAR OVERVIEW OF MATERIAL TOPICS IN 2023

MATERIAL TOPICS	SECTION	RELATED TOPICS ACCORDING TO ESRS	NADIVEG CONCERNS	GRI-STAN-DARD	IMPACT ALONG THE VALUE CHAIN (INCL. UPSTREAM & DOWNSTREAM)	AFFECTED PARTIES/ INTERESTED STAKEHOLDERS
Energy **Greenhouse gas emissions**	Energy & emissions	(E1) Climate change (E2) Pollution	**Environ-ment**	GRI 302 GRI 305	Purchasing, R&D, mixing, production, transportation, customer use phase, end-of-life	Stakeholders, banks and financial institutes, employees, suppliers and business partners, customers, political decision-makers, NGOs
Raw materials **Material use** **Waste**	Raw material selection, application and innovation recycling & waste management	(E5) Resource use and circular economy (E2) Pollution (E4) Biodi-versity and ecosystems	**Environ-ment**	GRI 301 GRI 306	Purchasing, R&D, mixing, production, in-process & post-industrial recycling, customer use phase, end-of-life	Customers, suppliers and business partners, employees, political decision-makers, shareholders, banks and financial institutes, NGOs
Water	Water	(E3) Water and marine resources	**Environ-ment**	GRI 303	R&D, production, end-of-life	Local stakeholders, political decision-makers, NGOs
Health & Safety **Human rights & social standards**	Occupational health and safety Human rights & social standards	(S1) Own workforce (S2) Employees in the value chain (S3) Affected communities	**Employees, respect for human rights, social concerns**	GRI 401 GRI 403 GRI 405 GRI 412	R&D, purchasing, warehouse, mixing, production, transportation, marketing & sales	Employees, suppliers and business partners, customers, shareholders, NGOs, media
Diversity & inclusion	Diversity & inclusion	(S1) Own workforce (S2) Employees in the value chain	**Employees, respect for human rights, social concerns, diversity concept**	GRI 405	Marketing & sales, R&D, purchasing, mixing, production	Employees, suppliers and business partners, customers, shareholders, NGOs, media
Sustainability in the supply chain	Sustainability in the supply chain	(S2) Employees in the value chain (E4) Biodi-versity and ecosystems (G1) Business conduct	**Environ-ment, social concerns**	GRI 308 GRI 414	Purchasing, transportation, end-of-life	Suppliers and business partners, customers, shareholders, political decision-makers, NGOs
Compliance & anti-corruption	Compliance & anti-cor-ruption	(G1) Business conduct (S2) Employees in the value chain	**Social concerns, combat of corruption and bribery**	GRI 205 GRI 206 GRI 406	Market, R&D, purchasing, marketing & sales, transportation, end-of-life	Employees, customers, suppliers and business partners, shareholders

ESG RISK AND OPPORTUNITY MANAGEMENT



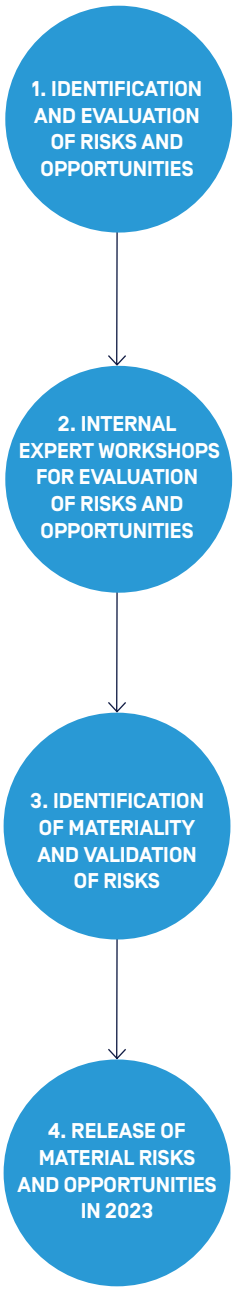
In addition to anchoring the sustainability strategy, advancing Group-wide goals in this context and preparing the company for future challenges, the annual reassessment of ESG risks is an important component of the Semperit Group's sustainability work. In the course of the ESG risk process, which was carried out in 2023 as part of the update of the materiality analysis, internal and external developments and impacts in the area of ESG are identified and assessed so that they can be taken into account at management level going forward. Semperit looks in particular at environmental, social, financial and economic-political issues and challenges here. In order to respond promptly to developments, Semperit carries out an annual ESG Risk & Opportunity Assessment. Independent of the traditional risk process, the ESG team identifies and evaluates material risks and updates existing assessments in collaboration with other departments, primarily with the support of Risk Management. In addition to potential risks, opportunities and the relevant measures to mitigate risk and utilize opportunities are discussed and documented.

THE AIM OF THE ESG RISK PROCESS IS TO IDENTIFY DEVELOPMENTS AND EFFECTS IN THE AREA OF ESG IN ORDER TO DERIVE POTENTIAL OPPORTUNITIES AND RISKS AS WELL AS THE CORRESPONDING ACTIVITIES.

In the course of risk assessment, the impact of the Semperit Group on non-financial concerns in the field of environmental, social and governance issues is evaluated (impact materiality). Conversely, ESG risk and opportunity management also analyzes the financial impact that external developments in these areas could have on Semperit (financial materiality). This is in line with the requirements of the Sustainability and Diversity Improvement Act and the principle of dual materiality according to ESRS. This approach illustrates the interaction between the company and its external environment as well as the interaction between its sustainability and profitability. All relevant activities and developments that occur along the company's entire value chain, from the supply chain and production to waste disposal and recycling, are taken into account.



PROCESS DESCRIPTION



1. IDENTIFICATION AND EVALUATION OF RISKS AND OPPORTUNITIES

In a first step, the existing ESG risk and opportunity catalog is reviewed with regard to completeness and relevance and updated or supplemented if necessary. This step involves all relevant corporate divisions, including Human Resources, Health and Safety, Production and Innovation as well as the various Semperit locations. In addition to the risks emanating from the company, external developments, such as the effects of climate change on Semperit, are also included. Additional risks in this context, such as water shortages and other climate-related weather events, were identified on the basis of the climate scenario analysis carried out in 2023 and included in the catalog. In addition, further risks and opportunities were identified as part of the stakeholder interviews and the IRO analysis based on the ESRS as described in the materiality process section on p. 39. The allocation of risks and opportunities by category corresponds to the structure of the already established internal Group-wide risk management system.

2. INTERNAL EXPERT WORKSHOPS FOR EVALUATION OF RISKS AND OPPORTUNITIES

The collected risks and opportunities are evaluated by internal experts during the IRO analysis. At the same time, current and potential countermeasures are collected. The assessment system used is based on the internal risk management system, which has been expanded in line with future ESRS requirements. The assessment must estimate the severity of the impact and the probability of occurrence. In 2023, the analysis focused on risks; the quantitative assessment of opportunities in the ESG area will be continued in 2024 and integrated into the internal processes.

3. IDENTIFICATION OF MATERIALITY AND VALIDATION OF RISKS

The main risks are defined below. Material risks are defined as those risks whose impact and probability of occurrence exceed a predefined limit according to the criteria of Group-wide risk management. Risks in the area of human rights violations, which can be classified as high risks even without a high probability of occurrence, are excluded. An ESRS-compliant assessment of opportunities will be continued in 2024.

4. RELEASE OF MATERIAL RISKS AND OPPORTUNITIES IN 2023

Finally, the material ESG risks and opportunities are presented to the Executive Board and the Sustainability Council for review, discussion and approval. The risks are then incorporated into the Group-wide risk database and at the same time, the appropriate countermeasures, responsibilities, and time frames are recorded. The risks and their consequences for the measurement of assets and liabilities are analyzed and taken into account in the consolidated financial statements.

The following table lists the material ESG risks and opportunities identified by Semperit in 2023 that could have a potentially high negative impact on non-financial concerns in accordance with NaDiVeG or – following the ESRS – on Semperit's business activities and profitability. The overview also lists countermeasures and possible opportunities.

Further information, such as accident and health risks or corruption risks, can be found in the Risk Management section of Semperit's Group Management Report. These risks are part of Group-wide risk management and have been assessed as having a low probability of occurrence due to the countermeasures already in place in the company. Climate-relevant risks as understood by the Task Force on Climate-Related Financial Disclosures (TCFD), the climate scenario analysis implemented in 2023 and the requirements for reporting climate-relevant information are discussed in more detail in the chapter on page 60 ff.

OVERVIEW OF ESG RISKS IN 2023

ESG risks are identified along the entire value chain of the Semperit Group and are assigned to the various corporate areas in accordance with classic risk management.

In the area of corporate management and strategic orientation, there is a risk that sustainability aspects are not sufficiently taken into account in the corporate and innovation strategy. This includes all ESG-relevant topics, such as the integration of decarbonization efforts, the promotion of a circular economy, and aspects such as diversity or the creation of a sustainable and resilient supply chain.

A lack of commitment and dedication to achieving the Group-wide sustainability goals on the part of managers and employees represents another relevant risk that would affect all NaDiVeG concerns. In addition, the impact of geopolitical unrest, which intensified particularly due to Russia's war against Ukraine and the war in the Middle East, was discussed and also classified as a risk from a sustainability perspective. Measures to reduce the future risk and mitigate the effects have been and are being implemented. These include the reduction of supplier dependencies and the gradual switch to alternative energy supply systems, for example by installing photovoltaic systems at several production sites.

In terms of products, the greatest risks for negative ecological and economic impacts are related to the extraction, processing and transportation of the raw materials that Semperit needs for production. This can lead to a loss of biodiversity, for example in the forests from which natural rubber is extracted. In the case of petrochemical raw materials, there may be supply bottlenecks and price increases, as well as negative environmental impacts. This goes hand in hand with constantly changing customer requirements, to which Semperit must, and does, react accordingly.

Relevant risks identified and discussed in the context of production include rising costs in connection with regulatory requirements, for example in waste management and climate protection. Competitive disadvantages could also result from the different levels of ambition of countries and regions to combat the climate crisis – for example through the introduction of a CO_2 tax.

The noticeable change in the prevailing sentiment on the financial and sales markets, as well as the associated regulatory requirements, are also increasing the pressure on the Semperit Group. This development must be increasingly taken into account in planning the various activities and next steps.

The main risks in social affairs are the loss of existing employees, especially in key functions, as well as a lack of attractiveness for new employees. Semperit counters this risk with numerous measures to strengthen the employer brand and increase Semperit's attractiveness as an employer. Another point to be taken into account at all times and along the entire value chain is respect for and protection of human rights. In accordance with its corporate due diligence, Semperit prevents the risk of human rights violations not only at its own locations, but also in connection with activities in the supply chain and Semperit's business relationships with suppliers, customers and other business partners. In order to counteract potential human rights violations in a timely manner, Semperit uses a variety of tools and measures such as the introduction of business partner checks or increased cooperation with suppliers. This is also reflected in the material issue of respect for human rights.

Employees are required to act with integrity and to comply with the values and guidelines defined in the Group-wide Code of Conduct. In order to prevent the risk of violations of the Code of Conduct, Semperit relies on a trusting corporate culture as well as on appropriate tools and methods to report any misconduct anonymously and to take appropriate remedial action if necessary.

The following two tables show the main risks based on the risk assessment and the results of the IRO analysis (based on the ESRS) on the one hand, and the opportunities identified on the other:

MATERIAL RISKS IN SUST. REPORT 2023	OPPORTUNITIES 2023	MEASURES 2023	PRIMARY SPHERE OF ACTION 2023	NADIVEG CONCERNS 2023
Limited reaction to new ESG developments and little consideration of regulatory requirements in corporate and innovation strategy (transition risks)	→ Environment and climate protection → flexible corporate culture and fast decision-making processes → image enhancement → employee retention → improvement of market position → responsible business partner	→ Linking sustainability strategy with corporate and innovation strategy → consideration and integration of ESG aspects into R&D activities → focus on current trends and requirements in the fields of decarbonisation and circular economy	All	All NaDiVeG concerns
Changes in customer demand and preferences towards sustainable production and a green product portfolio focussed on "circularity" (transition risk)	→ Reduced environmental impact (reduced CO_2 emissions) → competitive advantage → attractiveness for financial market → expansion of product range with innovative circular economy solutions → opening up of new markets → cost savings by application of circular economy principles in product design (longevity, reparability)	→ Definition of sustainability criteria in R&D → awareness raising → concentration of R&D work on circular economy opportunities → cooperation with research institutions, customers and suppliers → expansion of the product portfolio; calculation of product carbon footprint	All	Environmental concerns
Damage to image and customers trust due to missleading "green claims" (transition risk)	→ Competitive advantage → opening up of new markets → reputation gain by transparent communication and marketing practices	→ Compliance with (inter) national regulations of Green claims → Awareness raising and internal instructions for using Green claims → Development of Green claims based on product carbon footprint	Within the company	Environmental concerns, social concerns
Lack of consideration of ecological and social criteria, such as climate-related impact or local sourcing, when selecting (critical) raw materials (transition risk)	→ Environmental awareness (e.g. in case of local sourcing) → competitive advantage → attractiveness for financial market → expansion of product range → opening up of new markets → reputation gain by supporting suppliers in improving their sustainability performance	→ Definition of sustainability criteria in purchasing → increased R&D activities → establishment of ecological criteria in product design → awareness raising → cooperation with suppliers via EcoVadis and TfS, customers and other organizations → development of a product carbon footprint model	All	All NaDiVeG concerns
Lack of attractiveness for the sustainable financial market (transition risks)	→ Access to sustainably oriented finance flows → competitive advantage → image enhancement → improvement of (sustainability) ratings → transparent reporting of business activities via EU taxonomy	→ ESG-based financing facility → Implementation of requirements under the EU Taxonomy → audited Sustainability Report → measures to achieve Groupwide sustainability goals → ESG rating; → certifications	Within the company	Environmental concerns, social concerns, employee concerns

Increase in national and international ESG regulations relating to water/air/soil pollution, waste (disposal of non-/hazardous waste), recycling, biodiversity etc. and thus changing market requirements in the context of combating climate change (transition risk)	→ Environmental and climate protection → social impact → increase in resource efficiency → cost benefit → image enhancement → improvement of market position	→ Continuous improvement of data → collection and management → awareness raising and training → sustainability management aligned with ESG regulations → calculation of corporate carbon footprint → efficiency in material use → sustainable waste management system and recycling processes → ISO 14001, ISO 9001, ISO 50001	All	Environ-mental concerns, social concerns, employee concerns
Increase in climate change related physical risks such as water stress (water scarcity) and flooding which require technical and construction adaptations on some production sites (physical risk)	→ Environmental and climate protection → cost benefit	→ Projects for efficient water use → sustainable water management → technical upgrading of infrastructure → awareness raising	Within the company	Environ-mental concerns, social concerns, employee concerns
(Financial) sanctions and reputational issues due to violation of human rights as well as along the entire value chain; especially in relation to working conditions (non-compliance with legally prescribed working hours and wages; health and safety etc.), working time, gender equality, discrimination on ethnic or cultural origin, disability equality act; freedom of association and involvement of representative bodies; child/ forced labor. **Reputational issues due to layoffs during periods of economic instability or labor strikes (transition risk)**	→ Respect for human rights and improvement of the living conditions of vulnerable groups → image enhancement → improvement of market position → responsible business partner → employee retention	→ Code of Conduct, People Policy → supplier guideline → internal and external audits → external social audits at sites with identified human rights risk (Medical business) → increased cooperation with suppliers and customers → TfS audits of suppliers → internal instruction and → training → creation of transparency → increased employee communication → employee survey, establishment and monitoring of various grievance mechanisms such as SemperLine → freedom of assembly and speech → works council establishment and active cooperation → information transparency, communication during periods of instability	Upstream, within the company	Respect for human rights, social concerns, employee concerns
Lack of expertise of employees due to missing skill development and trainings (transition risk)	→ Image enhancement in the labor market → employee retention → competence development → talent development → cost savings trough internal expertise instead of external consultancy	→ Skills development as part of the corporate strategy → training and education for all employees → talent academy → job rotation programs	Within the company	Respect for human rights, social concerns, employee concerns
Lack of attractiveness for key personnel due to lack of social activities (internal and external) and strategic ESG focus in order to be perceived as a socially committed and ecologically oriented company (transition risk)	→ Image enhancement in the labor market → employee retention → increased attractiveness for skilled workers → competence development → talent development	→ Clear positioning of the company in the area of ESG → development of non-financial compensation opportunities and offerings → creation of transparency → integration of ESG targets into employee incentive programs → diversity & inclusion strategy → ESG awareness campaigns and trainings	Within the company	Social concerns, environ-mental concerns, employee concerns

Lack of activities to promote a trusting corporate culture and lack of protection for whistleblowers (transition risk)	→ Image enhancement in the labour market → improvement of market position → responsibleb usiness partner	→ Increase in internal communication efforts → establishment of various, also secured anonymous complaint mechanisms (SemperLine) → Code of Conduct, People Policy → supplier guideline → improvement of the Compliance Management Systems → transparent communication, training and education	Within the company	Social concerns, employee concerns
Loss of competitive advantagedue to carbon-cuttingmeasures such as CO_2 tax or CBAM (Carbon Border Adjustment Mechanism) (transition risk)	→ Climate protection → employee retention → image enhancement → improvement of market position → cost benefit	→ Setting climate targets → increasing energy efficiency → promoting decarbonisation → switching to alternative energy systems (installing PV systems) → R&D projects focusing on the reduction of CO_2 emissions	Within the company	Environmen-tal concerns
Little consideration of the potential impact of geopolitical unrest on ESG-relevant issues especially in terms of volatility in global energy supply and pricing which cause operational and financial risk for production sites (transition risk)	→ Security of energy supply → image enhancement → cost benefit → stable and longterm supplier relationships → responsible business partner	→ Continuous switch to alternative energy supply systems (electrification, PV systems) → energy efficiency strategy and targets → Energy Excellence program → business partner checks → supplier checks → switch to alternative delivery options	All	All NaDiVeG concerns
Lack of commitment and dedication to achieving the Group-wide sustainability goals (transition risk)	→ Environment and climate protection → employee retention → increased attractiveness for (key) personnel → image enhancement → improvement of market position	→ integration of ESG targets into employee incentive programs → clear and transparent targets → consideration of objectives in investment decisions → training and education → increased employee communication	All	All NaDiVeG concerns
Accident and health risks and impact on employees' well-being especially caused by changing temperatures due to climate change (physical risk)	→ Attractive and responsible employer → employee motivation due to improved health conditions of employees → image enhancement	→ HSEQ Policy → ISO 45001 → ISO 9001 → personal protective equipment, automatization and robotics used in production → improvement of building and infrastructure standards → broad provision of training and information → raising employee awareness	Within the company	Environmen-tal concerns, employee concerns, social concerns
(Financial) sanctions due to corruption and non-compliance with laws (transition risk)	→ Industry role model → image enhancement → responsible business partner → competitive advantage	→ Code of Conduct → Compliance Management → System → capital market compliance, Compliance Board → whistleblower hotline → policies → training and instruction → value system	All	Fight against corruption
(Financial) sanctions/complaints or reputational issues due to noise and odor pollution or damage to the health of local residents caused by production processes (physical risk)	→ Environmental and climate protection → reputation gains through regular stakeholder dialogues and inclusion of the interests of affected stakeholders	→ Grievance mechanism and whistleblower hotline → regular stakeholder dialogs with neighbors and local residents → awareness raising → infrastructire optimization	All	Social concerns, environmental concerns

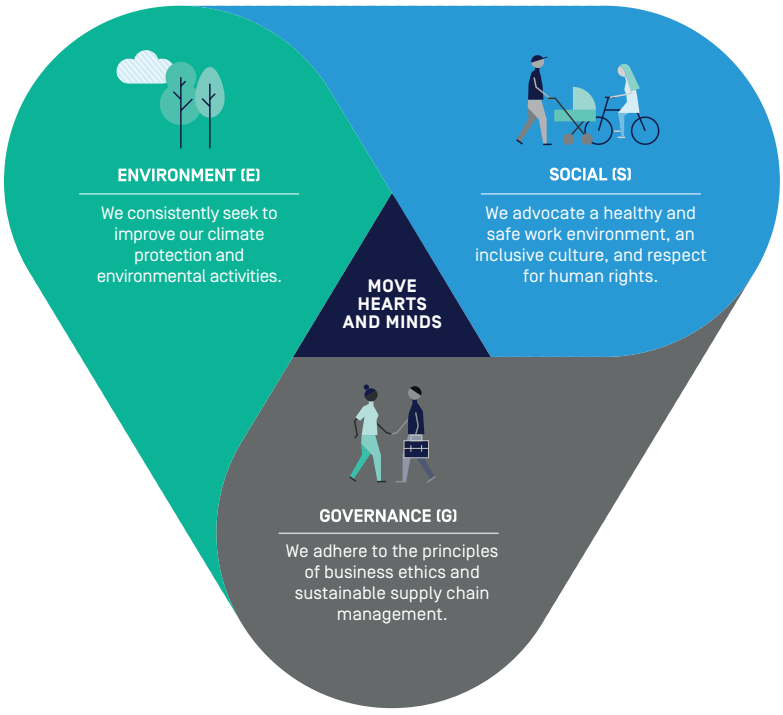
COMMUNICATION ON THE PROGRESS OF SEMPERIT'S SUSTAINABILITY STRATEGY 2030

As part of its "Move Hearts and Minds" sustainability strategy, Semperit focuses on improving existing processes in its current business model to prevent or at least minimize negative environmental and social impacts. The basis for this is the targeted raising of awareness for sustainable development and the creation of a broad commitment to the sustainability goals that Semperit aims to achieve by 2030. Successful implementation can only be achieved if internal and external stakeholders are involved and pull together. Semperit's sustainability strategy is based on the three core areas of ESG management: environment, social affairs and governance. Based on the key topics and taking into account current megatrends and market developments, the Semperit Group has defined six key topics and has set specific goals for them.

The current degree of target achievement is continuously reviewed and communicated internally to ensure that control measures can be implemented in a timely manner. In addition, the targets are regularly reviewed regarding new scientific findings or political requirements and adjusted if necessary. As soon as a common understanding has been created and successes are visible and tangible, Semperit intends to take further steps for a transformation towards a carbon-free economy in which materials are recycled as far as possible. This step-by-step approach is intended to successively pave the way for the phase after 2030.

Due to the sale of the Medical Sector and the acquisition of the Rico Group, both the size of the Semperit Group and its impact on the environment and society changed in 2023. Semperit examined the targets set in 2020 as part of the materiality analysis in 2023 and adjusted them to the new circumstances and potential. The significantly smaller savings potential with regard to the environment is due, on the one hand, to the fact that the business area with the comparatively greatest savings potential in energy, emissions, waste and water was sold and there is only comparatively little or no savings potential in the remaining areas. On the other hand, there are only seven years with savings potential left between the new base year 2023 and 2030 after the adjustment. In addition to adjusting the environmental targets, new, more ambitious targets were set in the area of diversity and inclusion (women's quota) and for supply chain sustainability in 2023.

The updated target, which is valid from 2024, can be found in the following overview. Progress on the adjusted targets will be reported from the 2024 Sustainability Report onwards; the "30 by 2030" target was applied in 2023, as previously reported.



SEMPERIT'S COMMITMENT 2030 – OVERVIEW OF TARGETS UNTIL 2023 AND FROM 2024



ENVIRONMENT (E)

ENERGY AND EMISSIONS

→ 30 % less energy
→ 30 % lower emissions (Scope 1 & 2)

30 by 2030

Page 76 ff.

FROM 2024:
→ 5 % less energy
→ 10 % lower emissions (Scope 1 & 2)

WASTE MANAGEMENT

→ 30 % less water
→ 30 % less waste

30 by 2030

Page 91 ff.

FROM 2024:
→ 7 % less energy
→ no reduction target for water withdrawal



SOCIAL (S)

HEALTH AND SAFETY

→ 8 % annual improvement in the accident rate
→ Zero accidents

Page 103 ff.

DIVERSITY AND INCLUSION

→ Adapt age distribution to relevant labour markets
→ Adapt gender distribution to relevant labour markets
→ Adapt proportion of people with disabilities to relevant labour markets
→ Improve intercultural cooperation and presence in local communities

Page 111 ff.

FROM 2024:
→ Annual increase of 0.5 % in the proportion of women in general
→ Annual increase of 1 % in the proportion of women in leadership
→ Annual increase of 1 % in the quota of women in senior leadership

RESPECT FOR HUMAN RIGHTS

→ 100 % training[1]
→ 100 % external audits[1]
→ Zero violations

Page 121 ff.



GOVERNANCE (G)

SUPPLY CHAIN MANAGEMENT

→ Ongoing evaluation of suppliers (80 % of expenditure for direct materials – raw materials, packaging materials and trade goods)
→ Setting up of a supplier cooperation programme

Page 139 ff.

FROM 2024:
→ Up to 75 % coverage of all expenditure for both direct and indirect materials through sustainability assessment of suppliers

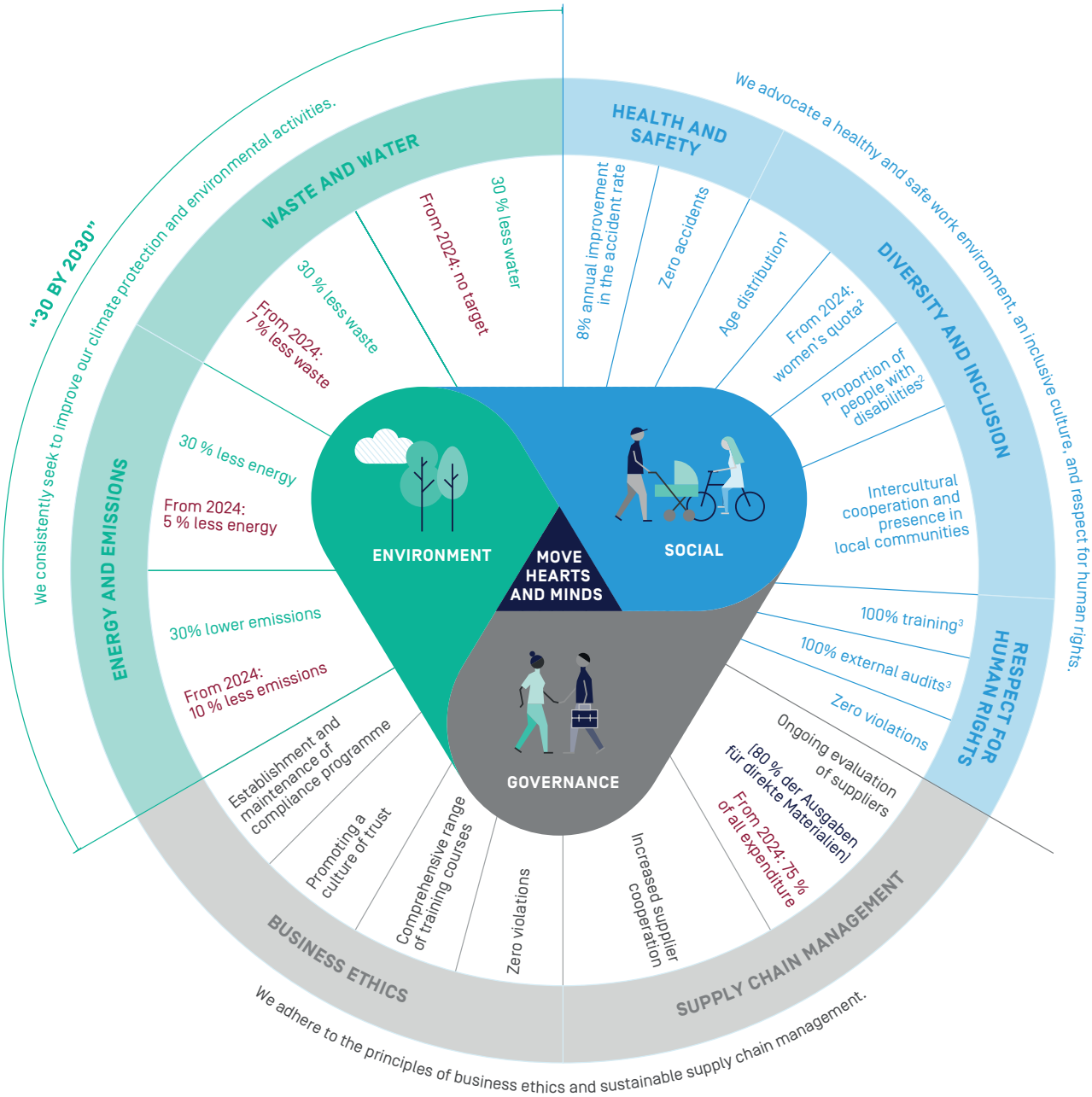
BUSINESS ETHICS

→ Establishment and maintenance of compliance programme
→ Comprehensive range of training courses
→ Promoting a culture of trust through communication and awareness raising
→ No violations of compliance-relevant laws

Page 130 ff.

[1] For employees and sites that are characterized by a relevant risk.

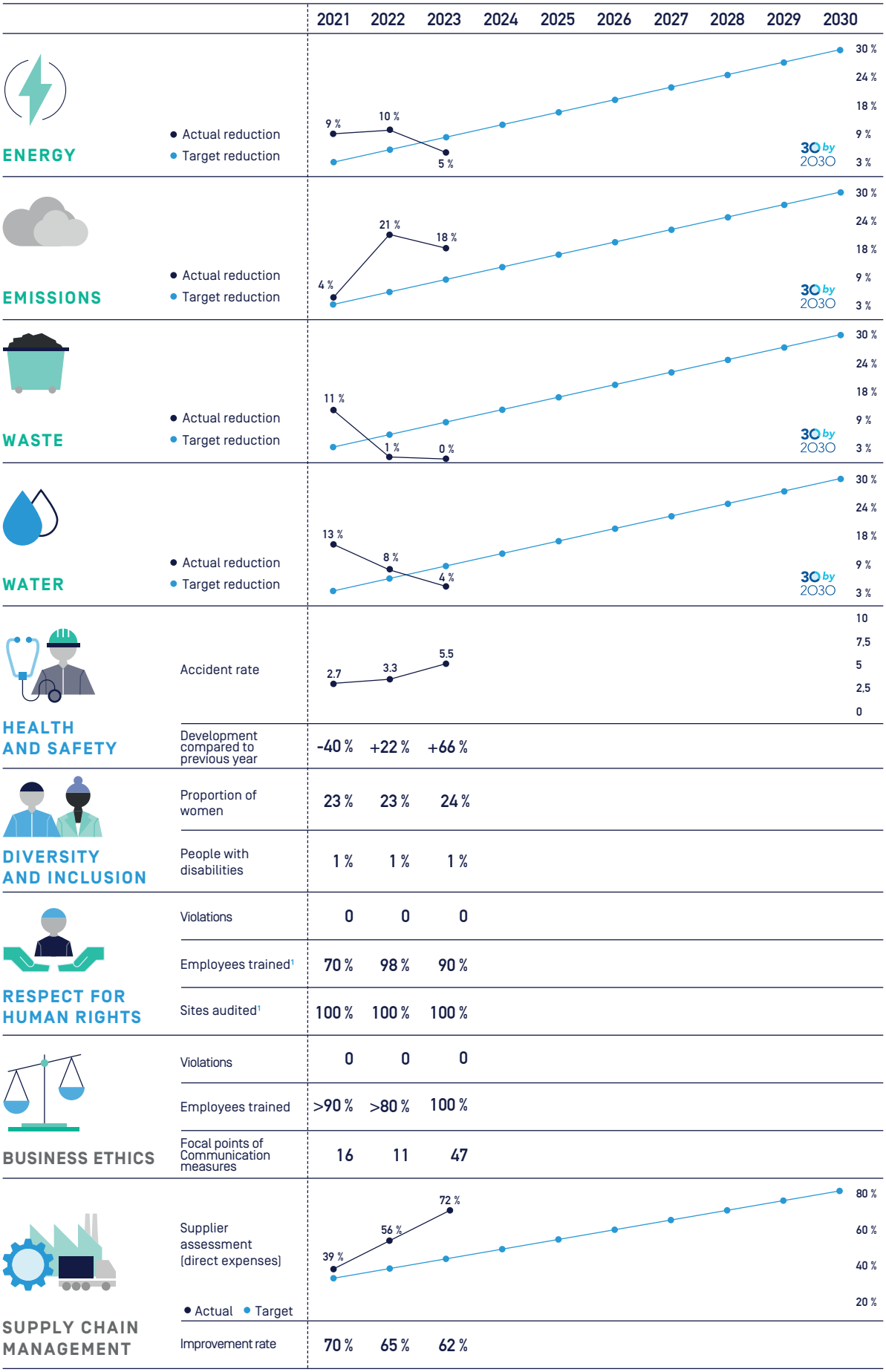
SUSTAINABILITY STRATEGY 2030 "MOVE HEARTS AND MINDS"



While the new targets defined from 2024 in the areas of energy, waste, emissions, occupational safety and gender distribution also apply to Rico, the other targets do not.

[1] Distribution according to relevant labor markets
[2] From 2024: gender distribution: 0.5 % more women p.a., 1 % more women in leadership p.a., 1 % more women in senior leadership p.a.
[3] For employees and sites that are characterized by a relevant risk

MOVE HEARTS AND MINDS DASHBOARD: OVERVIEW OF TARGETS ACHIEVED IN 2022 (MEASURED AGAINST 2019 BASELINE)



More details on the objectives as well as the related measures can be found in the respective chapters.

[1] For employees and sites characterized by a relevant risk.

OVERVIEW: VALUE CHAIN OF SEMPERIT, RELEVANT TOPICS AND GOALS FROM 2024

The new targets defined from 2024 in the areas of energy, waste, emissions, occupational safety and gender distribution also apply to Rico. The other targets only apply to Semperit companies.

ENVIRONMENT (E)
SOCIAL (S)
GOVERNANCE (G)

ENERGY AND EMISSIONS

→ From 2024: 5 % less energy
→ From 2024: 10 % lower emissions (Scope 1 & 2)

HEALTH AND SAFETY

→ 8 % annual improvement in the accident rate
→ Zero accidents

RESPECT FOR HUMAN RIGHTS

→ 100 % training[1]
→ 100 % external audits[2]
→ Zero violations

[2] for employees and sites that are characterized by a relevant risk

WASTE AND WATER

→ Water: no reduction goal from 2024
→ From 2024: 7 % less waste

DIVERSITY AND INCLUSION

→ Age distribution[1]
→ Gender distribution: from 2024: 0.5 % more women p.a., 1 % more women in leadership p.a., 1 % more women in senior leadership p.a.
→ Proportion of people with disabilities[2]
→ Improve intercultural cooperation and presence in local communities

[1] distribution according to relevant labour markets

SUPPLY CHAIN MANAGEMENT

→ Ongoing evaluation of suppliers (from 2024: 75 % of expenditure for direct materials)
→ Increased supplier cooperation

BUSINESS ETHICS

→ Establishment and maintenance of compliance programme
→ Comprehensive range of training courses
→ Promoting a culture of trust through communication and awareness raising
→ Zero violations



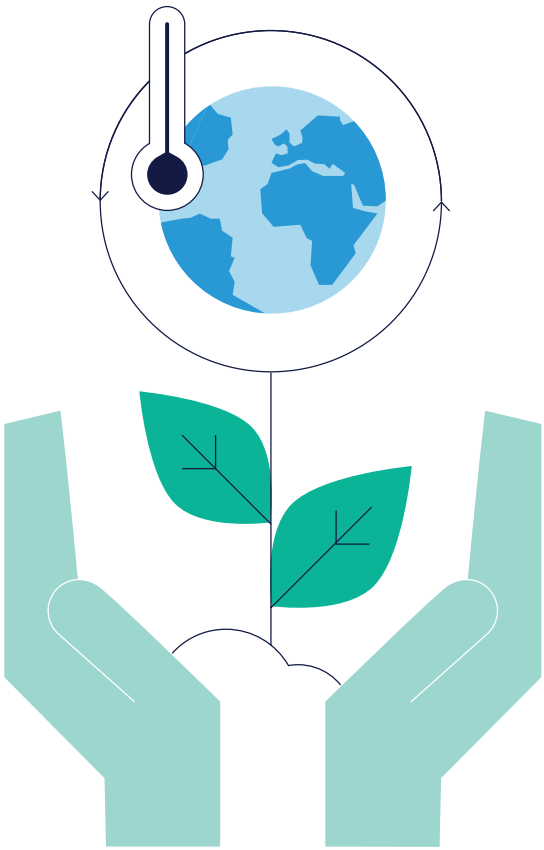


ENVIRONMENT AND CLIMATE PROTECTION

Climate-relevant information	60
Energy and emissions	76
Raw material selection, use and innovation	87
Recycling and waste management	94
Water	99



The year 2023 was characterized by challenges and change. Once again, it was also a year that saw a number of events related to climate change. The European Union is counteracting these challenges by implementing new regulations to reduce the impact of society and the economy on the climate as far as possible. Semperit is also contributing to this development with energy efficiency measures and an ongoing drive to better quantify, measure and control its own impact on the environment. The Scope 3 emissions were expanded to include those related to the goods and services purchased by Semperit. Semperit also carried out a climate scenario analysis for 16 of its own sites and 4 sites of strategic suppliers in 2023.



SEMPERIT IS STRIVING FOR ENVIRONMENTAL IMPROVEMENTS BY SELECTING THE RIGHT RAW MATERIALS, REDUCING WASTE AND AVOIDING SCRAP.

Handling resources carefully, preventing waste and scrap, optimizing energy use and gradually substituting critical substances are important environmental and climate-relevant objectives in production. Activities in this area actively contribute to environmental protection and can bring economic benefits at the same time. Thus, new opportunities in global rubber markets are realized, and the product range is gradually expanded to include recyclable products. In addition, the risks associated with climate change, such as dependence on gas, the effects of a possible blackout, flooding or water shortages, are minimized.

It can be assumed that governments and regulatory authorities will increasingly take measures to curb carbon dioxide emissions. The EU, for example, aims to become climate neutral by 2050 and has set ambitious emission reduction targets in the EU Climate Change Act. Since many experts consider a CO_2 tax to be the most effective and direct way to combat climate change, it is to be expected that more and more countries will make use of this instrument.

In addition, climate protection is also becoming increasingly important on the market. More and more customers, suppliers, investors and other stakeholders demand action and expect progress in climate protection. Transparency and accountability regarding climate protection performance and objectives increasingly become a requirement that is transferred to more and more market participants. These dynamic changes, which are already being felt today and will have an even greater impact on the business activities of the Semperit Group in the future, are referred to as transition risks.

All Semperit employees are encouraged to proactively work on sustainable improvements. Every suggestion for improvement that is submitted via Group-wide continuous improvement processes, systems and databases such as Track or Move is reviewed for relevance and feasibility and implemented quickly if necessary. By further developing processes, products and services, Semperit ensures that they contribute to a long-term improvement of climate protection.



Product development focuses on the entire life cycle. This means that Semperit pays attention to conserving resources and avoiding the possible effects of emissions from the upstream production chain and production at Semperit to the use phase and disposal. The Semperit Group strives to keep the effects of odor, noise and other emissions on employees, neighbors and the ecosystem as low as possible at all times.

In order to avoid environmentally harmful incidents, Semperit relies on an established prevention and emergency system consisting of a superordinate crisis team with prescribed reporting channels and communication structures. This ensures that all emergencies and operational disruptions are reported as quickly as possible and that adequate countermeasures can be taken. To this end, Semperit relies in part on professional company fire brigades and also trains employees in emergency precautions. In addition, certain departments also have more extensive emergency and precautionary plans, in which the respective employees are instructed and for which practical exercises are sometimes carried out.

In addition to employee training and developing appropriate measures, the ongoing analysis of potential risks and weaknesses is an essential element of environmental management. Production sites that have implemented an environmental management system certified in accordance with ISO 14001 regularly perform environmental impact analyses. This applies to all consolidated production sites of the Semperit Group with the exception of the sites in Nilai, Malaysia (no longer part of the Semperit Group since September 2023), and Hückelhoven, Germany (due to resource constraints, the focus here is currently on ISO 50001). In the scope of these analyses, potentially environmentally relevant risks and weaknesses, as well as any associated impacts, are identified and evaluated. Based on this data, measures are developed to minimize potential negative impacts. In order to ensure a consistently high standard in all plants, internal and external audits are carried out, addressing in particular the measures taken by Semperit in the areas of environment, environmental standards, awareness-raising and competence training of employees.

SEMPERIT COMBINED MANAGEMENT SYSTEM (SCMS)

Structural implementation is essential for putting the strategically defined ESG goals into practice. To ensure this, the Semperit Group applies the Semperit Combined Management System, which enables monitoring and controlling management and production processes with regard to sustainability and, in part, finances along the entire value chain. The ISO 14001 certified environmental management system is integrated into the Group-wide "Semperit Combined Management System", which defines the relevant provisions, responsibilities, and detailed process descriptions for implementing internal guidelines. The management systems certified according to ISO 9001, ISO 13485, and ISO 45001 are also available there. The management systems certified according to the ISO standards include all employees, processes, and activities at the affected sites. The Rico Group, which has been part of Semperit since 2023, is certified according to ISO 9001, ISO 14001 and other standards. There are currently no plans to integrate the Rico Group into the Semperit Combined Management System.

A Group-wide environmental management system, continuous further development of technological and organizational procedures, training and the active involvement of all parties concerned help to achieve a steady improvement in sustainability performance. The underlying principles are set out in the Group-wide "Health, Safety, Environment, Energy and Quality" policy (HSEQ policy[1]), which is publicly available on the Semperit Group website, and in the quality guidelines of "Management of Resources[2]".

The HSEQ policy is available in the most common Semperit languages as a poster display at the locations or on the Semperit website and intranet. The effectiveness of the management system is checked regularly through internal and external audits. If necessary, measures are implemented to improve the management approach.

The Semperit Group is certified within the framework of a multi-site certification matrix for the majority of its locations. For strategic reasons, individual sites are subject to individual certification. In 2023, the company DNV (Det Norske Veritas) carried out the certification.

COMPANY	SITE	ISO 9001	ISO 13485[3]	ISO 14001	ISO 45001	ISO 50001	IATF 16949
Semperit Technische Produkte Gesellschaft m.b.H.	Austria	•	•[3]	•	•		
Semperit (Shanghai) Rubber & Plastic Products Co. Ltd.	China	•		•	•		
Semperflex Shanghai Ltd.	China	•		•	•		
Semperit Profiles Deggendorf GmbH	Germany	•		•	•	•	
Semperit Profiles Leeser GmbH	Germany	•				•	
Semperflex Rivalit GmbH	Germany	•		•	•		
M+R Dichtungstechnik GmbH	Germany	•		•[5]		•[6]	
Sempertrans India Private Limited	India	•		•	•		
Latexx Manufacturing SDN BHD	Malaysia	•	•	•	•		
FormTech Engineering (M) Sdn. Bhd.	Malaysia						
Sempertrans Bełchatów Sp. z o.o.	Poland	•		•	•		
Sempertrans Maintenance France Nord S.A.S.	France	•					
Semperform Kft.	Hungary	•		•	•		
Sempermed Kft.	Hungary	•	•	•	•		
Semperit Industrial Products Inc.	USA	•[4]					
Semperflex Asia Corporation Ltd.	Thailand	•		•	•		
Semperflex Optimit s.r.o.	Czech Republic	•		•	•		
Rico Group:							
Rico-Gruppe – Elastomere Projecting GmbH	Austria	•		•			•
Härtereitechnik Rosenblattl GmbH	Austria	•		•			
SILCOPLAST AG	Switzerland	•	•	•			
SIMTEC Silicone Parts, LLC	USA	•	•				•

[1] https://www.semperitgroup.com/company/sustainability/sustainability-policies/
[2] https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/HSEQ/Semperit_MoR_Policy_EN_v03_2022.pdf
[3] Only for Sempermed business.
[4] 9001 certification includes service of handrails. Semperform profiles are currently not yet included in the scope.
[5] Certification valid until 01.12.2023.
[6] Certification valid since 08.10.2023.
Further information on the consolidation framework regarding the environment can be found on page 58.
The companies in gray are not included in the consolidated environmental data.

ADDITIONAL INFORMATION ON THE SCOPE OF CONSOLIDATION IN THE ENVIRONMENT SECTOR

The preceding list includes all Semperit Group production companies.

- → The environmental data of FormTech Engineering (M) Sdn. Bhd. are not fully integrated. In the 2023 reporting period, only the data relating to CO_2 emissions was collected.
- → Semperflex Rivalit GmbH, Germany, is not shown as a production site but a sales site due to the processes performed there and its small size. Since this site is ISO certified, it appears in the overview for the sake of completeness.
- → The consolidated site in the USA went into full operation in 2022. This site will be fully integrated into environmental reporting and safety will take place from the 2024 financial year and will therefore be included in the next Sustainability Report in 2024.
- → A share of 51 % in the M+R Dichtungstechnik site was acquired by the Semperit Group in 2021; the remaining shares in the company are to be acquired by the end of 2025. The environmental data of M+R Dichtungstechnik GmbH will be fully integrated from the 2024 financial year and will be reported in the 2024 Sustainability Report.

More information on the scope of reporting can be found in the chapter entitled “About this report” on page 147.

This chapter covers the topics classified as essential in 2020.



Energy



Greenhouse gas emissions



Raw materials



Material use



Waste



Water

The description of management approaches and performance in connection with the essential environmental issues refers to the production sites. Sales locations and the Group headquarters are not included in the environmental indicators due to their low relevance.

YOUR CONTRIBUTION COUNTS – "30 BY 2030"

The successful implementation of the Group-wide sustainability strategy "Move Hearts and Minds" can only succeed if internal and external stakeholders are involved in the best possible way and pull together. The first step towards achieving the set goals is the active involvement of all employees. Only through shared understanding and awareness, and subsequently through joint action, can sustainability be anchored in the Semperit Group and beyond in the long term.

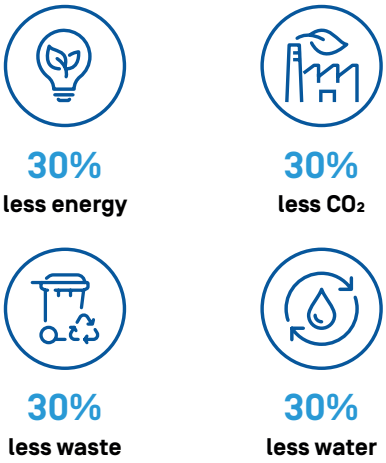
Goals of the "30 by 2030" initiative (valid until 31.12.2023):

- → 30 % less energy
- → 30 % lower emissions from Scope-1 and Scope-2
- → 30 % less waste
- → 30 % less water

These reduction targets, which were communicated in 2021, apply until the end of 2023. Semperit reviewed the target values of the "30 by 2030" KPIs (Key Performance Indicators) after the sale of the Medical Sector and the acquisition of the Rico Group in 2023 and adapted them accordingly. Further information on the changes that will apply from 2024 can be found on p. 49 ff. This Sustainability Report is the last report on target achievement as part of the "30 by 2023" initiative (see "Target achievement" p. 52).

Every employee, whether they work in the office or in production, is encouraged to contribute, which can range from using energy and water sparingly in the workplace to increasing efficiency and conserving resources in the production process. The call for these measures was supported by a communication campaign, which was designed in 2021 as part of the adoption of the sustainability strategy and continued until mid-2023. The implementation, anchoring of the resource-conserving culture, recording of measures and tracking are supported by Group-wide continuous improvement processes, systems and databases such as Track and Move.

In order to achieve the Group-wide annual savings target of 3 % (base year 2019) all production sites are to reduce energy, water, waste and emissions equally.



CLIMATE-RELEVANT INFORMATION

In 2023, the European Union published various regulations and action plans as part of the "Green Deal" again that will affect Semperit. In order to take this development into account, Semperit is stepping up its own efforts to make corporate decisions in favor of ecological and social impacts. In addition, clear objectives to minimize negative effects as much as possible, an integration of these objectives into Group-wide sales and investment decisions and viable processes to further develop business models in such a way that they are resilient, sustainable and thus fit for the future are needed.

Companies must not only consistently reduce their own greenhouse gas emissions, but also systematically address and manage the climate crisis and its impact on their business activities. Risks and opportunities can be derived from this – for the business model as a whole, for individual sites and markets or, for example, with regard to individual materials and goods produced.

In this context, the physical impacts directly related to climate change, such as the increase in extreme weather events, floods, droughts and water scarcity, must be considered, as well as market and regulatory impacts, such as CO_2 taxes and changing customer and market requirements.

IN ADDITION, CLEAR OBJECTIVES TO MINIMIZE NEGATIVE EFFECTS AS FAR AS POSSIBLE, AN INTEGRATION OF THESE OBJECTIVES INTO GROUP-WIDE SALES AND INVESTMENT DECISIONS AND VIABLE PROCESSES TO FURTHER DEVELOP BUSINESS MODELS IN SUCH A WAY THAT THEY ARE RESILIENT, SUSTAINABLE AND THUS FIT FOR THE FUTURE ARE NEEDED.

INFORMATION ACCORDING TO THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Climate-related information in this report is disclosed according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The content is divided into four main areas: governance, strategy, risk management and metrics and targets. The following table shows where the relevant information on the key points according to the TFCD can be found in the report. The recommended scenario analyses according to TCFD and EU Taxonomy were performed for the first time in 2023.

AREA	TCFD-RELEVANT DETAIL INFORMATION	PAGE
Responsibilities and governance	→ Management (governance) of climate-related risks and opportunities	→ 61
	→ Management role for evaluating and managing climate-related risks and opportunities	→ 61
Strategy	→ Climate-related risks and opportunities (short, medium and long term)	→ 63 ff
	→ Impact of climate-related risks and opportunities on business, strategy, and financial planning	→ 63 ff
	→ Resilience of business strategy considering various climate-related scenarios, including a 2°C scenario or less	→ 62, 65
Climate-relevant risk management	→ Process description for identifying and assessing climate-related risks	→ 44, 63
	→ Management of climate-related risks	
	→ Linking the identification, assessment, and management of climate-related risks with traditional corporate risk management	→ 61 → 63
Metrics and targets	→ Metrics used to assess climate-related risks and opportunities	→ 65
	→ Scope 1, Scope 2, and, where applicable, Scope 3 greenhouse gas (GHG) emissions and associated risks	→ 65
	→ Metrics used to measure the impact of climate-related risks and opportunities in relation to associated objectives	→ 65

1. RESPONSIBILITIES AND GOVERNANCE

The topic of sustainability is anchored in the corporate structure at Semperit. Responsibility for all climate-relevant topics was transferred to the functional area of the Semperit Group's CEO in 2023, which underlines the importance and strategic significance both internally and externally. The Sustainability Council meets quarterly (for more information, see p. 32), informs the Executive Board about important developments. The Executive Board bears ultimate responsibility for the company's direction regarding sustainability. In coordination with the Head of ESG, the Council is responsible for defining operational priorities and driving forward corresponding measures within the company. In addition, relevant sustainability issues and potential opportunities and risks in this context are discussed at the Executive Board meetings.

Through the organizational anchoring of sustainability (see p. 32), Semperit ensures that aspects of sustainability, impacts, risks and opportunities, including climate and environmental protection, are taken into account in every forward-looking decision. The Executive Board subsequently informs the Supervisory Board, the Audit Committee and the ESG Committee about current developments in environmental and climate protection, as well as in social affairs and governance, and about Semperit's goals and performance in the context of the ESG. Regular information enables the Supervisory Board to monitor and promote progress in the individual areas.





Sustainability management is part of the HSEQ & ESG department and deals with the Group-wide coordination of all sustainability agendas and the related internal and external communication and representation. The Head of ESG acts as an interface between the decision-makers in production, sales, those in other relevant areas such as the innovation, purchasing or risk departments, and Semperit's Executive Board. The respective department heads are responsible within the departments and promote the corresponding topics.

On the production side, the highest authority is constituted by the Technical Operation Directors of the divisions and businesses, who coordinate the management of relevant production parameters and report directly to the Executive Board. In connection with environmental aspects, they are currently primarily concerned with increasing efficiency in various areas such as energy and recycling management. Together with the Executive Board, they also deal with questions regarding the future orientation of the product portfolio, production, and innovation performance, and develop sustainable solutions. Jointly with the site managers, they are responsible for setting goals in energy efficiency and material use and for ensuring that the necessary measures are implemented to achieve the goals. The Commercial Directors are responsible for the strategic orientation of the businesses in cooperation with the Operations and Finance Directors.

On the product side, responsibility lies with the businesses as well with the research and innovation department, which promotes new and further developments at the product level. Semperit maintains close cooperation with customers, suppliers, and research institutions to develop and offer needs-based and innovative products and solutions.

2. STRATEGY

The global economic environment in which Semperit operates is characterized by volatility, uncertainty, complexity and ambiguity. In its sustainability management, but also in its corporate strategy and financial planning, Semperit pursues a risk-avoiding, precautionary approach without, however, neglecting the opportunities and potential arising as a result. The risk and opportunity management therefore also forms the basis of Semperit's strategic orientation and financial planning to combat climate change. Based on the climate scenario analysis carried out in 2023, the continuous collection of expertise regarding climatic developments, findings and forecasts as well as monitoring the effects of and on Semperit, the following key risks and opportunities have emerged for the Group (information on the opportunities can be found in the ESG Risk Management chapter on p. 43 ff):

- → The risk that the use of fossil raw materials will become increasingly limited or expensive. Consequently, access to alternative raw materials from renewable raw materials must be secured in a timely manner.
- → The risk that energy from fossil sources will no longer be available, or only to a very limited extent. Consequently, the energy supply will have to be converted to renewable energy and the production facilities and the associated processes will have to be adapted accordingly.
- → The risk of production losses at various sites because they are in areas affected by flooding (due to increasing heavy rainfall or gradual rise in sea level) or extreme drought, or also due to population migration because of excessively high temperatures, droughts, etc. This risk varies from location to location in the medium and long term and only affects individual locations of the Semperit Group. It develops with varying degrees of severity in the specified IPCC scenarios. Structural measures to reduce the risk are already being implemented at one of the sites, while the remaining mitigation measures are being defined and implemented as part of the Group-wide risk assessment with the sites.

In order to counteract the risks in a timely manner, a resilient and future-oriented strategy is needed in addition to measures and goals that can be implemented and verified in the medium term. In this context, the process for developing the Group-wide Semperit Sustainability Strategy 2030 was launched in 2020 and successfully completed in 2021. The Sustainability Strategy 2030 and, in particular, the "30 by 2030" initiative (valid until the end of 2023) it encompasses, represent further important steps for environment and climate protection in the Semperit Group and form the basis for further activities.

The fields of action of the sustainability strategy are also considered in the Group and innovation strategy and in aligning the individual divisions. This includes, for example, expanding the sustainable product range, optimizing and continuously improving production processes to minimize climate-relevant risks, and considering sustainability aspects in evaluating potential future markets. In 2023, Semperit launched a Group-wide strategy process that will set the framework for a future-oriented transformation of the Group. Further information on the strategy process can be found on pages 9 and 10 as well as on page 49.

Current and future actions

a. energy and emissions



Increasing energy efficiency, reducing Scope 1 and 2 emissions, continuous expansion of the survey of Scope 3 emissions, and expanding the share of energy demand that comes from renewable energy sources

b. Aspects of the recycling economy



Selecting recyclable raw materials, efficiency in using materials, increased use of secondary raw materials, in-process recycling, continuous analyses of potential and initial projects in the field of post-industrial and post-consumer recycling, optimizing waste management, efficient handling and low consumption of water

c. Expansion of the sustainable product range



R&D projects on recyclable products (especially in the area of Profiles – further information on p. 95) and cooperation with research institutions, universities and networks (e.g. TfS – further information on p. 37)

d. Environmentally sustainable investments that minimize climate risks



Integration of environmentally sustainable criteria based on the EU taxonomy and consideration of climate-related risks from the climate scenario analysis in strategy and investment decisions as well as strategic growth investments based on these criteria, such as the expansion of the hose production at the Odry site, Czech Republic

3. CLIMATE-RELEVANT RISK MANAGEMENT

Climate-related risks and opportunities can affect Semperit's business units in the medium and long term. In 2019, Semperit therefore integrated the ESG risk management required by the Sustainability and Diversity Improvement Act (NaDiVeG) and in the future the Sustainability Reporting Act (NaBeG) into its existing Group-wide risk management. Since then, during the annual ESG risk assessment (see page 43 ff.), relevant risks and opportunities in the areas of environment, social affairs and governance (ESG) have been identified, discussed and evaluated. In 2023, the structure of this assessment was adapted, and its content expanded in preparation for the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The integration of the newly identified ESG risks and opportunities into company-wide risk management and strategic planning began in 2023 and will continue in 2024. The last few years have shown that climate-related risks and opportunities are increasing in importance and tend to affect all areas of the company. The decisive factor for climate-relevant risks is that emerging issues and the associated opportunities are already known but will only have an impact in the medium and long term from a business perspective and according to current knowledge.

Physical risks

The term physical risks refers to the direct effects of climate change. This includes long-term and short-term risks, as they can already be noticeable depending on the region. A distinction is made between:

- Direct physical risks: acute events (storms and heavy rainfall) and chronic changes (rising sea levels). The consequences to the economy range from storm damage to buildings to temporary interruptions to global supply chains.
- Indirect physical risks: Risks arising from the indirect or long-term effects of climate change, for example, production losses due to a shortage of water supply because of prolonged droughts. None of the Semperit sites are currently exposed to a physical climate risk in the short term. In the medium and long term, water-related risks such as flooding and water scarcity have been identified at the Roha, Odry and Bełchatów sites.

Transition risks

The physical risks are offset by climate-relevant transition risks, which could have a greater impact on the activities of the Semperit Group in the short and medium term. Transition risks arise primarily due to regulatory and political requirements, such as the introduction of a CO_2 tax or the expansion and tightening of emissions trading, as well as because of market-specific and socially motivated developments in decarbonization and the recycling economy, which can lead to rising company costs. These risks can affect the business model of entire sectors or the use of certain technologies. Changes in customer behavior also belong to this risk class.

In order to meet these new requirements, extensive investments are necessary, especially in the areas of innovation, production and logistics.

If the corporate strategy takes insufficient account of sustainability aspects, it will also weaken Semperit's attractiveness on the – increasingly sustainability-oriented – financial markets. Both aspects – the fulfillment of regulatory requirements and the necessary investments on the one hand and the consideration of sustainability aspects in the corporate strategy to strengthen attractiveness on the other – have a medium or long-term effect and may lead to a weakening of brand positioning as well as market share loss. Conversely, appropriate countermeasures can lead to an image gain and thus to a competitive advantage and increased employee loyalty. The following table lists the transition risks identified during the ESG risk assessment.

OVERVIEW OF THE MOST IMPORTANT CLIMATE-RELEVANT RISKS AND OPPORTUNITIES FROM THE ESG RISK PROCESS

RISK	AREAS OF THE COMPANY	CLIMATE-RELEVANT RISKS	CLIMATE-RELEVANT OPPORTUNITIES
Increase in climate change related physical risks, such as water stress (water scarcity) and flooding, which require technical and construction adaptations on some production sites (physical risk)	Environment	Increasing costs; lack of attractiveness for investors; increasing safety issues for employees	→ environmental and climate protection → cost benefit
Limited reaction to new ESG developments and little consideration of regulatory requirements in corporate and innovation strategy (transition risks)	Strategy and innovation	Weakening of brand positioning and loss of market share; lack of attractiveness for investors and customers	→ environmental and climate protection → flexible corporate culture and fast decision-making processes → image enhancement → employee retention → improvement of market position → responsible business partner
Lack of commitment and dedication to achieving the Group-wide sustainability goals (transition risk)	Strategy and innovation	Weakening of brand positioning and loss of market shares; lack of attractiveness for investors and customers; image loss	→ environmental and climate protection → employee retention → increased attractiveness for (key) personnel → image enhancement → improvement of market position
Little consideration of the potential impact of geopolitical unrest on ESG-relevant issues especially in terms of volatility in global energy supply and pricing, which cause operational and financial risk for production sites (transition risk)	Strategy and innovation	Increasing costs; weakening of brand positioning; image loss; dependence	→ security of energy supply → image enhancement → cost benefit → stable and long-term supplier relationships → responsible business partner
Lack of consideration of ecological and social criteria, such as climate-related impact or local sourcing, when selecting (critical) raw materials (transition risk)	Strategy and innovation	Image loss; weakening of brand positioning; lack of attractiveness for investors; cost disadvantage	→ environmental awareness (e.g. in case of local sourcing) → competitive advantage → attractiveness for financial market → expansion of product range → opening up of new markets → reputation gain by supporting suppliers in improving their sustainability performance
Increase in national and international ESG regulations relating to water/air/soil pollution, waste (disposal of non-/hazardous waste), recycling, biodiversity etc. and thus changing market requirements in the context of combating climate change (transition risk)	Production	Increasing costs; weakening of brand positioning; image loss	→ environmental and climate protection → social impact → increase in resource efficiency → cost benefit → image enhancement → improvement of market position
Loss of competitive advantage due to carbon-cutting measures such as CO_2 tax or CBAM (Carbon Border Adjustment Mechanism) (transition risk)	Environment	Increasing costs; image loss	→ climate protection → employee retention → image enhancement → improvement of market position → cost benefit
Changes in customer demand and preferences towards sustainable production and a green product portfolio focused on "Circularity" (transition risk)	Sales	Loss of customers; image loss; weakening of brand positioning; lack of attractiveness for investors	→ reduced environmental impact (reduced CO_2 emissions) → competitive advantage → attractiveness for financial market → expansion of product range with innovative circular economy solutions → opening up of new markets → cost savings by application of circular economy principles in product design (longevity, reparability)
Lack of attractiveness for the sustainable financial market (transition risks)	Finance	More difficult access to the financial market; cost disadvantage	→ access to sustainably oriented finance → flows, competitive advantage → image enhancement → improvement of (sustainability) ratings → transparent reporting of business activities via EU taxonomy

Accident and health risks and impact on employees' well-being especially caused by changing temperatures due to climate change (physical risk)	Health & Safety	Increasing health & safety issues for employees; increasing costs; lack of attractiveness for personnel	→ attractive and responsible employer → employee motivation due to improved health conditions of employees → image enhancement
(Financial) sanctions/complaints or reputational issues due to noise and odor pollution or damage to the health of local residents caused by production processes (physical risk)	Environment	Increasing health issues for local residents; increasing costs; image loss	→ environmental and climate protection → reputation gains through regular stakeholder dialogues and inclusion of the interests of affected stakeholders

4. METRICS AND TARGETS

Clear and smart goals and measures are intended to minimize climate-related risks and serve to exploit potential opportunities in good time – such as the goals for adaptation (climate change adaptation) to already prevailing climatic changes or the goal of avoiding climate consequences in the longer term by reducing or neutralizing greenhouse gas emissions (Climate Change Mitigation).

Semperit Group focus points

a. Increase efficiency and reduce resources and energy consumption as well as waste by 30 % by 2030 through process optimization (base year 2019, goal valid until the end of 2023)

The "30 by 2030" initiative of the Sustainability Strategy 2030 bundles and accelerates all previous activities relating to efficiency and thus makes a significant contribution to climate protection. The focus is on continuously improving energy efficiency in production as well as in building management and reducing the volume of scrap and waste and the use of water. In addition, further measures to reduce CO_2 emissions are to be developed and implemented, such as installing photovoltaic systems.

In order to successfully advance the Group-wide targets, but also make them tangible, objectives were defined at the site level (3 % reduction per site per year based on 2019) and all participants were involved in the best possible way. Furthermore, since 2021, corresponding processes and tools have been implemented for tracking the status quo of achieved goals. In this context, all projects as well as specific information for continuously improving production factors must be entered into the database provided for this purpose to allow for Group-wide control. This is done using regular system status reports and in the course of internal coordination meetings. A monthly review is performed at the Group level to determine whether the key figures, including greenhouse gas emissions, are within the planning corridor. If this is not the case, further measures must be agreed on. More information about target achievements in the 2023 reporting year can be found in the corresponding chapters and in the overview on page 52.

b. Further activities to protect the environment and climate

In addition to optimizing production processes, further steps are being taken to initiate the path for long-term change. In addition to the ongoing balancing of greenhouse gas emissions the focus is on the successive expansion of the survey of Scope 3 emissions. In 2023, the survey was expanded to include those Scope 3 emissions associated with the goods and services purchased by Semperit. Semperit's own Product Carbon Footprint calculation model was increasingly used to deepen CO_2 transparency in the Semperit portfolio on a product-specific basis. In addition, Semperit is proactively working on innovative possibilities in the area of materials. For example, various approaches are being tested in circular economy, such as recyclability or the use of secondary raw materials. The technical and economic possibilities in this context, as well as the associated environmental impact, will be examined in a timely manner and continuously evaluated in the coming years. Further information on Semperit rubber recycling can be found in the chapter on circular economy starting on page 94 ff.

In order to support market trends with the development of sustainable products, Semperit works closely with customers and supports scientific research – with a focus on innovative materials, technologies and products. The research activities are intended to secure and further strengthen the market position of the Semperit Group in the long term and at the same time make it more attractive for sustainable investments, for example by gradually improving the ESG rating results.

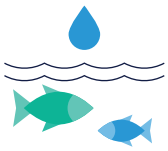
THE SIX ENVIRONMENTAL OBJECTIVES OF THE EU TAXONOMY



CLIMATE CHANGE MITIGATION



CLIMATE CHANGE ADAPTATION



SUSTAINABLE USE AND PROTECTION OF WATER AND MARINE RESOURCES



TRANSITION TO A CIRCULAR ECONOMY



POLLUTION PREVENTION AND CONTROL



PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS

INFORMATION ACCORDING TO THE TAXONOMY REGULATION

The publication of the European Green Deal 2019 signaled the sustainable transformation of the entire European Economic Area. A central component of the plan is to make Europe a climate-neutral continent by 2050, i.e., to reduce net emissions of greenhouse gases to zero. Financial flows in the private sector have to be redirected to sustainable activities to finance the transformation. The EU taxonomy, a uniform and transparent classification system of environmentally sustainable business activities, was developed for this purpose. According to the provisions of the EU Taxonomy Regulation, companies that fell within the scope of the regulation must disclose their proportion of revenues for the 2021 financial year, the capital expenditures (capex), and the operational expenditures (opex) that are related to "environmentally sustainable" activities and are therefore taxonomy-eligible. From the 2023 financial year, they must publish the share of taxonomy-aligned economic activities in revenue, capex and opex in line with all six environmental objectives. The share of taxonomy-aligned revenue in total revenue is an indicator of the sustainability of a company's products and services. Taxonomy-eligible and -aligned capital expenditures should indicate the extent to which a company is preparing for a decarbonized economy in 2050.

The following disclosure of information on the EU taxonomy is based on the Taxonomy Regulation (EU) 2020/852, the Delegated Regulation (EU) 2023/2485 amending Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2486 as well as the associated published FAQ. Accordingly, the report contains information on the proportion of Semperit's business activities covered by the EU taxonomy (taxonomy-eligible and taxonomy-aligned) as well as the required qualitative information. All six environmental objectives of the EU taxonomy were used to determine the key figures (revenue, capex, and opex) relating to business activities. The Semperit Group activities that correspond to the taxonomy can primarily be assigned to the environmental objective "climate change mitigation" and "transition to a circular economy".

THE PRINCIPLES OF THE EU TAXONOMY

According to the EU taxonomy, business activities are considered "environmentally sustainable" if they:

- 1. Substantially contribute to at least one of the six climate objectives, which can be demonstrated through compliance with certain technical screening criteria;
- 2. Do not have a considerable negative impact on attaining the five other EU environmental objectives (do no significant harm; DNSH), which is also specified in the subordinate delegated acts; and
- 3. Comply with the Minimum Social Safeguards for occupational safety and human rights.

AD 1. SIGNIFICANT CONTRIBUTION TO (AT LEAST) ONE EU ENVIRONMENTAL OBJECTIVE

The EU taxonomy-relevant business activities of the Semperit Group relating to revenue reserves and significant capital and operating expenditures make a contribution to the environmental objectives "climate change mitigation" as well as "transition to a circular economy" and can be divided into the following five major topics:

CIRCULAR ECONOMY

- **Waste** (Activity 2.7 Sorting and material recovery of non-hazardous waste)

ENERGY

- **Products** (Activity 3.5 Manufacture of energy efficiency equipment for buildings)
- **Photovoltaic systems** (Activities 4.1. Electricity generation using solar photovoltaic technology; 7.6. Installation, maintenance and repair of renewable energy technologies on-site)

WATER

- **Optimization of water use and treatment systems** (Activity 5.2. Renewal of water collection, treatment and supply systems)

VEHICLES

- **Transport – acquisition, financing, renting, leasing and operating e-vehicles** (Activity 6.5. Purchase, financing, renting, leasing and operation of vehicles)

BUILDINGS

- **Building management** (Activities 7.2. Renovation of existing buildings; 7.3. Installation, maintenance and repair of energy efficiency equipment; 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings; 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings; 7.6. Installation, maintenance and repair of renewable energy technologies on-site; 7.7. Acquisition and ownership of buildings)



AD 2.
NO SIGNIFICANT NEGATIVE IMPACT ON THE OTHER EU ENVIRONMENTAL OBJECTIVES (DNSH)

The requirements of the delegated acts to fulfill the "Do No Significant Harm" principle relate primarily to legal and regulatory provisions as well as minimum technical requirements. Mainly in order to fulfill the DNSH criteria with regard to the environmental objectives "climate change mitigation" and "climate change adaptation", Semperit carried out a climate scenario analysis for 16 of its own sites and 4 sites of strategic suppliers in 2023. In particular for the new construction of the production hall DH5 in Odry, Czech Republic, Semperit aims to comply with the criteria in order to be able to report the building and the associated expenses as taxonomy-aligned in the future. The DNSH criteria for the environmental goals "Sustainable use and protection of water and marine resources" and "Prevention and reduction of air, water and soil pollution" are essentially based on compliance with regional legal framework conditions. A review process is underway, accompanied by the collection of relevant documentation. For the fulfillment of the requirements of the DNSH criteria for "Protection and restoration of biodiversity and health of ecosystems" and "Transition to the circular economy, including waste prevention and recycling", the necessary measures, such as the implementation of environmental impact assessments for all relevant sites, are to be examined.

AD 3.
MINIMUM SAFEGUARDS FOR OCCUPATIONAL SAFETY AND HUMAN RIGHTS

According to the taxonomy regulation criteria, minimum social requirements must also be met for activities to be classified as "ecologically sustainable". Compliance with social standards, in the areas of labor and human rights or health and safety, is ensured at Group level for all companies and sites with the help of various tools, processes, policies and activities as well as a diverse range of services and training. Information on the Group-wide guidelines, the human rights due diligence processes, as well as the measures taken, and achievements can be found in the respective chapters on pages 123 to 127. The corresponding key figures show Semperit's continuous improvement in these areas. In order to ensure that the social minimum standards are met throughout the Group, a detailed analysis of the following frameworks to which Semperit is committed was carried out in 2023:

- → OECD Guidelines for multinational enterprises
- → UN Guiding Principles on Business and Human Rights
- → ILO core labor standards and ILO Declaration on Fundamental Principles and Rights at Work
- → International Bill of Human Rights



ACCORDING TO THE CRITERIA OF THE TAXONOMY REGULATION, MINIMUM SOCIAL REQUIREMENTS MUST ALSO BE MET FOR ACTIVITIES TO BE CATEGORIZED AS TAXONOMY-ALIGNED.

ADDITIONAL INFORMATION

On the one hand, the Taxonomy Regulation creates transparency for all stakeholders, and, on the other hand, companies can use the guidelines to align future "sustainable" decisions and activities accordingly. The following section lists the taxonomy-relevant products and activities of the Semperit Group that contribute to climate protection and circular economy in accordance with the regulation.

TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED

The EU classification system distinguishes between taxonomy-eligible and taxonomy-aligned business activities. Taxonomy eligibility is given if a business activity of a company can be allocated to the economic activities listed in the delegated acts. Taxonomy alignment, on the other hand, can only be shown if all technical screening criteria, DNSH criteria as well as the minimum protection criteria for occupational safety and human rights (Minimum Social Safeguards) are clearly met.

TAXONOMY-ELIGIBLE REVENUE

Of the taxonomy-eligible revenue, only the thermally insulating door, window and facade profiles from the "Profiles" product group of the "Semperit Industrial Applications" division and activities related to their production can be recognized as taxonomy-eligible for the time being. Due to its heat-insulating and sealing properties, the profiles product group increases the energy efficiency of buildings and thus makes a positive contribution to reducing greenhouse gas emissions in this area. In 2023, revenue from Profiles was reported as activity 3.5 "Manufacture of energy-efficient building equipment" instead of activity 3.6 "Manufacture of other low-carbon technologies", as in the previous year. Further information can be found on pages 70 and 72.

An economic activity in this category is an eligible activity in the sense of Article 10(1)(i) of Regulation (EU) 2020/852 if it meets the technical assessment criteria determined in this section. Other product groups from the Semperit portfolio are currently not mentioned in the classification system. However, this may change in subsequent years because of possible expansion of the categories and activities, for example by adding further sectors in the "Manufacturing" area. With regard to Semperit's revenue-relevant activities – which are currently limited exclusively to door, window and façade profiles – a distinction can be made between the following products from the perspective of ecological sustainability:

- Products that have a positive ecological added value due to their properties or production method (see Product innovations p. 90 and 91).
- Products that are considered sustainable according to the requirements of the EU taxonomy.

It is important that these products must fulfill the so-called technical screening criteria. In the case of window products, these criteria relate to the heat flow (U-value) and, in the case of insulation products, to thermal conductivity (lambda value). As the evidence and the underlying calculations are only partially available, the criteria cannot yet be fully met. Accordingly, Semperit will fully assess the criteria in the coming years and work on their optimization.

DUE TO THE SIGNIFICANT REDUCTION IN GREENHOUSE GAS EMISSIONS IN THE BUILDINGS SECTOR AND THE DEFINITION IN THE TAXONOMY REGULATION, THE PROFILE PRODUCTS CAN BE ASSIGNED TO ACTIVITY 3.5 "MANUFACTURE OF ENERGY EFFICIENCY EQUIPMENT FOR BUILDINGS"

TAXONOMY-ELIGIBLE CAPEX/OPEX

Activities and thus the associated capital and operating expenditures (capex/opex), which can currently be designated as taxonomy-eligible, relate primarily to the following broad topics:

TRANSITION TO A CIRCULAR ECONOMY

→ **Circular economy** (Activity 2.7 Sorting and material recovery of non-hazardous waste)

CONTRIBUTION TO ENVIRONMENTAL GOAL "CLIMATE CHANGE MITIGATION"

→ **Energy** (Activities 4.1. Electricity generation using solar photovoltaic technology; 7.6. Installation, maintenance and repair of renewable energy technologies on-site)

→ **Optimization of water use and treatment systems** (Activity 5.2. Renewal of water collection, treatment and supply systems)

→ **Transport** (Activity 6.5. Purchase, financing, renting, leasing and operation of vehicles)

→ **Building management** (Activities 7.2. Renovation of existing buildings; 7.3. Installation, maintenance and repair of energy efficiency equipment; 7.4 Installation,

maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings; 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings; 7.6. Installation, maintenance and repair of renewable energy technologies on-site; 7.7. Acquisition and ownership of buildings]

Based on the activities listed by the EU, the activities relevant for Semperit in 2023 were checked for completeness and activity 2.7 was added. Subsequently, the associated expenses [capex/opex] that can be reported as taxonomy-eligible in the reporting year were collected.

ADDITIONAL INFORMATION [CAPEX/OPEX]

When interpreting the disclosed information and data related to capital and operating expenditures, it should be considered that activities that are not listed in the EU taxonomy and are thus not reported as "environmentally sustainable" within the meaning of the classification are not by definition "unsustainable" or "not fit for the future". Numerous corporate activities and the associated expenditures that serve to improve the environmental and social performance or also the achievement of the company's sustainability goals are currently not considered by the EU taxonomy and thus do not appear in the key figures. This applies, for example, to investments in process and production optimization, which, according to EU taxonomy, may only be included if they serve the production of a taxonomy-eligible product, but not if they are assigned to the production of another product.

It will be necessary to fulfill the technical screening criteria and the DNSH criteria in the area of taxonomy-eligible activities and the corresponding expenses [capex/opex] to be taxonomy-aligned. The associated requirements are narrowly defined, depending on the topic, and pose a number of challenges, which is why it has not yet been possible to fully implement and demonstrate compliance. For example, certain threshold values for primary energy requirements or the water consumption of sanitary equipment must be met for expenditure in the building sector, particularly for new buildings. In addition, there are requirements to carry out a climate scenario and vulnerability analysis and to derive and evaluate mitigation measures. This analysis was already carried out for 16 Semperit locations and 4 locations of strategic suppliers as a first major step in 2023. Semperit aims to comply with the criteria and thus future taxonomy eligibility for the new construction of the production hall DH5 in Odry, Czech Republic, in order to be able to report the associated expenses as taxonomy-aligned.

EXPLANATIONS ON THE PROCEDURE FOR COLLECTING KEY FIGURES

Since 2023, the EU taxonomy has included information on economic sectors and activities that can make a significant contribution to all six environmental objectives. Previously, only those applying to the environmental objectives "climate change mitigation" and "climate change adaptation" were defined. In 2023, Semperit therefore analyzed and optimized the existing processes and systems to meet the extended requirements together with external experts.

In addition, the descriptions of the taxonomy activities were re-evaluated in 2023 and, based on this, the economic activities relevant to Semperit were added or adapted. The following changes were made to the activities in the reporting:

- 2.7 Sorting and material recovery of non-hazardous waste was added.
- 3.5 Manufacture of energy efficiency equipment for buildings was added and replaces activity 3.6 from 2023.
- Activity 7.1 is no longer relevant and is no longer reported, as investments in new buildings can be recognized under 7.7 Acquisition and ownership of buildings.

In 2023, the key figures were again collected by the responsible experts at the Semperit Group sites and consolidated and reviewed centrally by Group Accounting and Group ESG. When collecting the data, care was taken to avoid double counting by having the key figures collected by responsible experts at the Semperit Group sites and consolidated centrally by Group Accounting and reviewed together with Group ESG. The option of applying a materiality threshold for opex expenditure was not utilized.

OVERVIEW OF THE MOST IMPORTANT STEPS

PROJECT MANAGEMENT

- **Project lead:** Group ESG Management
- **External project support:** PWC Austria
- **Participating areas:** Group Controlling, Group Accounting, Group Maintenance & Engineering, Operations, Group HSEQ
- **Tasks:** project organization, internal and external communication

PROCEDURE FOR COLLECTING KEY FIGURES

- Re-evaluation of the economic activities relevant to Semperit according to the NACE code (Statistical Classification of Economic Activities in the European Community)
- Training of internal experts in the respective local capex/opex project and finance departments at the Semperit Group sites
- Content-related assessment of the taxonomy eligibility of the respective capex- and opex-relevant projects based on individual interviews with the respective experts (e.g., from the areas of production, infrastructure, energy, and environmental protection) to prepare key figures
- Appreciation of significant contribution to the environmental objective and of the "Do No Significant Harm" requirement in relation to the other environmental objectives (based on compliance with legal requirements)
- Reviewing compliance with minimum social standards at Group level
- Analyzing the various reporting processes that contribute to collecting the relevant data
- Test and trial phase in the third quarter of 2023
- Collecting revenue, capex and opex for the "environmentally sustainable" activities in 2023 by the persons responsible for finance



The following table shows an excerpt of key figures, full information required to comply with the EU Taxonomy Regulation is placed in the Appendix of this report, chapter "EU Taxonomy Reporting Template" on page 150. The reporting form on activities in the areas of nuclear energy and fossil gas (Annex XII: Disclosure pursuant to Article 8, paragraphs 6 and 7) can be found in the Appendix on page 153. As Semperit is not involved in any activities in this area, no further reporting is required.

DETAILED INFORMATION ON REVENUE 2023 (PROFILES)

ECONOMIC ACTIVITIES	CODE	REVENUE EUR million		REVENUE %		ENABLING ACTIVITY	TRANSI-TIONAL ACTIVITY
		2023	2022	2023	2022		
A. TAXONOMY-ELIGIBLE ACTIVITIES							
Manufacture of energy efficiency equipment for buildings	3.5	100.9	142.1	14 %	18,2 %	•	
Revenue of taxonomy-eligible activities (A)		**100.9**	**142.1**	**14 %**	**18,2 %**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
Revenue of taxonomy-non-eligible activities (B)		**620.2**	**637.7**	**86 %**	**81,8 %**		
TOTAL (A + B)		**721.1**	**779.9**	**100 %**	**100 %**		

REVENUE

According to the classification of Semperit and Rico products based on the EU taxonomy data, only the products Profiles from the division Semperit Industrial Applications are taxonomy-eligible. Excluded from this are merchandise and services, which have a comparatively low share of revenue. Thus, the percentage of "eligible" revenue makes about 14% for the 2023 financial year (compared to 18% in the previous year). The specified percentage and information result from the denominator, which corresponds to the revenue of the Semperit Group and the Rico Group in the IFRS consolidated financial statements of EUR 721.1 million. In contrast, the numerator – revenue of EUR 100.9 million for the Profiles division (see section "Performance of Sectors and Divisions" in the Consolidated Financial Statement of the Group) – is limited to the products that make a significant contribution to reducing greenhouse gas emissions based on the EU taxonomy information. The decrease in revenue reported as "eligible" is primarily due to the decline in revenue in the Profiles division.

Due to its thermal insulation and sealing properties, the profiles product group increases the energy efficiency of buildings and thus makes a positive contribution to reducing greenhouse gas emissions in this area. For this reason, based on the applicable screening criteria, revenue of Profiles was assigned to category 3.5 "Manufacture of energy efficiency equipment for buildings" instead of activity 3.6 "Manufacture of other low-carbon technologies", as in 2022. In order to meet the requirements of the EU taxonomy and to be able to report taxonomy-aligned revenue of Profiles in the future, Semperit would have to be able to prove compliance with the DNSH criteria at the locations, which currently involves considerable administrative effort. There is currently no intention to achieve taxonomy-aligned revenue due to a lack of economic advantage.

CAPEX DETAILED INFORMATION 2023[1]

ECONOMIC ACTIVITIES	CODE	CAPEX EUR million		CAPEX %		ENABLING ACTIVITY	TRANSI-TIONAL ACTIVITY
		2023	2022	2023	2022		
A. TAXONOMY-ELIGIBLE ACTIVITIES							
A.1 Taxonomy-aligned activities							
Acquisition and ownership of buildings	7.7	12.1	n. a.	4.6 %	n. a.		
A.2 Taxonomy-eligible activities							
Manufacture of energy efficiency equipment for buildings	3.5	4.8	0.7[3]	1.8 %	6.5 %[3]	•	
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	3.0	1.5	1.2 %	3.6 %		
Installation, maintenance, and repair of energy efficiency equipment	7.3	3.1	2.2	1.2 %	5.3 %		
Further activities (< 1% capex share)	2.7; 5.2; 7.2; 7.4; 7.5; 7.7	0.7	1.2[4]	0.3 %	3.1 %[4]		
Capex of taxonomy-eligible activities (A.1 + A.2)		**26.3**	**7.6[2]**	**10.1 %**	**18.5 %[2]**	•	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
Capex of taxonomy-non-eligible activities (B)		**234.5**	**33.4**	**89.9 %**	**81.5 %**		
TOTAL (A + B)		**260.8**	**41.0**	**100 %**	**100 %**		

[1] The table contains the EU taxonomy activities relevant for 2023; the complete overview can be found on p. 150 ff. in the Appendix
[2] In the previous year, activity 4.1 (with a value of EUR 0.7 million/1.8 %) was also included here, which is not shown in the 2023 table above
[3] This value corresponds to category 3.6 from the previous year.
[4] The following activities are included under "Other activities" in 2022: 4.1, 7.1, 7.2, 7.5, 7.6.

CAPITAL EXPENDITURES

The percentage of taxonomy-eligible capital expenditures (capex) results from the denominator – the sum of additions to property, plant and equipment (incl. IFRS 16) and intangible assets totals EUR 260.8 million (compared to EUR 41 million in the previous year, see additions to property, plant and equipment and intangible assets according to Segment reporting in the consolidated financial statement plus EUR 205.1 million additions to IFRS 16 and additions from acquisitions of Rico excluding goodwill for 2023). This is compared to the numerator of EUR 26.3 million, which is made up of the taxonomy-eligible activities and the related capital expenditures in the various subject areas as described in the table (capex details). The shares in the key figures were calculated including the Rico Group, which was acquired in July. The figures are therefore only comparable with 2022 to a limited extent.

In connection with the sales-related capex activities the focus is on improving the production processes for manufacturing the taxonomy-eligible products (Profiles). This focus essentially refers to the use and exchange of machinery as well as the optimization of existing processes.

In this context, a significant share in the 2023 reporting period resulted from the environmentally sustainable planning and construction of the above-average energy-efficient production hall DH5 at the Odry site (Hoses, SIA division). Investments in connection with this building construction are largely in line with the technical criteria of activity 7.7 Acquisition and ownership of buildings. Under this category, buildings constructed after December 31, 2020, must meet the technical screening criteria of category 7.1 (Construction of new buildings), which stipulate a significantly reduced primary energy demand. Thanks to the energy-efficient construction method, a primary energy demand value below the specified threshold value and energy efficiency class B can be achieved for the DH5 production hall, thereby fulfilling the technical screening criteria. In addition, the DNSH criteria (do no significant harm) are also met with the implementation of a climate risk analysis, including the identification of medium and long-term water-related risks such as flooding and water scarcity at the Odry site. Risk-mitigating measures include the installation of recirculating water systems that secure the water supply at the site and protect against flooding. In

order to fully comply with the taxonomy, the minimum safeguards must also be met. Semperit complies with Article 18 of the EU Taxonomy Regulation, the OECD Guidelines, the UN Guiding Principles, the ILO Fundamental Principles and the International Bill of Human Rights.

Further capex activities are collected in relation to various ancillary activities in the EU taxonomy areas of energy, transport and building management. These investments in this context were primarily in the area of infrastructure installation to improve building management and optimize energy use. Semperit also invests in the expansion of energy measurement systems to be able to specifically measure consumption and generate further measures based on these results. The focus in transport is on purchasing or leasing vehicles and small vehicles relating to e-mobility or compliance with maximum emission limits. A new car policy has been in effect since 2021, promoting the switch to lower-emission vehicles and the conscious decision to opt for e-mobility.



OPEX DETAILED INFORMATION[1]

ECONOMIC ACTIVITIES	CODE	OPEX EUR million		OPEX %		ENABLING ACTIVITY	TRANSI-TIONAL ACTIVITY
		2023	2022	2023	2022		
A. TAXONOMY-ELIGIBLE ACTIVITIES							
A.1 Taxonomy-aligned activities							
Acquisition and ownership of buildings	7.7	0.8	n. a.	2.0 %	n. a.		
A.2 Taxonomy-eligible activities							
Manufacture of energy efficiency equipment for buildings	3.5	3.8	1.7[3]	9.9 %	5.4 %[3]		
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	0.4	0.4	1.0 %	1.3 %		
Further activities (< 1% opex share)	2.7; 5.2; 7.2; 7.3; 7.4; 7.5; 7.6; 7.7	0.9	0.3[4]	2.3 %	0.7 %[4]		
Opex of taxonomy-eligible activities (A.1 + A.2)		**5.8**	**2.4**[2]	**15.1 %**	**7.4 %**[2]		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
Opex of taxonomy-non-eligible activities (B)		**32.3**	**29.7**	**84.9 %**	**92.6 %**		
TOTAL (A + B)		**38.1**	**32.1**	**100 %**	**100 %**		

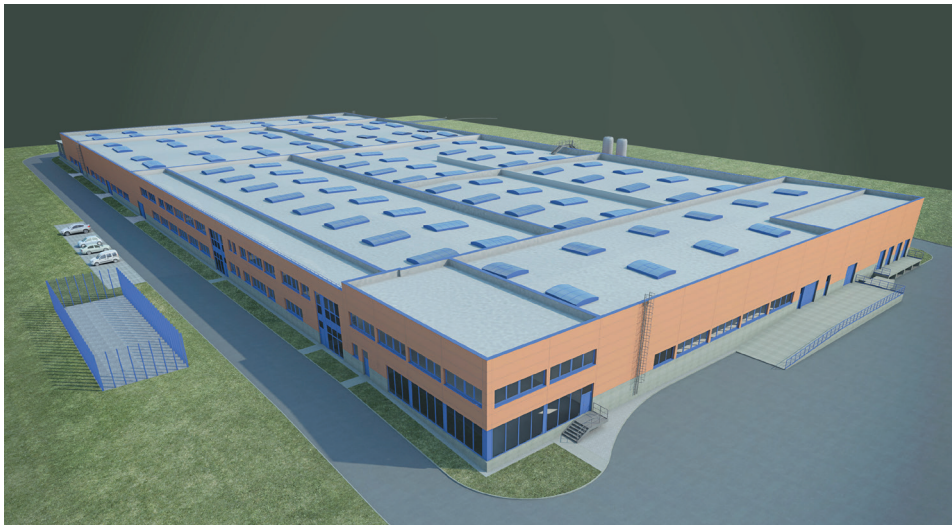
[1] The table contains the EU taxonomy activities relevant for 2023; the complete overview can be found on p. 150 ff. in the Appendix.
[2] In the previous year, activity 4.1 (with a value of EUR 0.03 million/0.1 %) was also included here, which is not shown in the 2023 table above.
[3] This value corresponds to category 3.6 from the previous year.
[4] The following activities are included under "Other activities" in 2022: 4.1, 7.1, 7.2, 7.3, 7.5, 7.6.

OPERATING EXPENSES

The percentage of taxonomy-eligible operating expenses (opex) results from the denominator – the sum of operating expenses from direct non-capitalized costs for research and development expenses, IT services, building renovation measures, short-term leasing, maintenance, and repair expenses – including directly attributable personnel costs –and amounts to EUR 38.1 million (compared to EUR 32.1 million in the previous year. This is compared to the numerator, made up of the taxonomy-eligible activities and the corresponding operating expenses in the various subject areas as described in the table (opex details). In connection with sales-related opex activities, the focus is on improving the production processes for manufacturing taxonomy-eligible products. This refers to the maintenance of production machinery as well as other process improvement work. Another important factor of expenditures from the EU taxonomy's perspective in 2023 was investments in the improvement and maintenance of electric vehicles and charging stations. Other opex-relevant expenditures regarding ancillary activities are made in connection with building renovations and maintenance projects, such as the renewal and conversion of lighting systems to LED or work during building insulation. The key figures on expenditures and investments are directly related to the overall objectives of the Semperit Group, which are included in the Sustainability Strategy 2030 and in particular in the "30 by 2030" initiative and are planned for the future.

OUTLOOK

In order to guarantee the best possible data and reporting quality, further steps will be taken towards automation, standardization and document storage optimization. In addition, it can be assumed that even in the following years, the key figures for taxonomy-eligible activities and taxonomy-aligned activities will change due to various parameters. On the one hand, this effect results from dynamic regulatory development and the expansion of the taxonomy and, on the other hand, from the potential expansion of Semperit's business activities and product portfolio through organic and inorganic growth, which could make new activities relevant in the future. Further taxonomy-compliant investments (capex and opex) could arise in particular for the new production hall to be built in Odry, also in connection with the expansion of PV systems at this site. With regard to future projects in circular economy, further taxonomy-eligible or taxonomy-aligned activities could also arise under activity 2.7 Sorting and material recovery of non-hazardous waste, which is why the category has already been included in the reporting process, although nothing was reported under this category in 2023. It can be assumed that lower ratios will continue to result for taxonomy-aligned activities than for taxonomy-eligible activities, as the activities must fulfill all the specified criteria (technical screening criteria, DNSH, Minimum Social Safeguards) to be considered taxonomy-aligned. However, the percentage of taxonomy-eligible activities could increase in the future.



13 MASSNAHMEN ZUM KLIMASCHUTZ

SEMPERIT'S CONTRIBUTION TO CLIMATE PROTECTION

ENERGY & EMISSIONS

As an industrial company, the Semperit Group can make an effective contribution to climate and environmental protection by making production processes as energy-efficient and low-emission as possible. Internally, Semperit focuses on raising awareness and training its employees. The internal Energy Excellence Team, which specializes in climate protection, was expanded in 2023 in order to transparently coordinate and manage the increasing number of ongoing sustainability projects.



IN ORDER TO SUCCESSFULLY DRIVE FORWARD DEVELOPMENTS AND TO ACHIEVE A RETHINKING PROCESS IN THE LONGER TERM, SEMPERIT IS INCREASINGLY FOCUSING ON EMPLOYEE TRAINING AND PARTICIPATION.

ENERGY

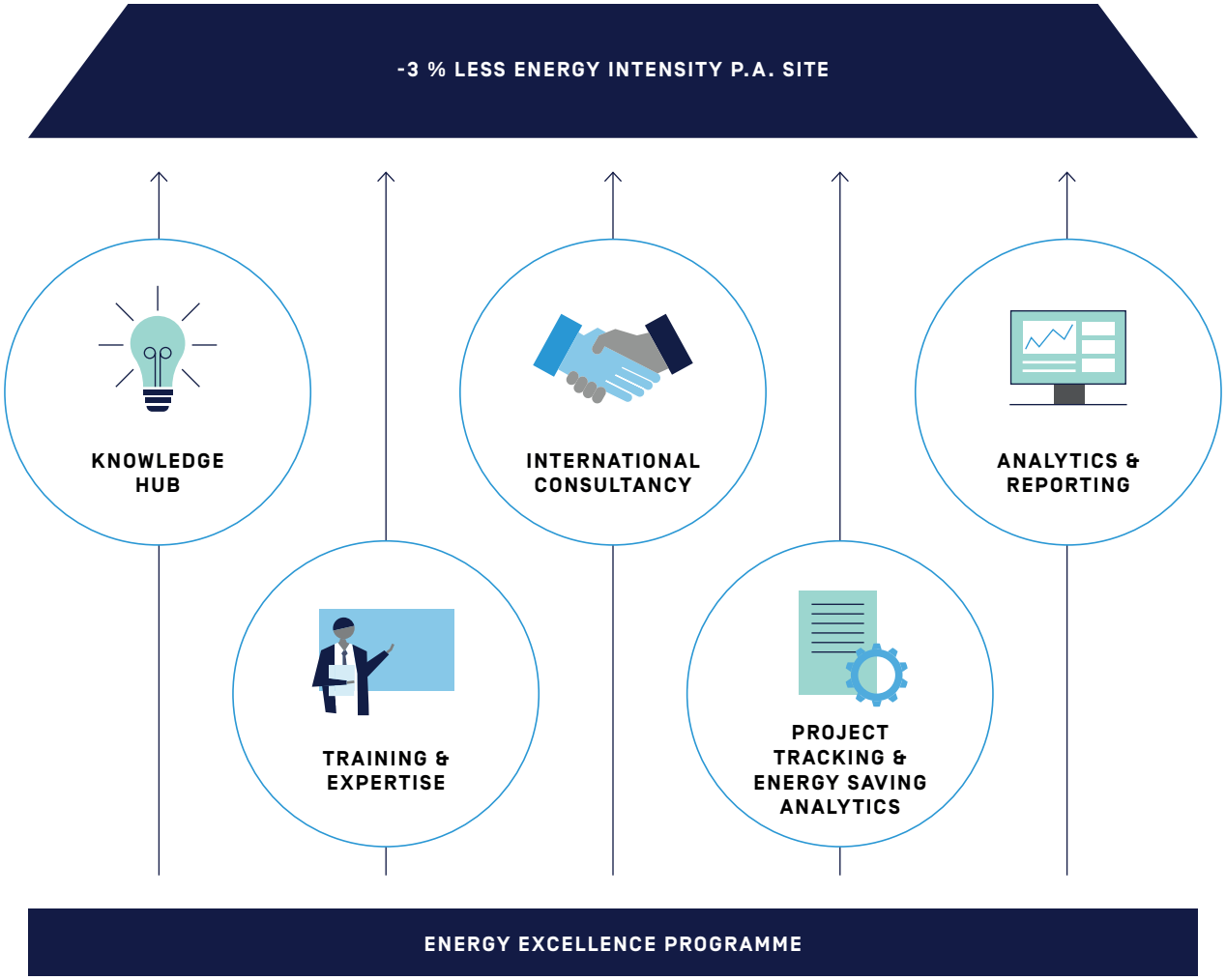
ENERGY EXCELLENCE

Semperit has implemented measures and activities throughout the Group to increase the efficiency of production processes and reduce energy consumption. The Energy Excellence Team was expanded in 2023 in order to effectively oversee, coordinate and manage the growing project portfolio in the areas of energy efficiency, energy conversion and the expansion of renewable energy supply from own production. The expert appointed for this purpose brings together project information from the entire Semperit Group ("Knowledge Hub"). The One List Project aims to consolidate all sustainability projects from various sources such as Track, Move and internal departmental site lists in a single tool in order to provide a comprehensive overview and continuously monitor the energy and CO_2 savings potential in a system-controlled manner, prioritize projects and support the budgeting process ("Project Tracking & Energy Savings Analytics").

The "Think.Act.Save" initiative launched in 2022 to raise employee awareness of cost-efficient energy-saving measures was continued in 2023 in close cooperation between the Energy Excellence and Operational Excellence teams.

As part of the training and expertise focus, 13 energy managers from the production sites were trained in 18 different topics in 2022. In addition to the training sessions, there were numerous virtual meetings to share successfully implemented improvements with the other sites for the purpose of "best practice sharing", and to learn from each other. Other examples include the introduction to useful energy management tools, such as seminars on energy management with software from external service providers. Within the framework of the Energy Excellence program, regular discussions were held with the energy managers at the sites and the energy experts responsible for research and development to ensure smooth communication and a mutual flow of information on the respective activities. The Energy Excellence program supports the sites in implementing the "30 by 2030" goals through targeted advice to the sites, developing technical projects, transferring knowledge in a structured way and monitoring consumption.

As part of the "30 by 2030" initiative, Semperit has set itself the goal of reducing energy consumption in relation to production volume by 30 % by 2030. To achieve this goal, the production sites are required to increase their energy efficiency by 3 % annually based on the 2019 values. The locations are focusing on immediate low-cost measures. In this context, a project structure is developed involving the Energy Excellence Team as moderators. This includes creating a project overview, tracking project progress, organizing meetings and providing advice and support during project implementation. ("internal consultancy"). Employees' suggestions for improvement and ideas for possible measures to increase energy efficiency are collected, analyzed and implemented where possible ("analytics & reporting").

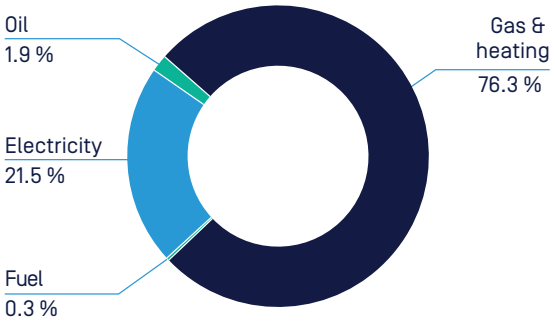


The ISO 14001-certified environmental management system and, in particular, the ISO 50001-certified energy management system and the associated Plan-Do-Check-Act cycle provide the scope for systematically addressing issues related to increasing energy efficiency. Optimizations can take place at various levels such as at individual machines, entire processes, or at the industrial building. The following focal points have been defined for this:

- → Efficiency enhancement through maintenance and repair measures
- → Reduction of energy losses (leakages)
- → Stabilization of existing production processes
- → Improvement of machine efficiencies
- → Optimization of production planning with few downtimes



OVERVIEW ENERGY MIX AT THE SEMPERIT GROUP



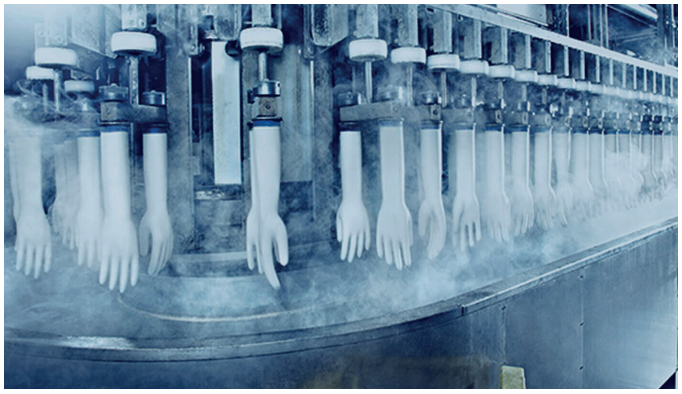
Rico Group energy mix (not included in the chart above): AT 100 % renewable energy; USA gas 70 %, nuclear 20 %, solar: 6 %, coal & oil 0.5 %, other: 3.5 % (data for Swiss site not available)

Some of the activities related to these focal points, such as increasing efficiency in building management through appropriate maintenance and renovation measures, are considered as part of the EU taxonomy (see page 66 ff.).

To correctly interpret the development of the Semperit Group's total consumption, a wide variety of aspects must be considered. In addition to production and the production of the rubber compounds as the starting point, other factors such as test runs in material and product innovation, procedure and process adjustments, starting up the machines after shutdowns, as well as lighting and heating or cooling of the buildings also have an influence on total energy consumption. Possible location-specific factors or events along the value chain must also be considered. For example, effects such as pre-production or product range changes at individual sites may also have an impact on the Group-wide energy consumption.

Viewed in terms of processes, glove production consumes the most energy at the Sempermed plant in Kamunting, which left the Group at the end of August 2023 as part of the sale of the Medical Sector to HARPS. In total, four plants of the Semperit Group were responsible for over 91 % of energy consumption. These are the plants in Kamunting, Wimpassing, Odry and Bełchatów. This distribution also provides the background for the sharp decline in energy reduction potential and the associated target adjustment from 30 % by 2030 to 5 % by 2030 from 2024 (base year 2023 instead of 2019).

On the one hand, the significantly smaller savings potential is due to the fact that the most energy-intensive division with comparatively high savings potential was sold and there is only low savings potential in the remaining divisions. On the other hand, there are only seven years with savings potential between the new base year of 2023 and 2030.



GLOVE PRODUCTION CONSUMES THE MOST ENERGY AT THE SEMPERMED PLANT IN KAMUNTING, WHICH LEFT THE GROUP AT THE END OF AUGUST 2023 AS PART OF THE SALE OF THE MEDICAL SECTOR TO HARPS.

TOTAL ENERGY USE OF THE SEMPERIT GROUP (MWH)

2023	2022	2021
736,874	1,198,525	1,443,484

Total energy consumption Rico Group (not included in the table): 10,057 MWh

ENERGY CONSUMPTION OF THE SEMPERIT GROUP BY SOURCE (MWH)

Source	2023	2022	2021
Natural gas	515,987	921,276	1,158,308
Liquid natural gas (LNG)	332	0	0
Oil	13,203	15,845	6,778
Fuel consumption of vehicles (gasoline)	502	656	1,063
Fuel consumption of vehicles (diesel)	1,839	2,278	2,677
Fuel consumption of vehicles (total)	2,340	2,934	3,740
Liquid nitrogen	860	1,293	1,270
Other sources (propane gas, etc.)	1,051	517	799
Electricity consumption from external sources	156,751	207,571	226,083
Electricity consumption from own photovoltaic systems	890	495	n.a.
Heating energy (district heating)	8,263	9,058	10,339
Steam	37,131	39,465	36,532
Heating sold	65	72	114

PHOTOVOLTAICS (PV)

Around 21 % of the Group's total energy consumption is accounted for by the demand for electrical energy. The Semperit Group already generates 0.56 % of its electricity requirements with its own PV systems in the future, the share being 0.24 % in 2023. In 2020, the project to build a 1 MWp photovoltaic plant for the Semperit headquarters in Wimpassing, Austria, laid the foundation for a significant supply of electricity from the company's own production and a potential saving of over 240 tons of CO_2 per year. The plant, which was completed in 2023, will go into operation in 2024. In addition to the two PV systems at the two Chinese sites in Shanghai (both 400 kWp), which were installed in 2022, PV systems were also installed and commissioned in Waldböckelheim, Germany (135 kWp), and Hat Yai, Thailand (1 MWp), in 2023. As part of the construction of the new DH5 production hall in Odry, Czech Republic, a PV system with an output of 939 kWp was installed in 2023. Hose production in this new production facility is powered exclusively by electricity from renewable sources, most of which comes from the company's own PV system. The Rico Group also commissioned a PV system with 1.1 MWp in 2023 and has already saved 175 tons of CO_2 since commissioning.

The installation of photovoltaic systems is also being considered at other Semperit locations. Many are in the preliminary planning phase of examining the stability of the roofs and other technical and economic aspects.

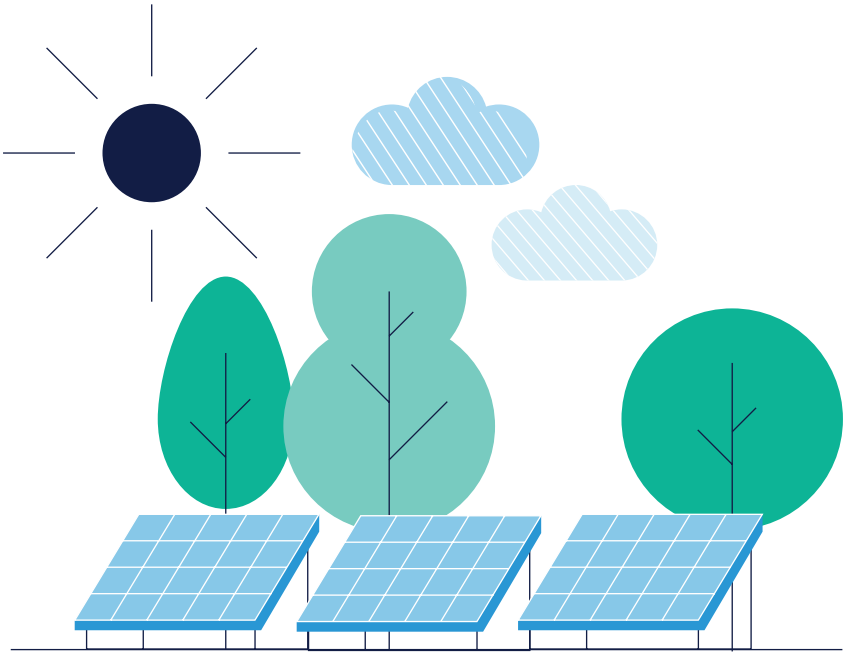
"ENERGY EXCELLENCE" EXAMPLE PROJECTS

In order to increase energy efficiency at Semperit sites, a comprehensive list of measures with little or no cost was distributed in 2023 to encourage the sites to implement these initiatives. These measures were prepared by the Energy Excellence Team and included concrete, quickly implementable proposals and initiatives within this framework, such as reducing building temperature.

In 2023, LED projects to replace conventional lighting continued at many Semperit sites, including Wimpassing and Odry.

At the Wimpassing site, a heat exchanger was installed in the feed water tank to heat the feed water in advance in order to increase efficiency. This reduces the heat loss from the feed water tank. The planned annual energy savings are estimated at 405,000 kWh.

The Rico Group also focused on energy-saving projects in 2023. For example, all of the old mercury vapor lamps were replaced with LEDs, resulting in considerable savings. Low-temperature heating was also installed in the new building, enabling better utilization of waste heat. Another energy improvement measure is the newly designed docking ramps, which allow docking directly at the gate, thus saving energy.



"30 BY 2030" – THE ENVIRONMENTAL OBJECTIVES OF THE SUSTAINABILITY STRATEGY 2030

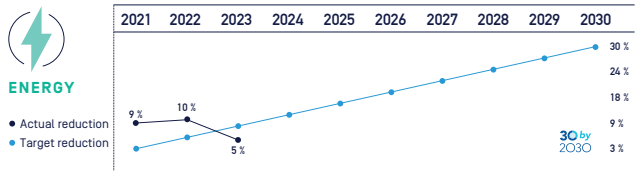
The "30 by 2030" initiative of the Semperit Sustainability Strategy 2030 includes the objectives of decreasing the intensity of energy consumption, greenhouse gas emissions (Scope 1 and Scope 2 emissions), waste generation and water consumption by 30 % each by 2030. These targets were valid until the end of 2023 and will be replaced by adjusted KPIs from 2024 (for more information, see p. 49 ff). The targets always refer to consumption or volume in relation to the respective production volume. For the Hoses, Profiles, Form and Trans businesses, the indicator refers to kilograms or meters of produced goods, for the Sempermed business to the number of gloves produced.

To track the current status of targets achieved, the relevant key figures for calculating targets are continuously collected and evaluated at the site level. This is how we ensure that the site-specific parameters are considered and, if necessary, more measures are taken. Consolidation at the Group level is performed by weighting the respective sites, for example, according to their share of total energy consumption or total waste generation. This approach allows for a joint consolidation of the sites despite different units in the intensity calculation as well as the consideration of site-specific characteristics.

The Semperit sites are characterized by a high degree of heterogeneity. They differ greatly in size, core processes, and product portfolio. It can therefore be assumed that some sites will easily achieve the reduction goal at the beginning and then must successively expand their innovation performance to achieve the targeted reductions in subsequent years. Other sites will have a more difficult time, as they are already efficiently aligned. For this reason, a Group-wide target was established to consider the site-specific factors as much as possible in consolidation at Group level.

5 %
IN 2023
OF 30 % BY 2030
(kWh/production unit)

"30 BY 2030" – ENERGY



In contrast to 2022, the Semperit Group was unable to achieve the annual reduction target of 3 % in energy intensity (energy consumption per production volume compared to the base year 2019) in the third year: specific energy consumption increased by 5 % and was therefore 5 % in 2023 instead of the planned 9 % saving of 30 % by 2030. On the one hand, the negative development of the key figure is due to the sale of the medical sector, which comprises the plant with the greatest energy savings. On the other hand, due to the recessionary market situation, the number of orders for goods which had a direct impact on the key figure as it is measured in relation to Good Product (number of units of goods produced and marketed) will be lower. Various aspects have an influence on energy consumption, including the production and manufacture of rubber compounds, test runs in the area of material and product innovation, process adjustments and the restarting of machines after shutdowns.

In 2023, Semperit further improved the existing systems and project management tools in order to track planned and ongoing activities and their contribution to target achievement more consistently, flexibly and proactively throughout the Group. This included the creation of a standardized project register "One List" on the one hand and the further development of the Track system for project registration and tracking on the other.

Furthermore, "Energy Unfriendly Act" and "Energy Unfriendly Condition" have been added to the Track system's reporting function in order to offer the possibility of recording energy-related observations of all employees. In addition, work is being done to merge this existing project information without redundancy to obtain a uniform picture of ongoing and planned projects across the Group.

OVERVIEW SCOPE 1, SCOPE 2, AND SCOPE 3

CO_2 CH_4 N_2O HFCs PFCs SF_6 NF_3

SCOPE 2 INDIRECT

Electricity, steam, heat

SCOPE 3 INDIRECT

Purchased goods and services

Leased or rented property, plant and equipment

Fuel and energy-related emissions (not included in Scope 1 or 2)

Capital goods

Employee commuting

Business travel

Waste

Transport and distribution (upstream)

UPSTREAM ACTIVITIES

SCOPE 1 DIRECT

Production site

Company vehicles

INTERNAL COMPANY ACTIVITIES

SCOPE 3 INDIRECT

Transport and distribution (downstream)

Processing of sold products

Use of sold products

Handling of sold products at the end of their life cycle

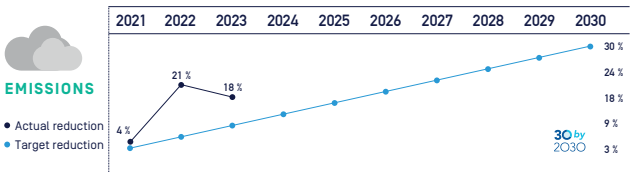
Leased or rented property, plant and equipment

Franchise

Investments

DOWNSTREAM ACTIVITIES

GREENHOUSE GAS EMISSIONS



By 2030, the Semperit Group aims to save 30 % of Scope 1 and Scope 2 greenhouse gas emissions relative to production volume (goal valid until the end of 2023). In the 2023 reporting year, the Semperit Group was able to achieve a saving of 18 %, thus exceeding the planned target of 9 % annually. The emissions and the savings target are directly related to the efficiency of the energy use and the energy mix.

30 by 2030

"30 BY 2030" – EMISSIONS

18 %

IN 2023
of 30 % BY 2030
(Scope 1 & 2/production unit)

SCOPE-1 AND SCOPE-2 EMISSIONS

DIRECT EMISSIONS AND INDIRECT EMISSIONS FROM ENERGY PROVISION BY THIRD PARTIES

Scope 1 emissions result from a company's direct activities, such as the combustion of fuels and combustibles. At Semperit, the level of Scope 1 emissions correlates closely with the production-specific consumption of primary energy. The calculation of Scope 1 emissions includes all greenhouse gas emissions from Semperit plants that are released during the combustion of natural gas, heating oil, coal, diesel, fuel, and liquefied petroleum gas. In addition, emissions caused by refrigerant losses from air conditioning systems are also included. Process emissions are insignificant and are therefore not included in the greenhouse gas balance.

Scope 2 emissions arise from the consumption of secondary energy such as electricity, district heating, or steam. This energy is usually purchased from energy supply companies. Semperit records Scope 2 emissions according to the requirements of the Global Reporting Initiative (GRI) using two methods: location-based (country-specific) and market-based (provider-specific). National emission factors are used for sites that do not have country-specific information available.

SCOPE 3

OTHER INDIRECT EMISSIONS

Scope 3 emissions are indirect emissions (Scope 3 – fuel- and energy-related activities proportionately) that occur during the extraction, production, and processing of the energy sources used, and emissions resulting from activities in upstream and downstream areas of the value chain. According to the GHG Protocol (Greenhouse Gas Protocol), these activities are divided into 15 categories. In the table below, the categories that occur in Semperit's upstream and downstream value chain are highlighted in blue. There are already reports on some of these Scope 3 emissions (see page 84 ff.), but the database is still incomplete and gradually being expanded. The currently available data on Scope 3 emissions include "fuel- and energy-related emissions (not included in Scope 1 or 2)", "business travel", "transport and distribution (upstream as well as downstream)" and since 2023 also emissions associated with raw materials as "purchased goods and services".

Semperit is continuously working on taking further steps with regard to emissions related to Scope 3 activities. This includes, among other things, extending the calculation of the Product Carbon Footprint (PCF) (based e.g. on public life cycle assessment data sets "Ökobaudat") to the entire portfolio with its own PCF calculation model in order to approach recording the Group-wide Product Portfolio Carbon Footprint. This will provide the company with insights that can be used to further reduce greenhouse gas emissions, as well as valuable information and data for customers who want to determine and reduce Scope 3 emissions from their supply chain.

OVERVIEW OF THE SCOPE 3 CATEGORIES

UPSTREAM ACTIVITIES

Purchased goods and services	Production or extraction, processing, and transport of purchased goods and services
Capital goods	Production or extraction, processing, and transport of purchased capital goods (as far as not included in other categories)
Fuel- and energy-related emissions (not included in Scope 1 or 2)	→ Dismantling, production, and transport of purchased energy sources and fuels → Dismantling, production, and transport of purchased energy sources and fuels used for generating purchased electricity and steam, as well as purchased heating and cooling. → Transmission losses during transport and distribution of purchased energy → Generating energy that is first purchased and then resold by the company concerned
Transport and distribution (upstream)	→ Transport and distribution of purchased goods between suppliers (Tier 1) and company or between company locations in vehicles not owned or operated by the company → All transport and distribution services purchased by the company (note: inbound and outbound)
Waste	Handling and disposal of waste resulting from operations (at facilities not owned or controlled by the reporting entity)
Business travel	Business travel by employees in vehicles not owned or operated by the company
Employee commuting	Commuting of employees between place of residence and place of work in vehicles not operated by the company
Leased or rented property, plant and equipment	Operation of property, plant and equipment leased or rented by the company for business operations (as far as not included in Scope 1 and 2)

DOWNSTREAM ACTIVITIES

Transport and distribution (downstream)	Transport and distribution of sold products between own facilities and customers in vehicles not owned or operated by company (note: only downstream if company does not pay for it, otherwise upstream).
Processing of sold products	Further processing of sold intermediate products by other companies
Use of sold products	Use of the company's sold products by end consumers
Handling of sold products at the end of their life cycle	Disposal and handling of sold products (in the reporting year) at the end of their life cycle
Leased or rented property, plant and equipment	Operation of buildings, machinery, and vehicles belonging to the company but leased or rented to external companies (as far as not included in Scope 1 and 2)
Franchise	Operation of franchise business activities in which the company acts as franchisor (as far as not included in Scope 1 and 2)
Investitionen	Business activities of investments made by company (as far as not included in Scope 1 and 2)

GREENHOUSE GAS EMISSIONS SCOPE 1, 2 & 3 (CO_2-EQ IN T)

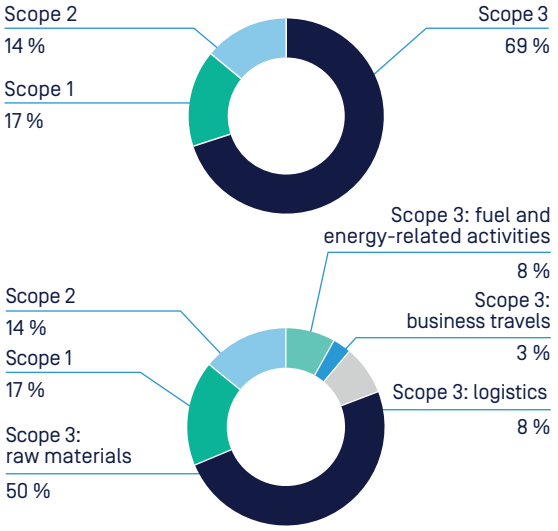
	2023	2022	2021
Scope 1	**121,465**	**205,215**	**259,674**
Scope 2[1]	**104,331**	**122,948**	**154,785**
Scope 3 (fuel and energy-related activities)	58,333	98,727	82,971
Scope 3[2] (business travels)	19,642	5,890	1,188
Scope 3 (logistics)	59,697	83,132	82,442
Scope 3 (raw materials)	368,582	291,247	n.a.
TOTAL SCOPE 3	**506,254**	**478,996**	**n.a.**
Scope 3 upstream	482,680 (95 %)	438,800 (92 %)	n.a.
Scope 3 downstream	23,574 (5 %)	40,196 (8 %)	n.a.
TOTAL EMISSIONS	**732,050**	**807,159**	**n.a.**

The emission values of the Semperit Group were recalculated in 2023. More details can be found in the chapter "About the report" in the notes.

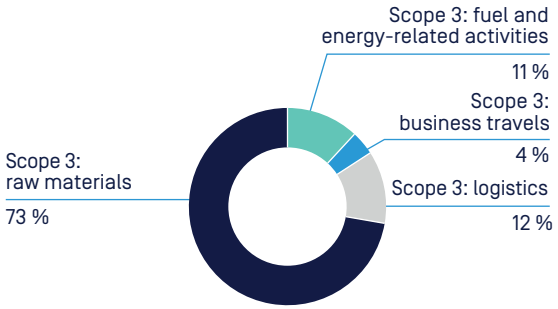
[1] Scope 2 includes emissions for electricity according to the market-based approach. For sites for which no corresponding conversion values were available, location-based factors were used according to the GHG protocol. The Scope 2 values according to the location-based approach are as follows: 2021: 183,794., 2022: 162,897, 2023: 118,599.

[2] In contrast to 2022, fuel card data in Austrian companies also recorded all other trips made with cars provided by the company (commuting, trips between locations, private trips) in addition to business trips in 2023. This results in a significant increase in Scope 3 emissions caused by business travel in 2023. The increase is also due to changes in the emission factors used in the calculation basis.

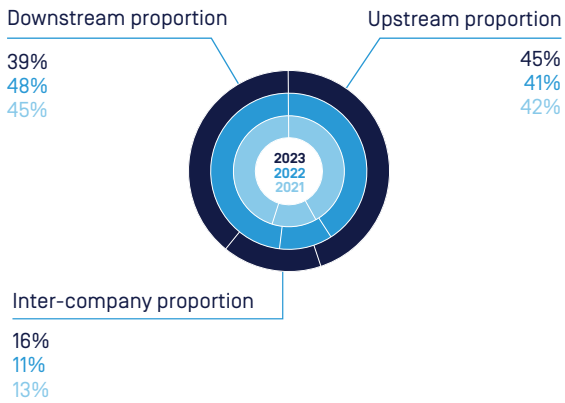
EMISSIONS SCOPE 1, 2 & 3 2023



SCOPE 3 EMISSIONS 2023



LOCATION OF EMISSIONS CAUSED BY LOGISTICS SERVICES (%)



PRODUCT CARBON FOOTPRINT

The Product Carbon Footprint (PCF) is used to calculate the greenhouse gas emissions of a product in order to estimate its impact on the climate. It assesses emissions that occur during extracting and processing raw materials and during manufacturing intermediate products, auxiliary and operating materials and packaging material. In addition to the company's own direct emissions, there are also emissions that may occur during the use phase and those that occur at the end of the product life cycle.

The Semperit calculation model makes it possible to assess the PCF from product creation to delivery ("cradle to gate") or the entire life cycle ("cradle to grave"). Following the pilot project in 2022, in which the model was created using window seals as a product example, the method was rolled out to all industrial products in 2023. The pilot project and the rollout were carried out by Central Process Development in the Research and Development department. PCF experts were trained in all product areas to determine PCFs for their materials and products. This has decentralized calculation expertise and increased awareness of this important topic. The newly gained transparency has enabled Semperit to compare its own compounds and products with standard competitor products on the market, provided comparable values are available. Further information on the carbon footprint of sealing profiles can be found in the Recycling chapter on page 94 ff.

POLLUTION AND EMISSIONS FROM DUST AND MICROPARTICLES

Semperit identifies and evaluates current and potential environmental problems that may arise from the production process, such as emissions of problematic substances into the atmosphere, soil and water. Based on this, measures are taken to minimize possible negative impacts. Compliance with legal requirements and the avoidance of additional emissions are essential and mandatory. Dust and other particles such as microplastics or rubber granulate that are emitted during production processes are collected, filtered and disposed of properly, where it is possible. In addition, Semperit is participating in the “SiGreen” pilot project. This project is intended to bring a planned improvement in Scope 3 data quality, particularly in the automation of PCF balancing.

Compliance with local legal requirements and all required limit values is monitored at site level internally and externally on a regular basis. There were no significant violations of laws and regulations in the reporting period. The sites are required to report potential deviations as environmental incidents and must immediately initiate appropriate countermeasures. Corresponding internal guidelines regulate the uniform procedure.

In some products rubber abrasion can occur during use in the course of their life cycle. Semperit is aware of the potential environmental impact caused by the release of microplastics, but the effects of Semperit products are reduced compared to the abrasion of car tires, for example. Nevertheless, Semperit endeavors to contribute to more efficient operation or longer service life and thus to a lower environmental impact in the use phase of the products with certain material properties, such as low weight, lower rolling resistance or high strength.



12 NACHHALTIGE/R KONSUM UND PRODUKTION

SEMPERIT'S CONTRIBUTION TO CIRCULAR ECONOMY

RAW MATERIAL SELECTION, USE AND INNOVATION

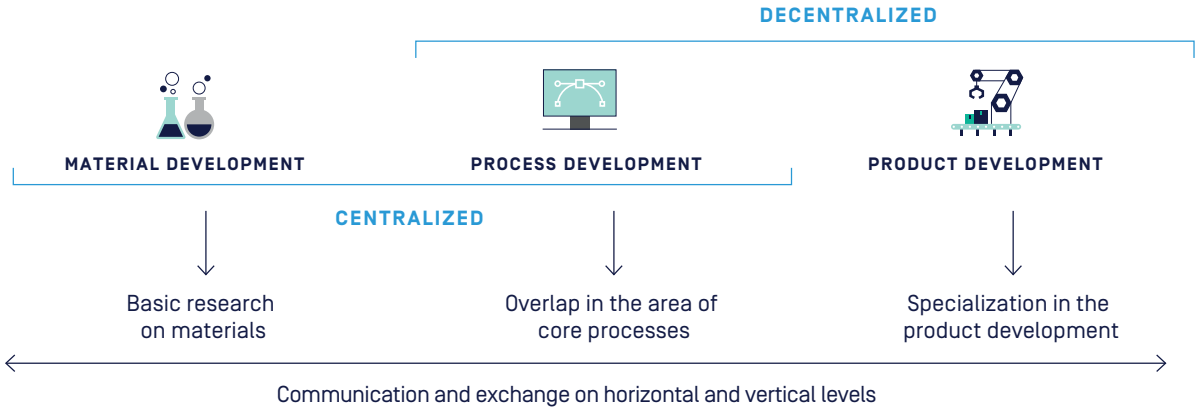
The material composition of a product usually also has a significant impact on its environmental footprint because the extraction of raw materials and the manufacture of mixtures and products are associated with environmental impacts. The choice of raw materials also determines the quality and durability of a product and whether it can be recycled at the end of its service life.

Semperit must therefore consider many aspects in product development and weigh up the advantages and disadvantages of different raw materials and material compositions along the entire product life cycle. This analysis is carried out with the involvement of customers, suppliers and other stakeholder groups. Together with them, Semperit develops practical and environmentally friendly solutions.

RESEARCH AND DEVELOPMENT

The Research and Development (R&D) team of the Semperit Group continuously works on developing innovative materials and products as well as improving manufacturing processes. The innovation management system implemented throughout the Group is at the heart of all R&D activities and includes systematically identifying potential, selecting promising ideas, risk analysis regarding the impact of products on the environment and people, as well as targeted project management. The R&D team is divided into a central and several decentralized units. The central unit, which is partly located in the R&D center in Wimpassing, deals not only with basic projects, but also with material development and central process development and acts as the control function of Group-wide activities. The decentralized part at the business level works specifically on product and process optimization – often in close cooperation with customers – and is formed by the product and process development teams of the various business units. In addition to Wimpassing, Semperit operates seven other research sites. In addition, most of the production sites are accompanied by on-site laboratories, which on the one hand carry out the daily quality assurance processes and on the other hand are also involved in R&D activities. In addition to integrated and structured processes, communication between the various departments as well as key stakeholders such as customers and university research institutions is important.

ORGANIZATION OF THE RESEARCH AND DEVELOPMENT DEPARTMENT



Further details on the strategy as well as the various guidelines and specifications relating to the topic of innovation can be found in the „Semperit Sustainability Innovation Policy“[1], which is publicly available on the Semperit-Website[1].

In addition to optimizing production processes, the core of the Semperit Group's research and development work is the further and new development of products. The topic of resource and energy efficiency was also focused on in 2023. In addition to intensive work on the product carbon footprint model, the R&D team initiated cross-departmental workshops to jointly develop ideas for more effective and efficient use of resources and to test them for their feasibility. The relevant department will further elaborate and implement the most promising approaches proposed and discussed at the workshop. Semperit is now able to calculate a carbon footprint for most of its products.

Semperit relies on close cooperation with customers in research and development to be able to respond promptly to their requests and requirements in the best possible way and in a timely manner. In addition, the company is continuously working on expanding the product portfolio to offer environmentally friendly and useful products to customers. Ecological advantages include low materials consumption in production and therefore a lower weight in the application and a reduction in energy consumption in operation.

EMPLOYEES IN R&D
(FULL-TIME EQUIVALENTS)

2023	2022	2021
> 218	> 225	> 230

OVERVIEW OF MAJOR KEY FACTORS

	2023	2022	2021
R&D expenses (EUR million)	> 17,5	> 17,7	> 15,7
Total volume participation basic research projects (EUR million)	> 16	> 1,5	> 1,0



SEMPERIT ALSO FOCUSES ON ECOLOGICAL ADVANTAGES – SUCH AS LOWER MATERIAL CONSUMPTION DURING PRODUCTION.

The Group is also pushing developments in the field of bio-based elastomers. The use of classic natural rubber, which was expanded in 2023, especially in conveyor belts, hoses and mold products, and of synthetically produced bio-based rubber as a substitute for the petroleum-based raw material should be emphasized in this regard. Products that contain up to 50 % more ecologically sustainable raw materials have been developed, especially in the molding sector.

Among other things, Semperit focuses on avoiding and replacing ecologically questionable or harmful additives. Since 2020, two Semperit products in the field of sealing profiles have been evaluated according to the criteria of the material health category in the Cradle to Cradle Certified™ product standard and awarded a Gold Level Material Health Certificate by the Cradle to Cradle Products Innovation Institute. Important topics such as pollutant-free materials in housing and house construction as well as medical and industrial gloves are continuously being worked on.

[1] https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Innovation/Semperit_Innovation_Policy_EN_v03_2022.pdf

However, not only the safety and health considerations of the products play a role in their use, but also the negative ecological effects in the use phase can be reduced. In this context, Semperit strives to contribute to more efficient operation or a longer service life and thus to a lower environmental impact (e.g. rubber abrasion and release of microplastics) in the use phase of the products with certain material properties, such as low weight, low rolling resistance, or high strength.

In addition to the essential efforts for environmental protection and safety, noise reduction is a key issue for people and nature. The “Silent Pad”, which is used in the railway superstructure, contributes to a reduction in noise emissions of approx. 3 dB when driving over the sleepers, thus increasing the quality of life of the local residents. Another best-practice example from the railway superstructure is an angled polyamide guide plate for fastening the sleeper to the rail. Material consumption was reduced by 25 % while maintaining the same functionality.



CORPORATE INNOVATION

In addition to traditional research and development work, Semperit places particular focus on the Group-wide innovation program. Building on the innovation platform launched in 2021, further instruments were implemented in the reporting period to ensure end-to-end transparency from the creation of an idea through its development to its market launch. The aim is to be able to effectively analyze and manage the entire portfolio of ideas and projects.

In addition, the foundations for uniformly measuring the effectiveness of the innovation program have been created since 2021. This includes the introduction of innovation KPIs and Group-wide targets, the measurement of which was continued in 2023. The potential contribution that ideas can make to the Semperit Group’s ESG goals is systematically recorded at a very early stage. The proportion of ideas and projects in the overall portfolio that make an ESG contribution is also reported as part of the quarterly innovation report.

This ensures that ideas are recorded in the system and, conversely, their potential is analyzed and evaluated in a structured manner. The ideas are then evaluated and prioritized based on various parameters such as field of application, novelty, implementation timeline, and financial potential, as well as their contribution to Semperit’s sustainability goals as well as the UN Sustainable Development Goals. The Group Innovation Manager supports the idea providers in the preparation for the internal presentation before the Innovation Council. The Innovation Council performs the task of steering future fields of activity of the Semperit Group in a targeted manner in order to systematically strengthen the company’s innovative power.

SEMPERIT PRODUCT AND PROCESS HIGHLIGHTS

PRODUCT	ECOLOGICAL OR SOCIAL VALUE ADDED	BUSINESS[1]
Conveyor belts for underground mining in the USA with improved mechanical splice strength By optimizing the textile fabrics used, a higher mechanical splice strength can be achieved between the individual conveyor belt segments. This allows the thickness and weight of the belt to be reduced. Furthermore, the absolute amount of flame retardant per meter of belt is reduced.	→ Energy saving → Decarbonization → Reduction of environmental pollution	
Textile belts with "Light Fabric" Optimization and diversification in the selection and use of textile fabrics in conveyor belt production. In particular, lighter fabrics can be used where technically possible. The reduced thickness and weight not only contribute to material and energy savings, but also enable improvements in product properties, such as greater belt flexibility or the possibility of smaller pulley diameters.	→ Decarbonization → Energy saving → Circular economy → Waste reduction → Saving resources	
Belts with high abrasion resistance A new conveyor belt class has been developed especially for applications requiring particularly low abrasion. It is characterized by significantly better performance in various abrasion tests and in tests with conveyed goods than the previous best belts in the "abrasion-resistant" category. The reduction in abrasion extends the service life of the belts in these applications.	→ Circular economy → Service life extension → Reduction of environmental pollution	
New generation of chemical hoses (industry) The innovative chemical hoses meet high safety standards and contribute to digitalization. The hoses with braided inserts meet high performance and safety standards as well as the step towards digitalization: all hose specifications can be called up in Semperit's own "Hose Wiki App" via the QR code printed on the hose.	→ Circular economy → Service life extension → Digitalization	
Flexible steam hoses with a longer life cycle Realization and market launch of the high-performance DS1 steam hose. Thanks to the further development of the materials used, the steam hose is significantly more flexible, which leads to a longer service life in use.	→ Circular economy → Service life extension → Material efficiency	
Digital distribution The fully automated provision of digital delivery information informs our customers about product, order and delivery data before the goods arrive. Deliveries are thus traceable for both customers and Semperit. By receiving delivery information in advance, customers can complete the incoming goods process more quickly. As a result, process costs along the supply chain are reduced – both for Semperit and the customer. Likewise, waste is reduced when cutting the hoses, as the individual hose lengths per bundle can be recorded in the customer's ERP so that the optimal bundle length for the line requirement can be selected by the customer.	→ Digitalization → Material efficiency	
Pore stability sponge rubber By developing new production methods, pore stability of sponge rubber profiles can be decisively improved.	→ Optimization of product properties	
Highway joint seal with extended service life The development of a new material mixture for EPDM (ethylene propylene diene rubber) joint seal profiles in Semperit research laboratories, coupled with simulation-supported geometry design for specific applications, has resulted in a considerable increase in the service life of highway joint seals.	→ Circular economy → Service life extension → Material efficiency → Waste reduction	

[1] Further information on the symbols used to represent the businesses can be found on p. 12 ff.

SEMPERIT PRODUCT AND PROCESS HIGHLIGHTS

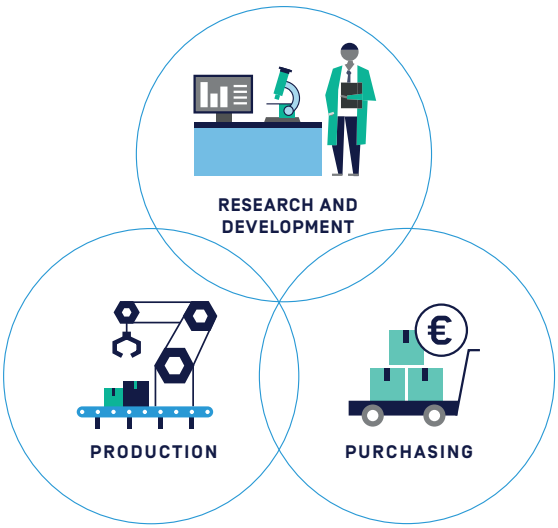
PROCESS	ECOLOGICAL OR SOCIAL VALUE ADDED	BUSINESS[1]
EDI – Electronic Data Interface Digital connection from the ERP of large customers to Semperit. This results in significantly simplified processes and reduced paperwork.	→ Digitalization → Material efficiency	
Recycling In-house production of hose marking tape from waste used PP mandrels instead of buying from third party suppliers.	→ Circular economy → Material efficiency	
Photovoltaic plant Installation of a 400 kWp photovoltaic system at the Semperit production site in Shanghai, China.	→ Decarbonization	
Optimization of profile extrusion Through flow simulations and new injection head technologies, it was possible to significantly increase the output in profile extrusion and reduce the specific energy input for product manufacturing.	→ Circular economy → Material efficiency → Energy efficiency	
Board thickness stability Through the intelligent application of raw material properties measured during compound production, a significant improvement in thickness variations could be achieved.	→ Circular economy → Material efficiency	
Paperless manufacturing While revising internal processes and at the same time intensifying the implementation of lean thinking, the internal communication of entire production lines was successfully converted, and the divisions consistently continued to pursue this goal. By digitalizing the processes, the error rate was reduced, the speed of communication increased, a "single point of truth" was created, and at the same time the amount of paperwork was reduced. This measure makes a significant contribution to quality assurance.	→ Digitalization → Quality assurance → Conservation of resources	 
3D printer technology By using 3D printer technology, manufacturing tools can be optimized in terms of material flow behavior, allowing new material combinations to be used efficiently.	→ Circular economy → Material efficiency	
Handrail automation By automating the handrail assembly machines, a significant contribution could be made in resource efficiency.	→ Circular economy → Material efficiency	
Semperit Engineering Solutions digitalization By using digitalization in the manufacturing process, energy efficiency was improved around shaping processes in product manufacturing.	→ Decarbonization → Energy efficiency	

[1] Further information on the symbols used to represent the businesses can be found on p. 12 ff.

RAW MATERIAL SELECTION AND USE

Semperit uses various raw materials to manufacture its elastomer products such as belts, hoses, gloves, and seals. The main components are natural and synthetic rubber, latex, fillers (e.g., carbon blacks), chemicals, and various materials to increase strength (steel, textile, etc.). Many of the products manufactured by Semperit are therefore composites which, in addition to the elastomer, also contain reinforcing materials such as steel cables or wires, yarns, or fabrics. As the proportion of process and packaging materials is relatively low in comparison to product materials, Semperit limits its reporting to the consumption of raw materials and reinforcement materials. Rubber/polymer and fillers (carbon blacks or light-colored fillers) account for the largest share in terms of volume.

TO MEET MARKET AND CUSTOMER REQUIREMENTS, ELASTOMER MATERIALS ARE CONTINUOUSLY BEING FURTHER DEVELOPED.



MATERIAL USE IN THE SEMPERIT GROUP (T)
(RAW MATERIALS AND REINFORCING MATERIALS)

	2023	2022	2021
Non-renewable materials	115,569	194,190	221,394
Renewable materials	11,947	18,858	16,464
Total	**127,516**	**213,048**	**237,858**

To meet market and customer requirements, elastomer materials are continuously being further developed, and new raw materials are used in addition to those that are already known and approved. Close cooperation between the purchasing, research and development and production departments is maintained at Semperit to procure and test new raw materials and integrate them into production. Changing the scope as well as new findings must be passed on in a timely manner to ensure predictability along the entire value chain, from selecting raw materials to availability and materials use. In addition to many other aspects that need to be considered, environmental and climate protection issues are increasingly coming into focus.

INFLUENCE ON BIODIVERSITY

Semperit processes a large amount of non-renewable, predominantly petroleum-based materials every year, the extraction of which, if not carefully managed, can contribute to biodiversity loss, climate change and environmental pollution. These materials need to be used efficiently and sparingly, increasingly recycled and replaced by renewable and environmentally friendly alternatives. Many companies, especially in the chemical industry, are faced with this challenge. The use of recycled rubber or recovered carbon black and the recycling of chemicals or reinforcement materials are at the forefront of current research discussions at Semperit. Semperit also uses recycled materials in the plastics sector. In 2023, Semperit successfully increased the shares of reclaimed rubber, recovered carbon black and rubber powder in Semperform and Semperseal products as part of several test projects. Further information on reclaimed rubber can be found in the “Recycling” chapter from page 94 ff.

The extraction of natural rubber can also have a negative environmental impact, for example through deforestation, the promotion of monocultures or a loss of biodiversity through the use of chemical-synthetic pesticides. Semperit therefore buys these raw materials from suppliers who fulfill high ecological and social standards (for further information see chapter “Sustainability in the supply chain” p. 139 ff.) and will also comply with the Deforestation Regulation (EU) 2023/1115 from the end of 2025. The largest share of the natural rubber that is purchased comes from small rubber farms or is purchased through reliable intermediaries.



USE OF RECYCLED MATERIALS

In principle, secondary raw materials can be used if allowed by the desired material and product properties of the end product. However, not every raw material of the rubber compound can be substituted by a secondary raw material since a change in the formulation quickly affects process-related properties. Furnace carbon black, for example, is subject to standardization. Therefore, a carbon black type from manufacturer A can be replaced relatively easily by the same type from manufacturer B without significantly changing the process properties. For raw materials that do not comply with any standard (such as recycled carbon black), all subsequent process steps (formulations, process parameters, machine settings) must be brought into line with the respective material properties. Thus, the use of secondary raw materials is still limited – their share was 2.5 % in 2023.

PERCENTAGE OF RECYCLED SOURCE MATERIALS
(RAW MATERIALS AND REINFORCING MATERIALS)

2023	2022	2021
2.5	2.5	3.1

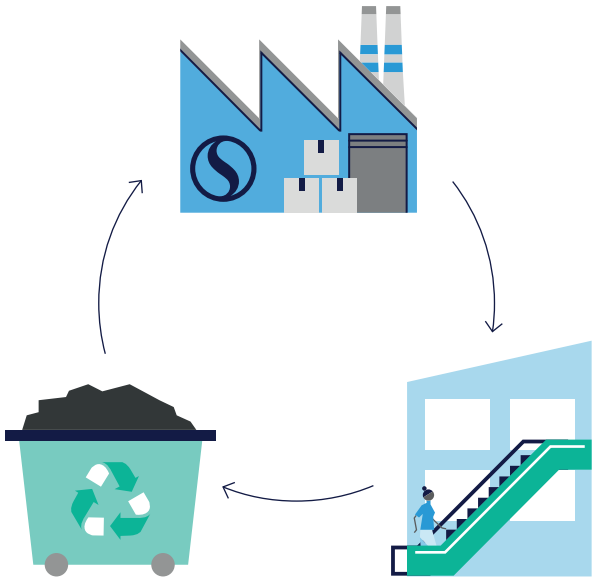
OVERVIEW OF SECONDARY RAW MATERIALS

- → Recovered carbon black (from pyrolysis of tires)
- → Reclaimed rubber (obtained by de-vulcanization from old tires)
- → Reprocessed rubber (processed waste from synthetic rubber production)
- → Rubber powder
- → Zinc oxide from zinc waste
- → Recycled polyamide
- → Hose wire made of steel scrap
- → Recycled polyester for fabrics and yarns (trial stage)

12 NACHHALTIGE/R KONSUM UND PRODUKTION

RECYLING AND WASTE MANAGEMENT

The most efficient use of materials along the value chain and targeted waste and scrap prevention are important control variables for sustainable and recyclable production. In the scope of the circular economy, it is important to optimize material flows inside and outside the company and to recycle materials and products where possible and sensible. Systematic waste management and careful separation and documentation of the various residual and waste materials are a condition for this and a matter of course for Semperit. The company is tackling material use and waste management in several areas in order to move steadily towards its vision of “zero waste”.



CLOSE COOPERATION BETWEEN THE PURCHASING, RESEARCH AND DEVELOPMENT AND PRODUCTION DEPARTMENTS IS ESSENTIAL IN ORDER TO PROCURE AND TEST NEW RAW MATERIALS AND INTEGRATE THEM INTO PRODUCTION.

Site managers and technical segment managers are responsible for the control of various production parameters. Various programs, activities and initiatives are implemented to optimize the use of materials and reduce waste and scrap. Product design is crucial for efficient material use. However, care must be taken to ensure that the material and product properties (strength, load-bearing capacity, dimension, etc.) as well as the technological requirements of the manufacturing processes are met. For years, Semperit has worked successively on optimizing its product design with the aim of using less raw material while maintaining the same functionality. Manufacturing processes should be technologically designed in such a way that as little waste and scrap as possible is produced.

IN-PROCESS AND POST-INDUSTRIAL RECYCLING

Recycling rubber is highly desirable from a circular economy perspective. Production waste and scrap are recycled internally at Semperit as far as technically possible. Scrap and waste could not be further minimized in the 2023 reporting period. However, the reuse of (previously) unavoidable waste was increased.

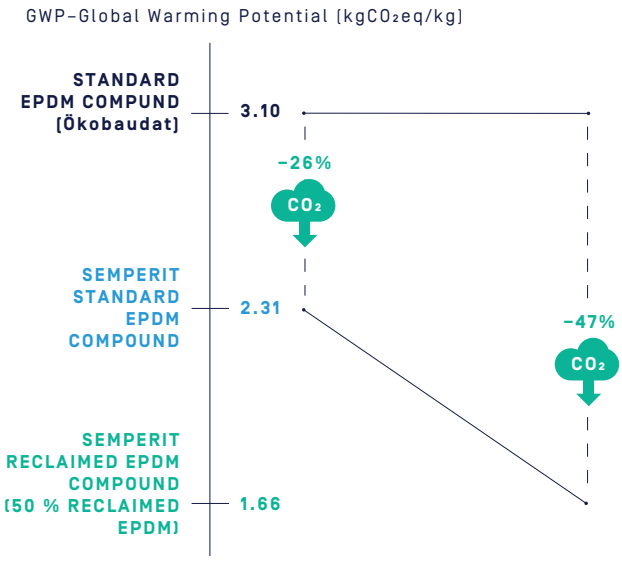
In the field of rubber processing, the proportion of recyclable waste depends on the stage of the production process. Reuse is primarily possible if no vulcanization has yet taken place. Once rubber has been vulcanized into rubber, the resulting molecular cross-linking makes reuse difficult. The recycling rate of rubber as a material is therefore significantly lower than that of steel, glass, paper or cardboard, for example.



SEMPERIT CIRCULARITY: PROFILES

In 2023, Semperit succeeded in developing products that contain up to 70 % regenerated vulcanized waste from its own profile production in the Profile Business for the first time. This will enable Semperit to contribute to closing the recycling gap in the future. Currently, there is no way to recycle sealing profiles on the market. While sealing profiles that are no longer required were previously utilized for energy recovery, i.e. incinerated, Semperit Circularity profiles allow their reuse as secondary raw materials for the first time – in line with the circular economy. The cross-linking process, which generates a 3D-cross-linked, insoluble and no longer moldable elastomer from the rubber compound, is reversed. The bridges formed during cross-linking are broken down and a moldable, soluble rubber compound is created. In the next process step, 50 % of the newly obtained raw material is reused as the primary raw material of the total mass of a new EPDM compound. Like the recycled vulcanized profiles, the resulting compound with 50 % recycled content complies with the DIN 7863-1 standard requirements for elastomer materials.With a product carbon footprint that is 47% lower than that of a conventional, comparable sealing profile (source: Ökobaudat) and 26 % lower than that of a standard Semperit profile, Semperit Circularity profiles make a significant contribution to decarbonizing the construction industry and thus to climate protection.

Semperit Circularity



In 2023, other businesses of the Semperit Group were also working on products that contain significant percentages of regenerated vulcanized waste. For the recycling of its own vulcanized waste, Semperit relies on established producers, but also cooperates with start-ups that use new technologies.

POST-CONSUMER RECYCLING OF END-OF-LIFE PRODUCTS

While vulcanized waste from Semperit's own production has been used as raw materials to date, production waste from Semperit customers and products that have reached the end of their life cycle could also be recycled in the future. As a secondary raw material, the recyclate would be fed back into Semperit's production, which would be a significant contribution to the circular economy.

Due to the above-mentioned potential, Semperit's research and development work focuses not only on production waste, but also on the recyclability of products after the use phase. One of the current challenges here is Semperit's business-to-business model as a manufacturer of components that are installed in the end products by the customer without having direct contact with the end consumer. For this reason, product return currently still represents a major organizational, logistical and financial hurdle for end-of-life recycling.

Therefore, Semperit endeavors to contribute to extending the life cycle of its own products, but also of the final system solutions. With regard to product life cycle extension and possible recycling, a recyclable product design plays a major role. In addition to the rubber compound, many of the Semperit Group's rubber products also contain reinforcing materials such as ropes, wires, fabrics and yarns. The separation of these fractions after product use is desirable but challenging and must continue to be optimized in the interests of the circular economy. The top cover of conveyor belts, for example, can be retreaded in a similar way to tires, thereby extending their service life. This is usually done on site and by the customer themselves, as dismantling and transport back to the manufacturer would often be too costly and not environmentally friendly.

SEMPERIT CONSIDERS IT NECESSARY TO EVALUATE NEW RECYCLING SERVICE MODELS AND ENTER INTO COOPERATIONS IN ORDER TO MEET THE REQUIREMENTS OF THE CIRCULAR ECONOMY.

SUSTAINABLE PACKAGING

In 2023, Semperit addressed the issue of packaging at selected locations. In Odry, a start was made on placing cardboard tubes in each corner of a carton to ensure the stability of the cardboard packaging and thus reduce the thickness of each carton from three to just two layers. Another advantage apart from saving a layer of cardboard is that the cardboard boxes can be stacked. In the area of product and transport packaging, Semperit strives to find new solutions together with its customers. The stretch film, for example, was completely removed and replaced by two plastic strips for fixing. Overall, not only material but also the film wrapping process step – and therefore energy – was saved.

WASTE MANAGEMENT

Waste management is part of the Group-wide environmental management system, which is certified according to ISO 14001 and is based on a due diligence review of environmental risks. All relevant waste and scrap key figures are continuously collected and are reflected in monthly production reports. The decision-makers analyze the data and derive improvement measures. The key figures include waste generated, for example, by test runs during the development of new materials or products. All waste leaving the factory premises is collected by certified and approved waste disposal companies and properly recycled or disposed of. At present, most rubber waste is utilized as energy (incinerated), which is not desirable in terms of the circular economy, reduction of Scope 3 emissions and climate protection in general. Semperit is currently initiating the first measures to increase the return of vulcanized and unvulcanized rubber waste back into the production process (further information in the chapter "In-process and post-industrial recycling" p. 95).

The waste data collection process was formalized in 2023 and integrated into the internal management system. Data quality was further improved by adapting and detailing the waste categories to be collected on the basis of GRI 306. The KPIs were also adapted and supplemented to meet the future requirements of the ESRS. This adaptation and formalization of the data collection process was also carried out for the areas of water, energy and safety.

The data from the Newnan (USA) and M+R Dichtungstechnik (Germany) sites could be fully integrated into waste reporting in 2023. The production site Rivalit (Germany) and Sempertrans Maintenance France Nord (France) will only be integrated gradually over the next few years due to their small size. Further information on the consolidation framework in the area of the environment can be found on pages 147 ff.

TOTAL VOLUME OF WASTE (T)[1]

	2023	2022	2021
Chemicals	927	310	77
Hazardous rubber waste	0.66	301	394
Other hazardous waste (oil, liquids, etc.)	649	3,609	3,240
Total hazardous waste	2,266	**4,220**	3,711
Hazardous waste disposed (t)	**1,577**	**4,220**	3,711
Hazardous waste disposed (%)	**69.6 %**	**100 %**	**100 %**
Hazardous waste recycled (t)	**689**	**0**	**0**
Hazardous waste recycled (%)	**30.4 %**	**0**	**0**
Non-hazardous rubber waste, disposed	6,306	7,422	7,010
Non-hazardous rubber waste, recycled	3,440	3,951	3,852
Paper and cardboard, disposed	46	85	147
Paper and cardboard, recycled	614	892	747
Plastic and foils, disposed	381	595	783
Plastic and foils, recycled	803	1,105	980
Metal, disposed	0	39	31
Metal, recycled	932	1,189	962
Wood, disposed	5	26	38
Wood, recycled	689	1,206	1,238
Residual waste, disposed	1,006	767	1,364
Residual waste,recycled	138	473	90
Other non-hazardous waste, disposed	964	2,198	2,697
Other non-hazardous waste, recycled	230	142	32
Total non-hazardous waste	**15,554**	**20,090**	**19,971**
Waste due to one-off incidents	**1,942**	**231**	**15**
Non-hazardous waste disposed (t)	**8,708**	**11,132**	**12,085**
Non-Hazardous waste disposed (%)	**56 %**	**55**	**60**
Non-hazardous waste recycled (t)	**6,846**	**8,958**	**7,901**
Non-hazardous waste recycled (%)	**44 %**	**45**	**40**
Total waste volume[1]	**17,820**	24,310	23,682
Total waste volume recycled[1]	**42 %**	37 %	33 %
Total waste volume disposed[1]	**58 %**	63 %	67 %

[1] Excluding "Waste due to one-off incidents"

The more detailed waste reporting system is also intended to make the internal recycling of rubber waste visible and to initiate an internal knowledge transfer. In 2023, best practices regarding waste management were exchanged between sites. Practical results at the Bełchatów site were the switch to reusable mesh boxes instead of disposable plastic boxes for internal transport and the sale of undamaged Euro pallets for reuse instead of disposal.

In general, customer specifications regarding packaging size and type are challenging. Semperit tries to use as little and as environmentally friendly packaging as possible. Semperit can only exert a limited influence on packaging that is produced during raw material delivery, but it is in any case separated, collected and disposed of properly.

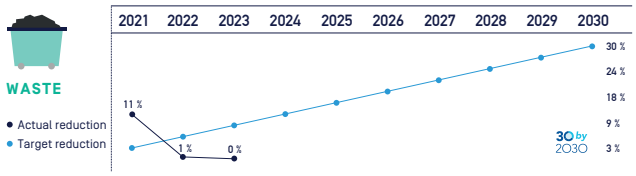




0 %
IN 2023
OF 30 % BY 2030
(t/production unit)

30 by 2030

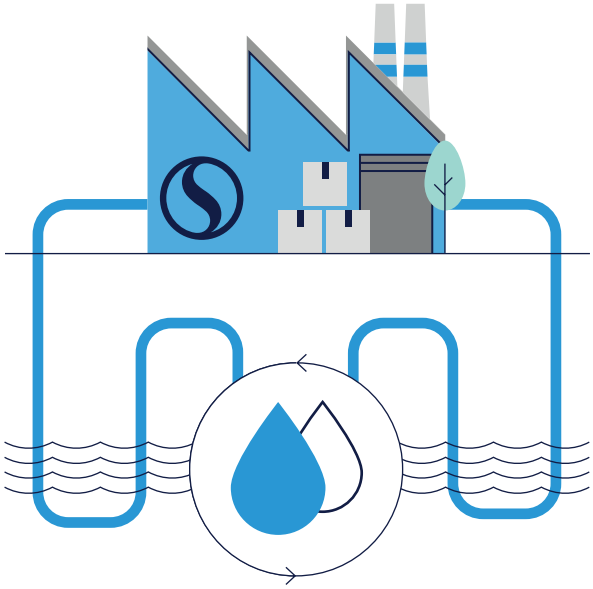
"30 BY 2030" – WASTE



By 2030, the Group aims to save 30 % of waste per production volume (target valid until the end of 2023, for further information on the target adjustment until 2030 see p. 49 ff.). As the reduction target relates to the quantity produced, the Semperit Group was unable to achieve the 2023 savings target of 9 % in the area of waste due to the declining production output and the sale of Sempermed (both events with a negative impact on produced and marketed product quantities). The annual target for 2023 was missed by 9 %. As production output decreases, the volume of rubber waste generally increases when production lines are ramped up and down, as the machines have to warm up and run empty and the use of materials cannot be completely avoided. The measures that are taken to achieve the goals vary from business to business and are accompanied by process adjustments and quality criteria as well as an innovation performance.

WATER

Access to safe and clean drinking water is essential for human well-being and is considered a fundamental human right by the United Nations. However, global freshwater reserves are under pressure. Careful and economical use of water is urgently required. Semperit lives up to this responsibility by recycling water wherever possible and thus using it efficiently.



CAREFUL AND ECONOMICAL USE OF WATER IS URGENTLY REQUIRED. SEMPERIT LIVES UP TO THIS RESPONSIBILITY BY RECYCLING WATER WHEREVER POSSIBLE AND THUS USING IT EFFICIENTLY.

Particularly in the production process, but also at the non-production sites, Semperit pays attention to efficient and economical water use. Water procurement is in line with the respective local legal requirements. Most of Semperit's production processes use little water because it is not a component of the products. Water use in production is limited to cleaning products in the production process, cleaning machinery and equipment, and supplying and removing process energy (process heating and cooling).

The highest specific water consumption by Semperit business is recorded by Sempermed, which will not be continued as a business unit. Glove production uses water to flush out proteins and chemicals to prevent allergic reactions among other things. The wastewater produced during glove production is treated in Semperit's own wastewater treatment plants according to local regulations while the relevant limit values are consistently checked using laboratory analyses.

Wastewater generated at Semperit sites is treated in accordance with local legal requirements or discharged directly into the public sewer system. No products with a significant water content are manufactured in the continued operations of the Semperit Group. In principle, the water withdrawn is only used for cooling and washing and, after treatment, discharged back into the sewer system, whereby the water consumption is assumed to be insignificant. As it is currently not technically possible for Semperit to measure the discharge of water, it is assumed that the water withdrawal shown in the following table corresponds to water discharge (the insignificant evaporation in production operations is perceived as discharge into the atmosphere and therefore counts as water discharge).

Semperit has developed Group-wide action plans to prevent and remedy incidents that could lead to exceeding limit value in the wastewater sector. The action plans take into account local legal requirements for wastewater management and monitoring. In addition, a Group-wide internal reporting system is used to also report and document water- and wastewater-related environmental incidents. Within the framework of HSE (Health, Safety & Environment) management, a systematic determination of causes and the correction of deficiencies is ensured.

Best practices are shared and synergies in action plans are achieved through exchange on preventive measures across sites. To minimize the likelihood of an environmental incident, SOPs (standard operating procedures) have been developed to define the safe and reliable operation of the production and water treatment facilities. Internal quality management ensures that these documents are kept up to date, reviewed and audited.

Semperit only uses fresh water. The fresh water withdrawal is measured with meters and continuously monitored. No areas characterized by water stress are currently affected by water withdrawal. The climate scenario analysis carried out by Semperit in 2023 clearly shows that three of the Group's sites are characterized by water stress in the medium to long term. Water supply from surface waters and groundwater is becoming more difficult. This makes it all the more important for Semperit to take further measures to save water and use it most efficiently.

In the expansion of one of the world's largest production facilities for industrial and hydraulic hoses in Odry planned for the coming years, Semperit is paying particular attention to ecological sustainability criteria of the EU Taxonomy and a high degree of automation. The construction of an optimized, recirculating water system was started at the site in 2023, which will absorb potential flooding and thus protect both the site and the village from flooding. The drained freshwater and the collected rainwater will be channeled in a circuit, thus saving up to 60% of the water withdrawal at the site. With this water risk prevention measure, Semperit is helping to not only achieve the water reduction target, but also to protect local residents and its own assets from a potential natural disaster.

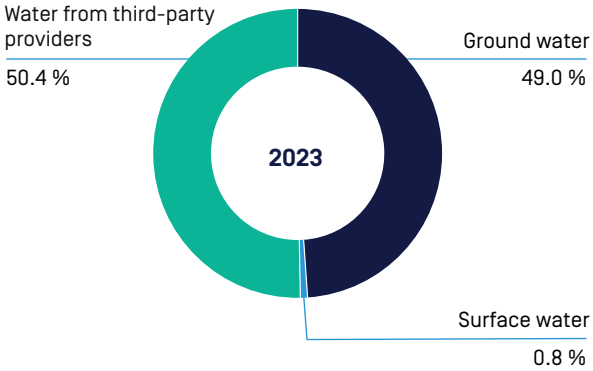
WATER WITHDRAWAL BY SOURCE

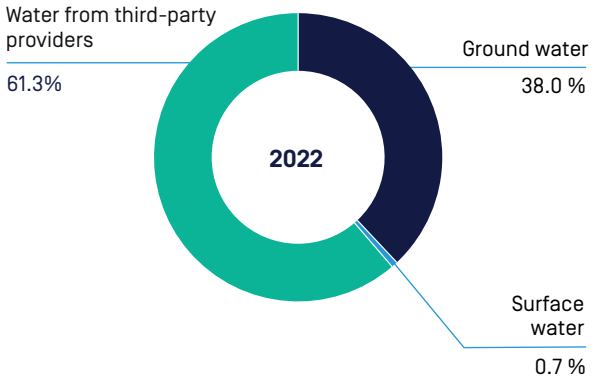
(m³ million/%)

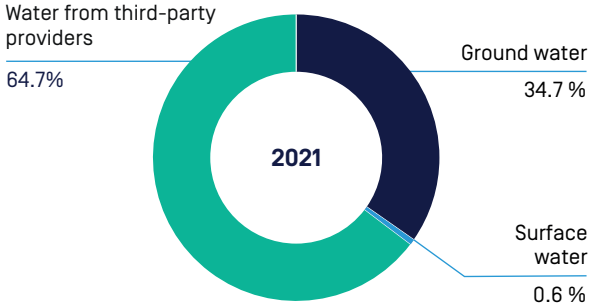
	2023	2022	2021
Ground water	2.4 49.0 %	2.9 38.0 %	3.0 34.7 %
Surface water	0.04 0.8 %	0.1 0.7 %	0.1 0.6 %
Water from third-party providers	2.4 50.4 %	4.7 61.3 %	5.5 64.7 %
Total water with-drawal (m³ million)	**4.8**	**7.7**	**8.6**

The water withdrawal shown in this table corresponds to the estimated water discharge, as Semperit adds a very negligible amount of water to its own products in the production process and discharges it completely after treatment.

Water withdrawal has decreased significantly due to the discontinuation of the medical sector and thus the plant with the highest water withdrawal in 2023. The water withdrawal of the Rico sites is not shown in the 2023 results; data integration is planned for 2024.

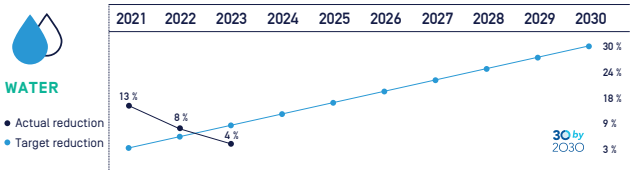






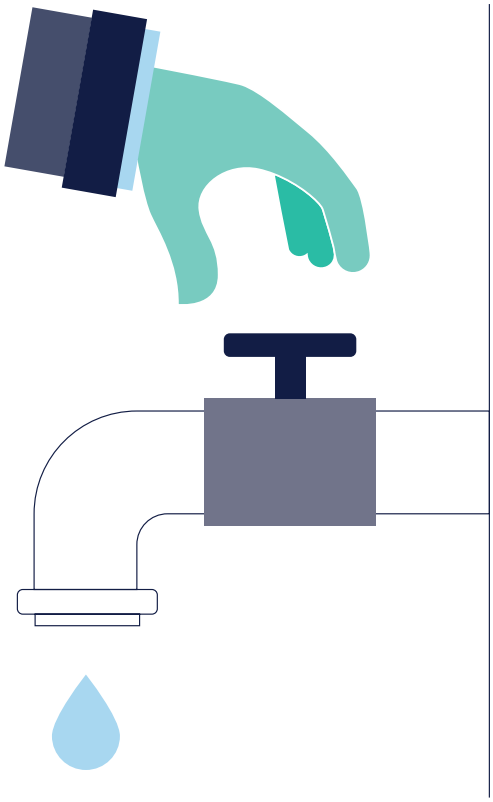
30 by 2030

"30 BY 2030" – WATER



In the 2023 reporting year, the Semperit Group achieved a reduction of 4 % in water withdrawal per production volume compared to the base year 2019. Thus, the savings target 2023 of 9 % was missed by 5 %. The decline in production output in all businesses, combined with the sale of the Medical Sector, and thus the discontinuation of the most water-intensive plant in Kamunting, also meant that the above-mentioned target could not be achieved. As with the other environmental targets, these are specific target values such as extraction, consumption or emissions per production volume, which generally deteriorate when production facilities are underutilized.

The measures taken to achieve the goals vary from business to business and reach from process adjustments to innovative approaches. The largest water withdrawal in the Semperit Group in 2023 took place at the largest production sites (Kamunting in Malaysia 48 % [until August 2023], Wimpassing in Austria 43 %, Odry in the Czech Republic 4 % and Hückelhoven in Germany 3 %), with the Medical Sector being the most water-intensive area. The remaining sites accounted for the remaining 2 % of Semperit-wide water withdrawal. Since the plant in Kamunting is no longer part of the Group, the Wimpassing plant (share approx. 80 % – due to surgical glove production, which continues to be operated by Semperit on behalf of HARPS) is now the Group's largest water purchaser.



4 %
IN 2023
OF 30 % BY 2030
(m³/production unit)

Currently, not enough information is available on water recycling and therefore on the calculation of water consumption, which is calculated from total water withdrawal minus total water recycling according to the definition of the "GRI 303: Water and Wastewater 2018" standard. Water consumption is the amount of water withdrawn minus the water returned. Water withdrawal is the Semperit's amount of water withdrawn by third parties from various sources.

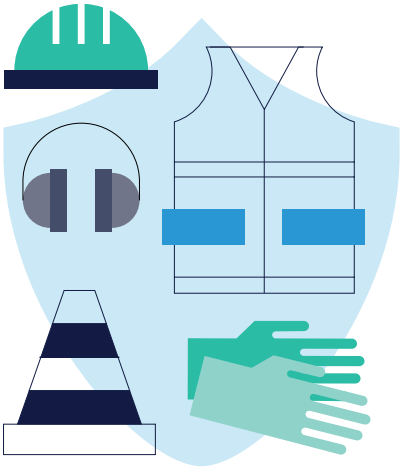
At the Roha plant in India, the water pipes were further replaced to eliminate leaks. In addition, a rainwater collection system with a total of two tanks, each holding 10,000 liters, was installed at this site. Two water pipe breakages at the Odry site in the Czech Republic contributed to a temporary increase in water consumption. At the Hückelhoven site in Germany, the well pumps were replaced, and the water extraction concept was improved, resulting in considerable water savings.



SOCIAL

Health protection and occupational safety 103
Diversity and inclusion 111
Human rights and social standards 121

The past years – impacted as they were by global economic policy uncertainties, turmoil in supply chains, high inflation and recession in many industrial markets worldwide – have shown the importance of structures supporting social cohesion. Employee-related measures such as inclusion, equality, health protection or flexible working create both individual benefits and social value. Semperit is striving to create a safe environment that fosters respect and sustainable relationships between employees and stakeholders.



Semperit employs a total of 4,435 people, of which 531 are employed at the Rico Group. The Group is responsible for long-term employee retention and attractiveness as an employer, such as promoting diversity in the workforce, promoting the inclusion of disadvantaged people in the company, safeguarding social standards and voluntary social benefits, such as safety in the workplace or remote work, and both professional and personal development opportunities within the company, which are described in detail on the following pages.

At Semperit, cooperation is based on defined values and guidelines that apply to both internal and external interactions and form the basis for sustainable, social, tolerant and human rights-compliant behavior. In order to promote gender equality, Semperit set a quota for women for the entire organization, management and senior management in 2023. The People Policy[1] was also updated in 2023. Employees were familiarized with it in training sessions via various communication channels, including online. New employees learn about the People Policy as part of the onboarding process. It is available on the company intranet and is also publicly accessible on the Semperit website.



HEALTH PROTECTION AND OCCUPATIONAL SAFETY

A key responsibility of the Semperit Group is to create a working environment that preserves the individual health and working capacity of everyone who works in Semperit's operations or on its premises. In this context, the prevention of occupational accidents is particularly important.

In order to fulfill this responsibility, Semperit has implemented a health and safety management system in accordance with ISO 45001, which is continuously being further developed. The topics of health protection and occupational safety are consolidated organizationally with environment and quality within HSEQ (Health, Safety, Environment & Quality). The HSEQ Policy, which is publicly available on the Semperit website[2], sets out the Group-wide expectations and principles related to these topics. Responsibility for health and safety is defined at each location.

[1] https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/mitarbeiter/People_Policy_in_English.pdf

[2] https://www.semperitgroup.com/company/sustainability/sustainability-policies/

These persons serve as contacts for local and Group-wide interested parties and make a valuable contribution to ensuring compliance with regard to local legislation, occupational health and safety standards (ISO 45001) and Group-wide guidelines. The local HSE officers report to the Director of HSEQ, who in turn reports to the Executive Board at monthly meetings. This ensures that the effectiveness of the management system and that of the associated processes and measures are continuously monitored and safeguarded from the highest level. To ensure long-term support for occupational safety and health protection, HSEQ key figures are recorded, and target agreements are reached with management. This procedure was started in 2020, further expanded in 2021 and can be considered established since 2022.

In accordance with the Austrian Employee Protection Act (ArbeitnehmerInnenschutzgesetz), there is an occupational health and safety organization at all Austrian locations, which is staffed by members of the works council, employer representatives, company physicians, and specialists for occupational safety as well as safety officers. These organizations are involved in the further development and evaluation of the management system through regular consultation meetings. Semperit has also set up adequate occupational health and safety organizations at its locations outside of Austria that comply with the relevant regulations.

Company fire brigades are operated at the production sites in Wimpassing, Kamunting, Odry and Bełchatów. The firefighters perform their duties both on a voluntary and full-time basis. The commitment is appreciated and supported by the local management.

Successful health and safety cannot be prescribed and therefore employee participation and involvement are crucial to successfully anchor measures in day-to-day business. Communicating and visualizing progress and measuring participation rates in the various programs and activities support high levels of employee involvement.

GROUP-WIDE MANAGEMENT SYSTEM

The health and safety management system, which is certified in accordance with ISO 45001, is incorporated into the integrated management system (Semperit Combined Management System) and maps the Group-wide goals, processes and work instructions for health and safety topics. This system covers the entire group of companies. Some locations are partially integrated, others still want to integrate certain certifications. Seligenstadt (D), for example, is ISO 9001 and 50001 certified. Hückelhoven (D) is planning to introduce ISO 14001 and ISO 45001 in the next two years. The Sempertrans France Maintenance Nord (FR) site is certified according to MASE, which makes integration into other certifications superfluous.

The safety management covers not only employees and temporary workers, but also all external companies (including subcontractors) that work at Semperit locations and over whose work and workplace Semperit exercises sole or joint control with other organizations. As part of the Group-wide management system, potential hazards and risks are systematically identified and regularly evaluated (due diligence). All Semperit Group locations integrated in the Combined Management System are reviewed for compliance with the implemented management systems and achievement of the associated targets and objectives.

OVERVIEW OF EMBEDDING OF HSEQ TOPICS



HAZARD IDENTIFICATION AND RISK MANAGEMENT

To minimize occupational accidents and diseases, all sites are obliged to conduct continuous risk identification and assessment. The method is based on those standards that are defined in the Group-wide quality procedure and correspond to the local legal requirements.

All relevant and affected employees (staff, temporary workers and contractors) are involved in hazard identification, risk assessment and the definition of measures in order to enable comprehensive risk and measure identification.

Risk assessment at the workplace is carried out by prevention specialists, i.e., the safety specialist and the company doctor, and an evaluation of the workplace is made jointly. The doctor's assessment is given special weight in the ergonomic design of the workplace, in repetitive work processes or in workplaces with increased stress. Together with the department, the measures to avoid hazards are agreed upon in order to take into account the pyramid of measures on the one hand and to adequately involve the employees on the other hand.

In addition to the standardized and regularly performed hazard and risk evaluation, there are many ways for employees to report unsafe conditions or acts. As a general rule, all employees can and should be aware of unsafe acts at any time and in any place and leave the danger zone. When an unknown source of danger is identified in the workplace – this may be through observation of an unsafe condition or unsafe act – the emerging risk must be assessed by an assessment team and the risk assessment must be updated. This can be done directly by reporting to the respective supervisor(s) or as part of shift handovers. However, reports can also be filed directly via Semperit's own Track database. Semperit also offers the option of submitting anonymous reports. This can be done via the SemperLine whistleblower platform, or a whistleblower mailbox set up specifically for this purpose. All reports received are reviewed and processed in a structured manner by the HSE team at the site level with the support of the Group HSE team, if required.

→ Definition of "unsafe condition":
"Unsafe condition" refers to the physical condition of the workstation (building, machinery, process) that could potentially cause injury to workers or property damage. This includes, for example, defective plants, machinery, tools, equipment and vehicles or the malfunction of safety protection devices.

→ Definition of "unsafe act":
An "unsafe act" is the performance of a task or activity in a manner that may endanger the health and safety of persons or result in property damage. This includes, for example, operating equipment without qualification or authorization, failing to use or improperly using personal protective equipment, or failing to follow defined safe work procedures.

Classification and documentation of occupational accidents are carried out according to a Group-wide system. The degree of injury, the body part and the associated treatment measures are recorded and documented. The most frequent injuries within the Semperit Group involve puncture wounds and cut injuries to the hands. These are caused by the numerous cutting operations and the use of manual cutting tools in Semperit's production area. In order to increase the safety level of operations and reduce the hazards of work activities when using various machines and tools, each location has developed a plant-specific program. In 2023, Semperit developed specifications for cut-resistant workwear, issued internal specifications for knives and safety gloves used in production and evaluated proposals for increasing technical machine safety.

EXTERNAL COMPANIES AND SUBCONTRACTORS

In order to ensure that employees of external companies working at Semperit's plant premises also perform their work safely, they are integrated into the occupational safety management system. All safety-related information, requirements and approvals are communicated to employees of external companies both verbally and in writing before they begin their work. As part of audits (Gemba, PPSE Personal Protective Safety Equipment) and plant tours, health and safety aspects relevant to the agreed activities are analyzed and checked.

If deviations are identified on these occasions, they are discussed in a safety meeting and, if necessary, measures are implemented to reduce or eliminate the risk. During the reporting period, the focus was repeatedly placed on work approval processes and contractor supervision, which led to an improvement in safety standards and quality of the service provided. In addition, coordination between contractor activities and internal production processes was improved, reducing risks of downtime and optimizing downtime costs.

TRAINING AND WORKSHOPS AS WELL AS VISIBLY LABELLING POTENTIAL SOURCES OF DANGER ARE IMPORTANT MEASURES TO PREVENT ACCIDENTS AND INJURIES.



AWARENESS, TRAINING AND DOCUMENTATION

Training and workshops as well as visibly labelling potential sources of danger are important measures to prevent accidents and injuries. In order to reach all employees as fully as possible and to ensure good understanding of what is being communicated, employee instructions and operational procedures on health and safety are offered in various languages – in line with the diversity of languages spoken by employees. At some plants, training is held in specially equipped rooms (Dojo/Safety Centre). Practical exercises take place there with the active involvement of the employees.

In addition to the various measures to prevent accidents and injury prevention measures, Semperit requires complete documentation of all incidents (accidents, near-accidents and unsafe acts and conditions). With the help of knowledge transfer, awareness raising, documentation and analysis of accidents as well as the dissemination of the lessons learned, Semperit wants to achieve a longer-term change in behavior.

Along with general training and instructions for employees relating to equipment, operating specific programs and machines, and other measures to minimize health risks at work, Semperit offers a range of other services to promote health and safety:

- → **Noise:** Employees whose workstation is located in designated noise areas undergo special suitability and follow-up examinations. These regular examinations take place annually and are additionally supported by direct examinations at the workstation by supervisors. The workstation as such is also evaluated in order to implement targeted technical optimizations and to optimize the work environment.

- → **Stress:** Stress levels are part of the broad-based evaluation of hazards. At the Wimpassing and Vienna sites, employees can take advantage of psychosocial services in the form of a hotline and attend virtual lectures on mental health and stress resilience.

→ **Knowledge transfer:** If employees have any health questions or problems, they can contact company doctors at any time. In addition, Semperit offers courses and other services that help promote the health of employees and enable them to learn more about health and occupational safety and to be able to perform their work in a safer and healthier way over the long term.

The benefits described above are aimed at both white-collar and blue-collar employees and are specifically tailored to the job and area of work. Employee participation and information was also an important topic in the reporting year 2023.

Optimizing accident reporting and disseminating lessons learned requires an adequate infrastructure. In 2023, the "Track" database was integrated at the Sempertrans site in India, Semperit Industrial Products Newnan site and the Semperflex Rivalit site. With the help of this database, activities and measures can be reported, controlled, shared, and tracked in a structured manner. In addition, internal communication was intensified across all organizational areas, from the Executive Board to risk management. Communication across all areas achieves broad participation and ensures that the necessary measures are implemented and scalable to other sites.

HEALTH PROTECTION

The prevention specialists report to the Director of HSEQ on technical matters. Depending on the local organization, the exchange of content and framework takes place via the HSE coordinator network. In terms of discipline, the prevention specialists report to the local managing directors, whereby the organization depends on the size of the site, the number of employees and the legal framework.

The activities and scope are usually coordinated with and supported by the local management. Care is taken to ensure that all employees have access to the corporate medical service.

It goes without saying that Semperit communicates occupational and health risks and mitigation measures, offers regular health check-ups, and complies with the prescribed rest periods and legal requirements, especially with regard to shift work.

It is also a matter of course for Semperit to ensure the safety of facilities, machines, equipment and tools which its employees use every day. Where personal protective equipment is required, it is made available to employees, and they are encouraged to use it.

In 2022, the Wimpassing site used the exoskeleton as a pilot, and in 2023 it was officially introduced. The Bełchatów site also focused on ergonomic working in 2023 and introduced the use of the exoskeleton as a pilot. At the Wimpassing and Bełchatów sites, Semperit also gained initial experience with the use of upper body stabilizing belts.

Semperit's concern for the health of its own employees and temporary workers is also reflected in the wide range of health-oriented services offered, including ergonomics, nutrition and psychosocial health care.

INFECTION-RELATED RISK MANAGEMENT AND SITUATION MONITORING

After the end of the Covid-19 pandemic, prevention issues are increasingly coming to the fore again. Semperit continued the "Better safe than sorry" information and vaccination campaign in 2023 to raise employee awareness of this issue. Some of the standards introduced during the Covid-19 pandemic to protect employees and maintain operations have proven to be useful even without an acute risk situation and are being continued by Semperit. These include remote work, home office, psychological counseling and some health and hygiene measures.

Semperit's risk management is carried out at Group level and also includes health and safety risks. In recent years, the COVID-19 pandemic in particular has posed significant risks. Semperit has adopted a risk-averse, preventive approach in this regard in order to protect its employees and ensure smooth operations.

Home office: Employees whose job duties permit them to work from home still have the option to do so.

Protective equipment: Semperit has always focused on the wearing of personal protective equipment depending on the activity and workplace.

Implementation of information campaigns – "Better safe than sorry": To ensure safe interaction, it is important not only to define appropriate rules but also to communicate them to the specific target groups. This was successfully achieved with the help of numerous communication measures, including virtual information meetings, digital mailings, videos, or notices in the offices and production sites.

Psychological counselling service: Employees can be exposed to psychological stress due to their professional or private environment, but also due to geopolitical crises and wars. Employees of Semperit in Austria can anonymously contact an external psychological counselling service when needed. The costs are paid by the company.

FIRE PROTECTION

Fire protection is the responsibility of various organizational units: the Maintenance & Engineering department is responsible for fire prevention relating to facilities and buildings. The HSEQ department provides support with its expertise where fire protection meets occupational health and safety. The "Operational Risk Management" department is responsible for taking out insurance and handling claims.

ZERO-ACCIDENT POLICY

Semperit has pursued the goal of a zero-accident policy for some years now and has already achieved significant progress. In recent years, the number of accident-related days of absence has been held at a consistently low level, although the number of days of absence increased again for the first time in 2023. This has prompted Semperit to increase its focus on the zero-accident policy again. There has not been a single fatal accident at work for many years. There were three serious accidents at work in the 2023 reporting period. To maintain this high safety level, the "Focus on Safety, AGAIN!" campaign was prepared, the training and roll-out took place in 2023 and the implementation phase will follow in 2024. An important pillar of the campaign is shopfloor leadership – foremen and shift supervisors are supported in their managerial role, receive comprehensive training and take on more responsibility as a result.



OVERVIEW OF KEY FIGURES

	2023	2022	2021
Total number of accidents	68	58	50
Number of fatal accidents	0	0	0
Number of serious accidents	3	1	2
Number of accidents with sick leave	37	16	23
Number of medical treatments	28	41	25
Total working days lost	2,002	655	1,261
Number of near accidents	456	501	511
Unsafe conditions	21,299	17,170	18,709
Unsafe acts	32,252	26,877	26,486

OVERVIEW OF KEY FIGURES FOR EMPLOYEES

	2023	2022	2021
Number of fatalities due to occupational accidents	0	0	0
Number of serious work-related injuries (without deaths)	2	1	1
Number of accidents with sick leave	32	14	20

OVERVIEW OF KEY FIGURES FOR CONTINGENT WORKERS

	2023	2022	2021
Number of fatalities due to occupational accidents	0	0	0
Number of serious work-related injuries (without deaths)	0	0	1
Number of accidents with sick leave	5	2	1

OVERVIEW OF KEY FIGURES FOR THIRD-PARTY PROVIDERS AND SIMILAR

	2023	2022	2021
Number of fatalities due to occupational accidents	0	0	0
Number of serious work-related injuries (without deaths)	1	0	0
Number of accidents with sick leave	0	0	2

TOTAL OCCUPATIONAL ACCIDENT RATE (EMPLOYEES AND CONTINGENT WORKERS)

	2023	2022	2021
Rate of accidents at work with severe work-related injuries (without fatalities)	0.16	0.2	0.1
Number of working hours (million hours)	12.12	16.8	17.5
Rate of the recorded work-related injuries (based on 1,000,000 hours)	5.5	3.3	2.7

RATE OF WORK-RELATED ACCIDENTS BY EMPLOYEE CATEGORY

	2023	2022	2021
EMPLOYEES			
Rate of accidents at work with severe work-related injuries (without fatalities)	0.2	0.1	0.1
Number of working hours (million hours)	11.7	15.1	16.8
Rate of the recorded work-related injuries (based on 1,000,000 hours)	5.0	3.2	2.6
CONTINGENT WORKERS			
Rate of accidents at work with severe work-related injuries (without fatalities)	0	0	1,2
Number of working hours (million hours)	0.4	1.7	0.9
Rate of the recorded work-related injuries (based on 1,000,000 hours)	20.5	4.7	5.8

Documentation of accidents: All accidents are documented – including those occurring during travel to and from work or during business trips – regardless of whether they involve a permanent employee of the company or a contingent worker. The relevant factor for the documentation of the accident is whether it occurred within Semperit's sphere of influence. Accidents are classified into the following types: fatal accident, serious accident (injuries that result in a hospital stay of more than 24 hours of treatment), occupational accident with sick leave, first aid administered (excluding sick leave), near-accident, unsafe condition, and unsafe acts.

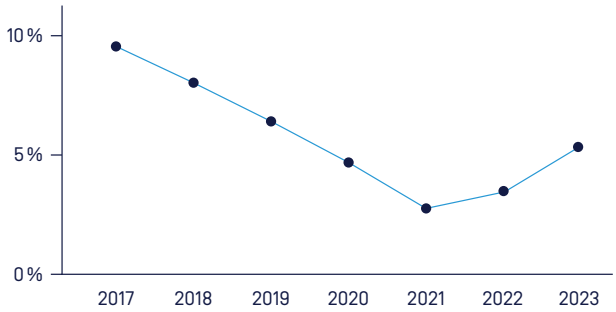
The key figures shown in the tables do not include any values from the Rico Group. The accident rate (rate of recorded work-related injuries in relation to million hours) in the period when Rico was already part of the Semperit Group (August to December 2023) is 6.17. In addition, including Rico, there were a total of 78 accidents.

TOTAL OCCUPATIONAL ACCIDENT RATE
(EMPLOYEES AND CONTINGENT WORKERS)

	2023	2022	2021
Rate of work-related accidents	5.5	3.3	2.7

The rate of occupational accidents includes serious accidents including fatal accidents, lost time accidents, accidents with medical treatment and refers to 1,000,000 working hours.

The accident rate incl. the Rico Group (part of the Semperit Group from August to December 2023) is 6.17.



"HEALTH AND SAFETY" TARGETS AND ACHIEVEMENT OF TARGETS IN THE CONTEXT OF THE SUSTAINABILITY STRATEGY 2030

The Sustainability Strategy 2030, which was introduced in 2021, includes the quantitative target in the area of health and safety of reducing the Group-wide incident rate by 8 % annually. This is to be achieved by consistently continuing the activities described above. This is an ambitious target, as Semperit's accident rate is already well below the industry average. In the 2023 reporting year, the occupational accident rate deteriorated by 66 % due to the increase in accidents with medical treatment. If the Sempermed accident rate in the examination glove area is excluded, the deterioration rate is 15 %. Semperit will gradually increase its focus on the zero-accident policy and preventive measures in 2024 in order to improve workplace safety again.



66 %
deterioration in accident rate





DIVERSITY AND INCLUSION

Diversity and inclusion are prerequisites for an appreciative and productive atmosphere in the workplace and thus for the success of our company. Semperit takes action to further improve the framework conditions for a diverse and inclusive workforce. Through flexible structures, easily organizable working hours and the option to work from home, Semperit enables its employees to adapt their work to their respective life and family situations. In order to promote equal opportunities in the company, Semperit has set quantitative targets for a balanced distribution of employees.

EMPLOYEE DEVELOPMENT AND CAREER PLANNING

Semperit strives to create a working environment that supports employees in taking charge of their own issues and continuously improving their skills in order to perform well and achieve their individual short- and long-term career goals. A wide range of development opportunities and structured career planning enables employees to pursue their individual career paths within the company. Within the framework of the annual employee performance reviews, the focal points for personal development and training, in addition to the annual targets, are discussed and evaluated in retrospect together with the supervisor and set for the next year. These agreements are recorded using the HR (human resources) software SuccessFactors.

The annual employee performance reviews between managers and employees aim, among other things, at identifying and jointly planning the next possible career steps. These range from improving skills to a different attractive position and an optional transfer to another country within the Semperit Group. In addition, Semperit offers various development opportunities and programs for specialists, managers and newcomers from all age groups. The annual performance review of employees also takes place as part of the employee appraisal process.

The following instruments support the career development processes.

People Days: During the People Days, performance appraisals are calibrated across divisions and departments, and possible development measures and career steps are discussed. In addition, there are discussions on which internal candidates are suitable for key positions or specific project tasks and how they can best be prepared for them.

Technical development pathway: This program aims to broaden the expertise of technical experts by giving them the opportunity to move to another specialist field for a specific project and for a specific period of time.

Graduate Trainee Program: In this program, Semperit offers young university graduates the opportunity to get to know the company in the first two years after graduation through various tasks in different departments before they finally take on the designated target position.

New Horizon Academy: The New Horizon Academy program, formerly called Talent Academy, which takes place every two years, aims to prepare Semperit talents for future management tasks and thus create the basis for filling key internal positions within the Semperit Group. All Semperit employees can apply. Some of them are invited to participate on the basis of a structured selection process based on the competencies that are most important to Semperit. The New Horizon Academy consists of several modules in which participants

receive training and become aware of their strengths, development areas and career goals. In addition, the participants of the New Horizon Academy work on practical projects that are of benefit to the company and address current issues from various areas, including sustainability. In 2023, 13 participants were selected and are now part of the current New Horizon Academy, which started with the kick-off in December 2023 and will conclude in autumn 2024.

TRAINING AND DEVELOPMENT

Semperit offers its employees a wide range of training opportunities that include both personal and professional development. This ranges from languages and compliance issues to project management and facilitating as well as to specialist areas such as health and safety and is always geared to the respective employee's field of work as well as their overarching career plans. Most internal as well as external training is provided via Semperit's SuccessFactors digital learning platform. The individual training plans and numerous e-learning courses are available there and can be individually assigned to the employees and evaluated.

Executive mentoring: This program is aimed at managers with five to ten years of professional experience, who are assigned mentors at the executive or board level to prepare them for future senior management positions. The program facilitates dialogue regarding personal development and leadership topics. The participants and mentors agree at the beginning on two to three topics on which they want to work together. Then they meet regularly to exchange ideas and develop solutions to the specific problems and tasks.

Leadership Journey: Since 2019, Semperit has organized a learning and exchange platform – the Leadership Journey – for roughly 250 managers from all companies of the Semperit Group. Underlying the platform is an ongoing development program that includes various formats. In the Master Classes, which are 90-minute webinars, relevant topics such as change management or virtual leadership are covered. The Master Classes also serve as an internal communication channel for managers to discuss strategic issues. Interactive workshops are also held as part of the Leadership Journey. This format is used for personal reflection and collegial dialogue among managers. The program is designed as an agile development format so that the content and formats can be adapted as needed.

Leadership Essentials: The development program, which Semperit introduced in 2022, was continued in 2023. It supports new managers in their new role and strengthens their leadership skills. This program is based on Semperit's value principles and focuses on learning simple but effective leadership tools that can be used in everyday life, as well as networking and exchange with other colleagues in similar situations.

→ 88 % of all white-collar employees (100 % of all female white-collar workers and 96 % of all male white-collar workers) participated in standardized performance and career development reviews in 2023. There is no Group-wide performance review for blue-collar workers.

→ 90 % of all employees received career- or skill-related training in 2023. Globally, 92 % of all female employees and 89 % of all male employees were trained, which is a total of 100 % of all white-collar workers and 81 % of all blue-collar workers.

AVERAGE ANNUAL TRAINING HOURS (BY GENDER)[1]

	2023
Female	11.9
Male	9.9
Non-binary	n. a.
Undeclared	n. a.
Unknown	n. a.

AVERAGE ANNUAL TRAIING HOURS (BY EMPLOYEE CATEGORY)[1]

	2023
Blue Collar	15.1
White Collar	33.1

[1] The data includes all employees who worked for Semperit in 2023, excluding employees of Sempermed Examination Gloves, the Rico Group as well as temporary workers and apprentices.

IMPLEMENTATION OF DIVERSITY & INCLUSION AT SEMPERIT

Semperit competes for skilled workers and managers. To attract the most qualified and suitable employees and to retain existing employees, we must offer them an attractive work environment. Semperit uses several building blocks to achieve this: The company has a wide-ranging program of training and development and attractive career opportunities, for example. The Mobile Working Policy introduced in 2021 includes a framework for more flexible work organization and – where possible – working from home. Semperit also voluntarily offers its employees numerous social benefits such as a range of exercise options, courses and workshops for personal development and mental health or additional medical services.

Another essential component that not only makes the company more attractive but also represents a social value is the fostering of diversity and inclusion of disadvantaged groups of people. Diversity, inclusion and mutual respect are part of the corporate culture and the Code of Conduct. Semperit upholds these values – in the existing workforce as well as when recruiting and hiring new employees. In addition to professional and personal qualifications, aspects such as age, origin, gender, education, and background of experience are included in order to achieve a balanced distribution of the workforce in terms of demographic and social characteristics.

People from 60 nations currently work at Semperit. This shows that diversity is not only a normative requirement, but also a reality that Semperit also addresses at the strategic level. One important pillar of the HR Strategy is the diversity and inclusion strategy, which provides for the following four diversity categories in line with the Semperit Sustainability Strategy 2023:

- → Gender
- → Age
- → People with disabilities
- → Culture and intercultural competence

> "WE ARE A ROLE MODEL FOR DIVERSITY AND INCLUSIVE EXCELLENCE. WE ARE PROUD TO BE AMONG THE MOST DIVERSE, EQUITABLE AND INCLUSIVE WORKPLACES IN OUR INDUSTRY." – VISION 2040

DIVERSITY AND INCLUSION VISION 2040

Promoting diversity and inclusion (D&I) is an essential part of Semperit's sustainability strategy.

The vision for diversity and inclusion 2040 is to promote an interconnected and inclusive work culture in which all employees feel valued, have a sense of belonging, feel comfortable living their authentic selves and are respected as individuals. The intention is to ensure fairness in all aspects and towards all employees. Semperit wants to reduce unconscious prejudices and use the great diversity in the workforce to its advantage in order to benefit from the experiences and perspectives of people with different cultural imprints and other backgrounds.

In order to develop concrete goals in this regard, a separate working group was set up in 2021, which, under the leadership of Group HR, developed the strategic objectives and fields of action in 2030 together with the Executive Board (D&I strategy). During various workshops, four dimensions were defined that are crucial for Semperit in the area of D&I: age, gender, people with disabilities as well as culture and intercultural competence. Based on this, a D&I organization was established consisting of four "D&I Councils", to which a number of colleagues from different divisions, different locations, age groups and hierarchical levels were appointed to act as ambassadors and change agents for the respective dimension. The D&I Councils also work as think-tank platforms where members analyze collected data, share ideas and design initiatives to drive diversity and inclusion in the workforce together with the Executive Board and HR.

THE FUNCTIONS OF D&I COUNCILS ARE:

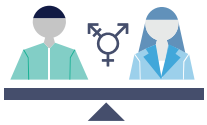
- → Act as a change agent for the organization, challenge the status quo and advocate for D&I
- → Set and pursue D&I goals
- → Develop and implement new initiatives to promote D&I in line with the Group-wide D&I strategy
- → Communicate D&I initiatives, news, best practices and successes to employees
- → Identify and address new social developments in the market that may impact D&I culture

Semperit offers interested employees information opportunities via a specially created "D&I microsite", an intranet platform providing information and news about D&I, including the current distribution of disadvantaged groups in the organization. Employees are invited to contribute their own ideas via the microsite's communication channels.

The fact that D&I has become an integral part of Semperit's corporate culture is also reflected in numerous communication measures that were implemented in 2023. Examples include the D&I PC screensavers provided within the company and informative intranet and shop floor postings. In this way, employees stay up to date and develop an awareness of diversity and inclusion.

In June 2023, the Group's Executive Board members, Management Forum members, site managers and other managers signed the "Diversity Charter" (see page 117) – a one-page document that emphasizes the importance of promoting a connected and inclusive culture at Semperit. It serves as a visible commitment to employees to actively promote diversity and support continuous improvement in this area. The signed charter was displayed at the Vienna site. The versions signed by local management were made available at other locations in the following months.





GENDER AND ADVANCEMENT OF WOMEN

Goal: In a step-by-step process, Semperit has embarked on the following path towards a gender balance at all hierarchical levels of the Group from 2023. Each Semperit location develops a local action plan with at least two defined initiatives to eliminate relevant local gender barriers. Since 2023, Group HR has been reporting continuously on the current gender ratio in Semperit management via an intranet microsite. In the second half of 2023, the Executive Board members developed and tracked a progress plan for gender balance in senior management.

The successive increase in the percentage of women in the Semperit Group – which, as is typical in industrial companies, is lower in comparison to other sectors – is a central aim in the area of Human Resources. Flexible working time models in the form of flexible and part-time work as well as special agreements for parents working part-time are intended to make employment at Semperit more attractive, regardless of gender.



YEAR-ON-YEAR DEVELOPMENT OF THE PROPORTION OF WOMEN AT SEMPERIT (%)

	2023	2022	2021
Austria	19 %	19 %	19 %
Europe	26 %	27 %	26 %
Semperit Group	24 %	23 %	23 %

In October 2023, the Executive Board defined an annually increasing quota of women as a target until 2030. For the sake of simplicity, Semperit refers to a female quota in this context, which, however, refers to all non-male genders (non-male gender target). The following gender targets were set with an annual progression:

- 0.5 % overall increase in the number of women across all hierarchical levels compared to the previous year
- 1.0 % increase in female managers compared to the previous year (managers are defined as employees who have direct personnel responsibility for at least one employee)
- 1.0 % increase in female managers in higher management positions (senior leadership) compared to the previous year (senior leaders are managers from job grade 14 and higher)

Gender diversity is thus increased throughout the organization with a clear focus on management functions. Semperit strives to initiate a rethinking process in the industrial labor market and to be an attractive employer for everyone, regardless of gender.

Semperit took another self-committed step forward in the advancement of women in 2023 by becoming a signatory to the Women's Empowerment Principles (WEPs). As part of the UN's FORWARD FASTER initiative, the WEPs are a set of principles that provide guidance to companies on how to advance gender equality. By signing the UN Women's Empowerment Principles, the Executive Board emphasizes its support in achieving the goals set to achieve gender equality at Semperit. This also includes gender equality in wage and collective bargaining policy. The focus here is on reducing gender-specific pay inequalities. In 2023, pay inequalities amounted to 15 % across the Group, when comparing average hourly wages of female and male employees (not including data from employees in the Sempermed examination gloves division and the Rico Group).

PROMOTION OF WOMEN ON THE SUPERVISORY AND EXECUTIVE BOARD LEVELS

A written version of a diversity concept for the Supervisory Board of Semperit AG Holding was adopted on 1 February 2018 and updated in 2021. Since May 2017, the Supervisory Board of Semperit AG Holding has fulfilled the quota of women required by law since 2018. At Executive Board level, the increased proportion of women of 33 % from 2022 could not be maintained in 2023. In spring 2020, a female CFO took over the position for the first time, who was replaced by a male successor by the Supervisory Board in 2022.

"WE BELIEVE THAT VALUING DIVERSITY IS A STRATEGIC ADVANTAGE AND A MORAL IMPERATIVE. WE ENDEAVOUR TO BREAK DOWN BARRIERS, PROMOTE AN INCLUSIVE CULTURE AND OFFER EQUAL OPPORTUNITIES TO EVERY WOMAN IN OUR COMPANY. WE SEE IT AS AN OPPORTUNITY TO DRIVE CHANGE IN A TRADITIONALLY MALE-DOMINATED INDUSTRY. OUR GOAL IS TO BUILD A FUTURE THAT IS BOTH FAIR AND COMPETITIVE, PROMOTES INNOVATION AND MAKES INDUSTRIAL COMPANIES ATTRACTIVE WORKPLACES FOR PEOPLE OF ALL GENDERS."

Karl Haider, CEO

UN WOMEN
United Nations Entity for Gender Equality and the Empowerment of Women

United Nations Global Compact

GENDER PAY GAP[1]

Average gross hourly wage for male employees – 2023	23.65 €
Average gross hourly wage for female employees – 2023	20.08 €
Difference in the average wage level between female and male employees – 2023	15.07 %

[1] The data on the gender pay gap shows the differences in hourly wages between men and women in euros. Basic salaries, bonuses, premiums and supplements were taken into account, while overtime bonuses and remuneration were excluded (data from employees in the Sempermed examination gloves division and the Rico Group are not included).

To calculate the average hourly wage, a weighted average was calculated at country level. This approach attempts to reflect the regional wage difference. It thus provides a comprehensive overview of the gender pay gap, which reflects the complexity of the economy in the individual countries.



AGE

Goal: By the end of 2025, Semperit will ensure equal treatment of all age groups in policies and company practices in recruitment, promotion and development. This will be achieved through a change in corporate culture by implementing at least five defined initiatives with a focus on removing systematic barriers and prejudices against all age groups.

Realized to date: In a pilot project at the Newnan site in the USA, an unbiased application process was tested using anonymized applications without demographic data in order to facilitate an open and fair search for and recruitment of new employees. In Austria, a pilot project was launched in which exit interviews were sensitized to D&I and potential backgrounds related to inequality were investigated.

Further planned measures: The results of both pilot projects from 2023 will be evaluated in order to plan a regional or Group-wide rollout in the coming months. In addition, the possibilities for a knowledge map, which is a documentation and structured transfer of specialist knowledge and expertise from older colleagues to younger successors, are being investigated.



PEOPLE WITH DISABILITIES

Goal: Based on the model of the pilot project carried out in Austria in 2022, initiatives will be implemented at all Semperit locations by the end of 2023 which will help to identify and analyze the needs of employees with disabilities even more precisely and to bring about improvements. The approach is based on the identification of local system barriers at the site and their targeted elimination.

Realized to date: Action, cost and implementation plans have been developed at all production sites to make the workplaces and the site more inclusive for employees with disabilities. For example, designated car parks have been introduced, and accessible toilets have been planned. In addition, local government regulations and provisions such as the ADA (Americans with Disabilities Act) have been taken into account.

Further planned measures: Continued implementation of site-specific action plans and ongoing identification of further improvement measures in workplace design, communication and the application process.



CULTURE AND INTERCULTURAL COMPETENCE

Goal: Until the end of 2025, Semperit will strengthen the intercultural competence of all employees with continuous awareness-raising communication measures and ensure that all blue- and white-collar workers complete awareness training to eliminate prejudices with regard to culture, origin and inclusion.

Realized to date: In 2023, targeted communication measures were implemented. Examples include: the cultural map of the Semperit Group, a graphic illustration of cultural and linguistic diversity at the Semperit sites; a video by employees for employees that describes ethnic and cultural diversity and inclusion at the Odry site. In addition, a global holiday calendar has been made available to all employees since 2023, which summarizes all national, cultural and religious holidays in all countries of the Semperit Group and supports fair planning of global meetings and events.

Further planned measures: Semperit is planning more accessible language training for all employees. In addition, Group-wide sensitivity training will be planned to counteract unconscious bias in terms of culture, ethnicity and beyond.

SEMPERIT

CHARTER OF DIVERSITY



CULTURE | GENDER | DISABILITY | AGE

At Semperit, we believe that diversity and inclusion are critical components to our success. We strive to create a workplace that fosters a connected and inclusive culture, where all employees have a sense of belonging, feel valued and free to be authentic, and are respected as individuals.

Our commitment to diversity and inclusion is reflected in the following principles:

- We believe that diversity strengthens our organization and helps us to better serve our customers and stakeholders.
- We recognize the importance of fostering a culture of respect, trust, and open communication, where everyone can feel safe and valued.
- We are committed to promote diversity at all levels of our organization and in all aspects of our operations.
- We are committed to provide equal opportunities for all individuals and to create a level playing field where everyone can succeed based on their skills and abilities.
- We recognize that creating a truly inclusive workplace requires ongoing effort and commitment, and we are committed to continuous improvement in this area.

To support these principles, we will:

- Provide training and development opportunities to all employees to support their understanding and appreciation of diversity and inclusion.
- Monitor and measure our progress towards achieving our diversity and inclusion goals, and hold ourselves accountable for making meaningful progress.
- Encourage open and honest feedback from employees on our diversity and inclusion initiatives and use this feedback to improve our practices and policies.
- Review our processes and practices to ensure that they are fair and equitable.

Karl Haider
CEO

Helmut Sorger
CFO

Gerfried Eder
CIO

Version 1, 06/2023

KEY FIGURES FOR EMPLOYEES

The Semperit Group records the gender of its employees according to the information in the official document in accordance with the categories prescribed in the respective country. The official categories are female, male, unknown, undeclared and non-binary. Due to this approach, Semperit can only fully report the gender according to the official document. At the beginning of 2024, the option was created in the HR system for employees to choose their preferred name and introduced for self-identification of gender together with self-identification of pronouns, names and preferred language. Employees can choose from over 60 internationally recognized gender categories and freely define their gender identity. However, this field is not used to record the different gender identities in detail for official reports. Rather, it only allows Semperit to report how many employees have used the option to self-identify. Semperit does not have the right to demand specific self-identification. In order to actively promote the self-determination of employees with regard to their gender identity, the company relies specifically on positive communication measures. These measures aim to create an inclusive and supportive work environment in which all employees feeling recognized and valued in their gender identity.

EMPLOYEES BY CONTRACT TYPE (FTE)

	2023	2022	2021
CONTRACT EMPLOYEES			
Europe	**37**	**48**	**47**
female	13	22	25
male	24	26	21
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Asia	**29**	**29**	**31**
female	1	1	1
male	28	28	30
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Americas (incl. r. o. t. w.)	**0**	**0**	**0**
female	0	0	0
male	0	0	0
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Total	**66**	**77**	**78**
PERMANENT EMPLOYEES			
Europe	**3,036**	**3,337**	**3,319**
female	777	886	870
male	2,259	2,450	2,449
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Asia	**747**	**3,005**	**3,466**
female	123	549	635
male	624	2,456	2,831
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Americas (incl. r. o. t. w.)	**56**	**97**	**87**
female	19	37	33
male	37	60	54
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Total	**3,839**	**6,439**	**6,872**

EMPLOYEES BY EMPLOYMENT RELATIONSHIP (FTE)

	2023	2022	2021
FULL-TIME			
female	866	1,418	1,490
male	2,948	4,992	5,360
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Europe	**2,985**	**3,282**	**3,268**
female	725	832	822
male	2,260	2,450	2,446
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Asia	**773**	**3,031**	**3,495**
female	122	549	635
male	651	2,482	2,860
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Americas (incl. r. o. t. w.)	**56**	**97**	**87**
female	19	37	33
male	37	60	54
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Total	**3,814**	**6,410**	**6,850**
PART-TIME			
female	66	77	74
male	24	28	25
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Europe	**88**	**102**	**97**
female	65	76	73
male	23	26	24
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Asia	**3**	**3**	**2**
female	2	1	1
male	1	2	1
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Americas (incl. r. o. t. w.)	**0**	**0**	**0**
female	0	0	0
male	0	0	0
non-binary	0	0	n.a.
undeclared	0	0	n.a.
unknown	0	0	n.a.
Total	**90**	**105**	**99**

NEW EMPLOYEES (HC AND %)

	2023	2022	2021
female	83 | 8 %	391 | 24 %	453 | 28 %
male	259 | 8 %	764 | 15 %	1,006 | 18 %
non-binary	0 | 0 %	0 | 0 %	n.a.
undeclared	0 | 0 %	0 | 0 %	n.a.
unknown	0 | 0 %	0 | 0 %	n.a.
Europe	293 | 9 %	510 | 15 %	560 | 17 %
Asia	23 | 3 %	605 | 18 %	865 | 24 %
Americas	26 | 42 %	40 | 42 %	34 | 43 %
< 30	94 | 16 %	625 | 32 %	901 | 39 %
30–50	197 | 8 %	458 | 12 %	479 | 42 %
> 50	51 | 5 %	72 | 6 %	79 | 2 %
Total	**342 | 8 %**	**1,155 | 17 %**	**1,459 | 21 %**

TURNOVER RATE (HC AND %)[1]

	2023	2022	2021
< 30	159 | 27 %	881 | 45 %	890 | 38 %
30–50	251 | 10 %	561 | 15 %	441 | 39 %
> 50	132 | 12 %	126 | 10 %	112 | 3 %
Europe			
female	120 | 13 %	147 | 15 %	95 | 10 %
male	273 | 12 %	262 | 10 %	200 | 8 %
non-binary	0 | 0 %	0 | 0 %	n.a.
undeclared	0 | 0 %	0 | 0 %	n.a.
unknown	0 | 0 %	0 | 0 %	n.a.
Asia			
female	14 | 11 %	278 | 45 %	306 | 46 %
male	84 | 12 %	840 | 31 %	830 | 28 %
non-binary	0 | 0 %	0 | 0 %	n.a.
undeclared	0 | 0 %	0 | 0 %	n.a.
unknown	0 | 0 %	0 | 0 %	n.a.
Americas (incl. r. o. t. w.)			
female	2 | 9 %	12 | 33 %	2 | 7 %
male	13 | 33 %	29 | 50 %	10 | 20 %
non-binary	0 | 0 %	0 | 0 %	n.a.
undeclared	0 | 0 %	0 | 0 %	n.a.
unknown	0 | 0 %	0 | 0 %	n.a.
total female	136 | 13 %	437 | 27 %	403 | 25 %
total male	370 | 12 %	1,131 | 22 %	1,040 | 19 %
total non-binary	0 | 0 %	0 | 0 %	n.a.
total undeclared	0 | 0 %	0 | 0 %	n.a.
total unknown	0 | 0 %	0 | 0 %	n.a.
Total	**542 | 13 %**	**1,568 | 23 %**	**1,443 | 20 %**

[1] The turnover rate includes employee turnover (voluntary terminations) as well as terminations by the company, expirations of fixed-term contracts, and retirements.

Rounding differences in the totaling of rounded amounts and percentages may arise from the use of automatic data processing. FTE = full-time equivalent; HC = headcount. The key figures include all employees from the fully consolidated companies of the Semperit Group without the Rico Group and the discontinued operations of examination gloves as of 31.12.2023. The employee data is collected directly at the individual locations. Definition of "contract employees": employees with a limited contract period including apprentices and trainees.

DIVERSITY (%)

	2023	2022	2021
Percentage of female members in the management bodies (Executive Board and Management Forum)	7 %	6 %	15 %
Percentage of male members in the management bodies (Executive Board and Management Forum)	93 %	94 %	85 %
Percentage of female members in the management bodies < 30 (Executive Board and Management Forum)	0 %	0 %	0 %
Percentage of female members in the management bodies 30-50 (Executive Board and Management Forum)	57 %	47 %	50 %
Percentage of female members in the management bodies > 50 (Executive Board and Management Forum)	43 %	53 %	50 %
Percentage of male blue-collar employees	81 %	82 %	82 %
Percentage of male white-collar employees	66 %	64 %	62 %
Percentage of female blue-collar employees	19 %	18 %	18 %
Percentage of female white-collar employees	34 %	36 %	38 %
Percentage of non-binary blue-collar employees	0 %	0 %	n.a.
Percentage of non-binary white-collar employees	0 %	0 %	n.a.
Blue-collar undeclared	0 %	0 %	n.a.
White-collar undeclared	0 %	0 %	n.a.
Percentage blue-collar < 30	18 %	31 %	34 %
Percentage white-collar < 30	11 %	12 %	15 %
Percentage blue-collar 30–50	54 %	52 %	48 %
Percentage white-collar 30–50	67 %	66 %	63 %
Percentage blue-collar > 50	27 %	18 %	18 %
Percentage white-collar > 50	22 %	21 %	21 %
Nationalities (total)	**60**	**64**	**65**
People with disabilities (in %)	**1 %**	**1 %**	**1 %**
Employees covered by collective pay scale agreements (in %)	**67 %**	**44 %**	**40 %**

CONTINGENT WORKERS (FTE AND %)

	2023	2022	2021
Europe	**135 | 98 %**	**235 | 94 %**	**288 | 71 %**
female	33 | 25 %	57 | 24 %	84 | 29 %
male	77 | 57 %	178 | 76 %	204 | 71 %
non-binary	0 | 0 %	0 | 0 %	n.a.
undeclared	25 | 19 %	0 | 0 %	n.a.
unknown	0 | 0 %	0 | 0 %	n.a.
Asia	**1 | 1 %**	**3 | 1 %**	**114 | 28 %**
female	0 | 0 %	0 | 0 %	25 | 22 %
male	1 | 100 %	3 | 100 %	89 | 78 %
non-binary	0 | 0 %	0 | 0 %	n.a.
undeclared	0 | 0 %	0 | 0 %	n.a.
unknown	0 | 0 %	0 | 0 %	n.a.
Americas (incl. r. o. t. w.)	**2 | 1 %**	**12 | 5 %**	**2 | 1 %**
female	0 | 0 %	2 | 17 %	0 | 0 %
male	1 | 50 %	10 | 83 %	2 | 100 %
non-binary	0 | 0 %	0 | 0 %	n.a.
undeclared	1 | 50 %	0 | 0 %	n.a.
unknown	0 | 0 %	0 | 0 %	n.a.
Total	**138**	**250**	**404**

EMPLOYEE SURVEY – FROM "MY VOICE" IN 2022 TO "WE ACT" IN 2023

The "myVoice" employee survey, which takes place at regular intervals, is an important tool for Semperit's human resource management to obtain feedback on working conditions and employee satisfaction. The anonymous survey is a seismograph for the mood among the workforces. It shows what employees see positively and what they view critically. Semperit derives targeted measures for a good working atmosphere and productive working conditions from the employees' feedback and, in particular, from their ideas and suggestions.

Many suggestions for improvement from the "myVoice" survey conducted in 2022, in which 59 % of employees across the Group took part and presented their views on various topics, were implemented as part of "weAct" 2023. Together with their teams, managers and team leaders defined one to two relevant measures per department intended to lead to visible improvements in the organization. The measures implemented in 2023 and their impact on employee satisfaction will be evaluated in the next employee survey, which will be conducted in 2025 at the latest.



8 MENSCHENWÜRDIG ARBEIT UND WIRTSCHAFTSWACHSTU

HUMAN RIGHTS AND SOCIAL STANDARDS

Semperit vehemently opposes child and forced labor and stands for fair wages as well as freedom of assembly and freedom of expression. There is zero tolerance for discrimination, harassment, and violations of minimum social protection and corporate principles, regardless of where in the value chain they occur. Information, training, and corrective actions will be used to ensure that high social standards are maintained everywhere and that human rights are respected at all times.

INFORMATION, TRAINING, AND CORRECTIVE ACTIONS WILL BE USED TO ENSURE THAT HIGH SOCIAL STANDARDS ARE MAINTAINED EVERYWHERE AND THAT HUMAN RIGHTS ARE RESPECTED AT ALL TIMES.



The principles and internal guidelines of the Semperit Group for respecting human rights and for interacting with one another as well as the applicable social standards are defined in the Code of Conduct as well as in the People Policy and the Supplier Policy, which are publicly available on the Semperit website[1].

The Semperit Code of Conduct must be signed by members of management. By signing, they confirm that they have understood and acknowledge the Code and that they will duly report all possible incidents. In addition, the People Policy was expanded to include a focus on diversity and inclusion in 2023 (for more information, see p. 136).

Since 2019, the Semperit Group has published an annual "Modern Slavery Act Statement". In accordance with the UK Modern Slavery Act of October 29, 2015, Semperit sets out the principles and preventive measures which the Group applies to prevent modern slavery and human trafficking in its sphere of influence – including supply chains. The Statement 2023 can be found on the Semperit website[2].

The principles and guidelines of the Semperit Group apply not only to employees but also to suppliers and other business partners. They are a precondition for establishing and continuing business relationships. All business activities must be conducted in accordance with the UN Guiding Principles on Business and Human Rights and the core labor standards of the International Labour Organization (ILO), as well as in strict compliance with local laws. Detailed information, for example on the ILO conventions applied, is set out in the Code of Conduct, which can be accessed on the website.

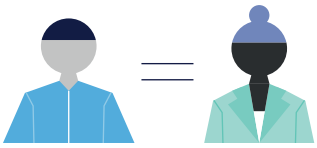
[1] https://www.semperitgroup.com/company/sustainability/sustainability-policies/

[2] https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Slavery-Act/ModernSlaveryStatementAct-FY-2022.pdf

In order to implement the provisions of the EU Taxonomy Regulation, Semperit carried out a detailed analysis in 2023 with the support of external experts to determine whether Semperit fulfills the minimum social protection criteria (Minimum Safeguards) throughout the Group. These are intended to help ensure that future economic activity is not only ecologically sustainable, but also compliant with human rights and fair. The audit was based on Article 18 of the EU Taxonomy Regulation (EU) 2020/852 and included Semperit's compliance with the OECD Guidelines, the UN Guiding Principles, the Fundamental Principles of the International Labour Organization and the International Bill of Human Rights. The result proves that Semperit complies with the high social standards and in particular human rights and thus fulfills the minimum safeguard.



THE SEMPERIT PRINCIPLES



Discrimination of employees is not tolerated. Semperit provides equal opportunities.



Local laws regarding maximum acceptable **working hours** are observed.



Employees are hired based on written **employment contracts** and documented employment relationships in accordance with the law.



Care is taken to ensure appropriate and fair **remuneration** under consideration of local market conditions.



Child labour and other forms of **exploitation** of human beings are not tolerated.



The employees' right of **free formation of opinion** and expression is respected.

CORE ELEMENTS OF HUMAN RIGHTS DUE DILIGENCE

In order to meet the corporate due diligence obligation to respect and safeguard human rights, the OECD Due Diligence Guidance[1] recommends the following six steps for the fulfillment of due diligence for responsible business conduct. In line with this recommendation, the Semperit Group is taking measures to prevent violations and is developing appropriate activities to raise awareness and transfer knowledge. The specific measures taken by Semperit in connection with the individual steps are listed below.

1. **EMBEDDING AND PUBLIC COMMITMENT**
   Definition and anchoring of the relevant principles in the corporate policy (Code of Conduct, policies, Modern Slavery Act Statement, confirmation of compliance with the United Nations Global Compact Principles and the UN Women Empowerment Principles, Diversity Charta, etc.) and the management systems

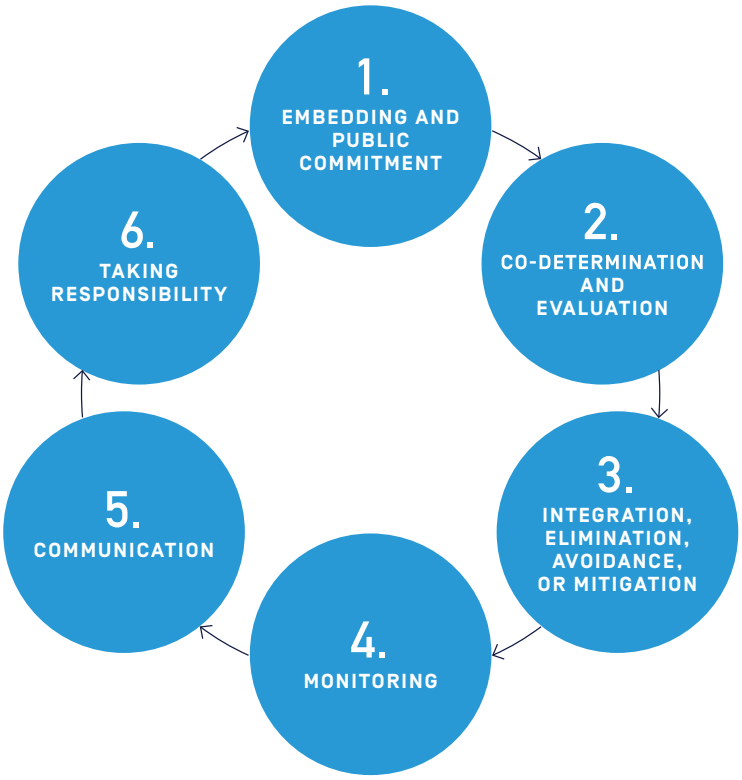
2. **IDENTIFICATION AND ASSESSMENT**
   Identification and assessment of actual or potential negative impacts from direct or indirect business activities (assessment of impacts, risks and opportunities as part of the annual ESG risk process as well as traditional risk management and the Impact, Risk and Opportunity (IRO) analysis based on the European Sustainability Reporting Standards (RS) – see p. 38 ff)

3. **INTEGRATION, ELIMINATION, AVOIDANCE OR MITIGATION**
   Incorporating the findings from the impact assessments obtained in step 2 into all relevant company processes and taking appropriate measures (knowledge transfer, training and awareness-raising, whistleblower hotline, employee surveys, etc.).

4. **MONITORING**
   Effectiveness of measures and procedures to address negative impacts is tracked (internal and external audits (Business Social Compliance Initiative BSCI, Impactt, TfS Audits), rating and monitoring by EcoVadis, Integrity Next, etc.)

5. **COMMUNICATION**
   regarding measures taken and their impact (Modern Slavery Act Statement, Sustainability Report, progress report within the context of the UNGC and the Women Empowerment principles, internal and external communication measures, etc.)

6. **TAKING REPONSIBILITY**
   Development of or participation in remedial actions where needed (cooperating with relevant organizations and initiatives such as "Together for Sustainability")



[1] https://www.ohchr.org/en/special-procedures/wg-business/corporate-human-rights-due-diligence-identifying-and-leveraging-emerging-practices

EXTERNAL AUDITING

To ensure compliance with Group-wide social standards as well as the efficacy of the measures taken in the context of the due diligence process described above, Semperit has relied on external audits of its production sites in accordance with the principles of the amfori Business Social Compliance Initiative (BSCI) for many years. The focus of the BSCI audits is on promoting fair working conditions and respect for human rights.

→ The site in Kamunting, Malaysia, was improved to an "A" rating in the annual audit in December 2022. The top grade was achieved primarily through successfully implemented measures in the area of health and safety in the workplace and is valid for two years. The new owner HARPS will be responsible for recertification in the future.

→ In 2023, the Sopron site was audited together with the surgical glove production at the Wimpassing site by the external certified auditing partner Impactt. The assessment was not yet available at the time of publication of the report.

With the external social audit, about 30 % of the active Semperit employees and 7 % of the sites (100 % of the employees and 100 % of the sites with identified risk) were externally audited in accordance with the requirements of the amfori BSCI or Impactt in 2023.

SOCIAL STANDARDS

Protection of human rights and compliance with the highest social standards are must-haves when it comes to retaining existing employees and attracting new ones. The requirements of employees are also subject to change. Factors (high remuneration, hierarchical position) that may have been decisive in choosing an employer in the past are no longer necessarily paramount today. Instead, other aspects such as flexibility and a sustainable corporate strategic focus are gaining in importance.

SOCIAL DIALOGUE – FREEDOM OF ASSOCIATION, DIALOGUE AND CODETERMINATION

Semperit uses stakeholder dialogue and codetermination to strengthen employee loyalty while also taking into account the needs of all stakeholders in the best way possible. The exchange of information as well as mutual interests and requirements takes place at various levels. In addition to the company's regular staff meetings, regional committees, and other voluntary initiatives, Semperit naturally complies with all regulatory requirements that serve to represent the interests of employees and give them a say in matters. Works councils can be elected by the workforce in all Semperit companies, and the right to freedom of assembly and association is fully guaranteed. In all production companies and many sales companies, the interests of the employees are represented by a works council or a company trade union. These are active in line with national laws and regulations. There is also a European Works Council at Semperit.



China: The trade union at the Chinese sites is led by the local government union. In addition, Semperit proactively fosters a local feedback culture with a wide range of communication tools. These range from staff meetings, plant tours, and selected contacts from the HR department to the Semperbox or large event formats such as town halls, which are aimed at all employees and serve to disseminate information widely and answer questions from the workforce.

Germany: The sites Hückelhoven and Deggendorf have elected works councils that represent the rights of employees in daily operations in accordance with local labor law. The Deggendorf and Waldböckelheim sites have already concluded external collective agreements. The Hückelhoven site is currently negotiating an external collective agreement.

France: The employees in France are covered and represented by a local collective agreement and an employee advisory committee (works council).

India: In accordance with the provisions of the Trade Union Act, employees are represented by a trade union (internal union) which interacts with management through monthly meetings.

Malaysia: There is an active works council in Malaysia, which meets every month with management, including the managing director. Proposals, complaints, grievances, and suggestions for improvement from the employees are discussed in the course of these meetings. In addition, there are several additional feedback options such as the Semperbox, which can be used to submit suggestions in writing.

Austria: There is a works council for both white-collar and blue-collar employees, with which the local management cooperates closely and regularly. Quarterly meetings are held with representatives of the Executive Board and local site management to provide information on ongoing business issues and discuss them together. All employees in Austria are covered by collective bargaining agreements.

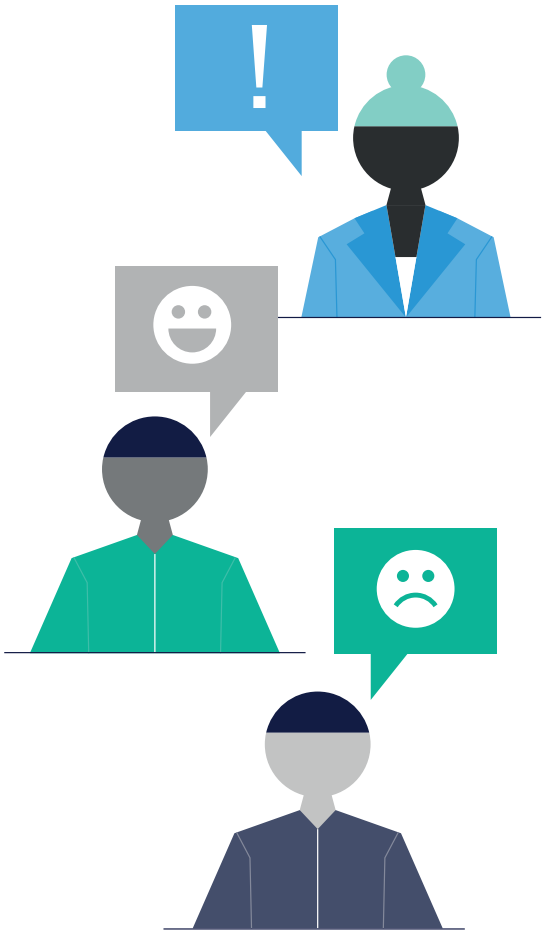
Poland: There are two trade unions in the Polish organization, which cover different groups of workers. Due to the good relationship with these unions, the Polish employees are covered by a voluntary collective agreement.

Czech Republic: The workers and employees at the Czech site are represented by a works council that works together regularly and closely with local management. In connection with this, quarterly meetings are held with representatives of the HR department and local management.

Hungary: There is a works council representing all employees at each of the Hungarian production sites.

United States of America: Because the concept of works councils is not widespread in the United States, so-called officially published employee handbooks define common standards and rules for all employees. These handbooks are in line with market practices in the US and define Semperit's role as a responsible and attractive employer.

Social dialogue and human rights due diligence are also exercised outside the company. For example, all suppliers participating in the EcoVadis assessment must also disclose information on whether the right to freedom of association and collective bargaining is threatened in their company, or how this right is ensured. In addition, the Semperit Supplier Policy[1] requires suppliers to comply with these human rights.



[1] https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Lieferanten/Supplier_Policy_English_20220525.pdf

FAIR WAGES AND COLLECTIVE AGREEMENTS (PAY-SCALE AGREEMENTS)

Semperit ensures remuneration in line with the market for all employees. The wages paid are based on the customary remuneration for a comparable position in the relevant environment. This includes the application of pay-scale (in Germany) or collective agreements (in Austria) at some locations (Austria, Germany, Czech Republic, Poland, France, and India). Approximately 67 % of all Semperit employees are subject to a collective bargaining agreement. Furthermore, Semperit offers variable compensation components based on individually agreed targets or group targets. The Semperit bonus policy governs the principles of Group-wide bonus remuneration. The standardized Group-wide bonus scheme applies to all employees above a certain level (experts and above). Employees not covered by these rules are subject to local bonus schemes as well as incentive systems that vary by country, area of work, and position, such as:

China: The local bonus policy is aimed at all employees who are not covered by the Group bonus policy. China has an employee handbook for the management of employee performance. The performance management policy is linked to the bonus policy to encourage high participation and provides for regular feedback meetings.

India: For employees, especially hourly workers who are not part of the Group-wide bonus scheme, the local bonus is based on the nationally applicable bonus law and the conditions set out in the collective agreement. In addition, there are specific guidelines and standards for employee instruction, which are used for evaluation. The Indian site also offers a quarterly production incentive program linked to quality and output, thus linking company performance to employee performance.

Malaysia: The bonus takes into account the length of service with the company. Attendance is used as a measure of commitment and loyalty. Employee retention measures take into account and reward length of service. All work processes are specified by standard operating procedures (SOP). New employees are trained on the basis of the relevant SOPs and their learning efficiency is assessed. Regular reviews are conducted to assess performance levels, and employees who fall behind are supported through a wide range of training programs.

AWARENESS-RAISING AND COMMUNICATION

The principles and rules of conduct in the area of human rights and social standards, to which Semperit is committed, are defined in multiple guidelines. To ensure that employees, suppliers, and other business partners comply with these requirements in daily work and cooperation, the rules must be clearly communicated and made known to everyone. Semperit carries out the following information and training activities relating to this:

- → Annual update and publication of the Semperit Group's Modern Slavery Act Statement
- → Update and accompanying communication of the Group-wide Code of Conduct
- → Online training on the Code of Conduct for all employees with a focus on the topic of human rights, particularly the forms and impacts of possible human rights violations along the supply chain.
- → Integration of human rights and social standards as a point of focus in the regular meetings of the Sustainability Council
- → Increased internal information and awareness-raising by the Compliance and ESG departments
- → Implementation of Group-wide online training courses such as "ESG" or "Responding to harassment" with a focus on human rights and social standards within the company. In 2023, 90 % of active employees were trained (3,437 training hours in total, an average of 0.87 hours per employee).
- → Participation in stakeholder events to share experiences and jointly plan possible further steps
- → Special focus on the topic of human rights and further work in this regard in the course of the industry initiative "Together for Sustainability", which will serve to further raise the industry standard in this area and minimize violations in the future



0 %
violations

90 %
employees trained[1]

100 %
sites audited[1]

[1] Target achievement applies to all employees and sites characterized by a corresponding risk.

OVERVIEW OF THE OBJECTIVES OF "RESPECTING HUMAN RIGHTS" WITHIN THE FRAMEWORK OF THE SUSTAINABILITY STRATEGY 2030

Measures to safeguard and respect human rights can be as wide-ranging as the various aspects of human rights (30 articles in the Human Rights Charter) and can range from risk assessments to addressing the issue proactively with measures and cooperation with partners to solve specific tasks. Here, Semperit primarily focuses on training and monitoring. In the coming years, employees working in potentially sensitive areas of human rights will be trained through e-learning courses and workshops. Managers at the headquarters and in relevant management positions at the sites will also attend these training courses. In addition to employee training, there is also a need for appropriate monitoring. Sites with a higher risk of human rights violations due to local conditions are regularly audited by external experts.

In addition, a detailed analysis of compliance with minimum social standards – known as minimum protection criteria – was carried out as part of the EU Taxonomy Regulation with the support of external experts. Among other things, it was confirmed that the guidelines – OECD Guidelines, UN Guiding Principles, Fundamental Principles of the International Labour Organization and International Bill of Human Rights (based on Article 18 of the EU Taxonomy Regulation (EU) 2020/852) – are met. With the combination of the measures described, Semperit assumes responsibility for compliance with high social standards and human rights in particular. Semperit furthermore plans to fulfil its human rights due diligence obligations in the supply chain more broadly and in-depth than previously. To this end, the company focuses on cooperation with the members of the "Together for Sustainability" initiative. This is because industry-wide synergies should be used, particularly with regard to supply chains, in order to create a sustainable impact.



GOVERNANCE

Compliance and anti-corruption 130
Sustainability in the supply chain 139

Sustainable corporate governance is designed to balance the interests of stakeholders, protect the environment and ensure long-term economic success. In order to achieve this and to successfully anchor, monitor and manage sustainability within the company and in the supply chain, Semperit has created a binding regulatory framework. It defines which values, principles, rules and regulations apply and how their compliance is organized and monitored by the company.

Good and sustainable management of an international company requires managers who fulfil their function as role models, and clear guidelines for themselves, employees and other stakeholders. Semperit refines these guidelines on an ongoing basis, taking account of developments both inside and outside the company, and the risks and opportunities arising from such developments. The focus is on topics such as the protection of human rights, compliance with laws and basic ethical rules, the fight against corruption, and the promotion of transparency and accountability. Semperit provides training for managers and employees to ensure that they are aware of the guidelines and know how to apply them in their daily business. In addition, awareness campaigns are conducted to show all employees how they can contribute to the sustainable development of Semperit. By incorporating the sustainability goals into the remuneration system, there is an incentive to ensure that these goals are consistently pursued and jointly achieved. These coordinated measures form the basis of Semperit's "good governance" and the sustainable orientation of the company.

Should there nevertheless be violations of laws, deviations from guidelines or unacceptable behavior within the company, employees and managers are encouraged to report this. This can be done in a direct conversation with superiors or anonymously via the "SemperLine" whistleblower hotline Since corporate responsibility does not stop at the company's own doorstep, but also encompasses the supply chain, Semperit ensures that high environmental and social standards are also met in the supply chain and negative impact is avoided. Previously, Semperit's targets and guidelines in this regard only applied to those suppliers from whom the company purchases goods that are directly related to the manufacture of its products ("Direct Spend"). In the reporting period, Semperit expanded the focus to include all expenses ("Total Spend") and thus ensured that all suppliers, regardless of which goods or services Semperit purchases from them, must comply with ESG requirements.





COMPLIANCE AND ANTI-CORRUPTION

Legal compliance is the foundation of corporate responsibility. Compliance with competition law, the prevention of corruption, and bribery are prerequisites for fair competition. It is the task of corporate governance to ensure legal compliance and, beyond that, guarantee compliance with other external guidelines and internal policies. Semperit's compliance management uses various processes and tools for this purpose. These include training courses and a comprehensive and low-threshold reporting system (whistleblowing) in the event of violations and misconduct. The general corporate values and in particular the compliance principles form the normative framework.

The corporate values of the Semperit Group are an integral part of the corporate culture and are based on the following principles: "We trust, we create, we own and we deliver."

Semperit's compliance management is also supported by specific principles that apply to the entire Group:

Compliance with domestic and international law

Respecting ethical, ecological, and social interests

Fostering a speak-up culture without any fear of retaliation

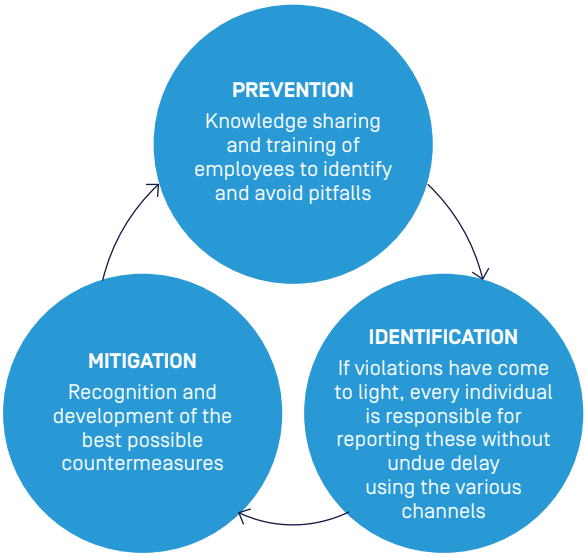


Dedication to a business free of corruption or any other criminal activity

Promoting fair competition

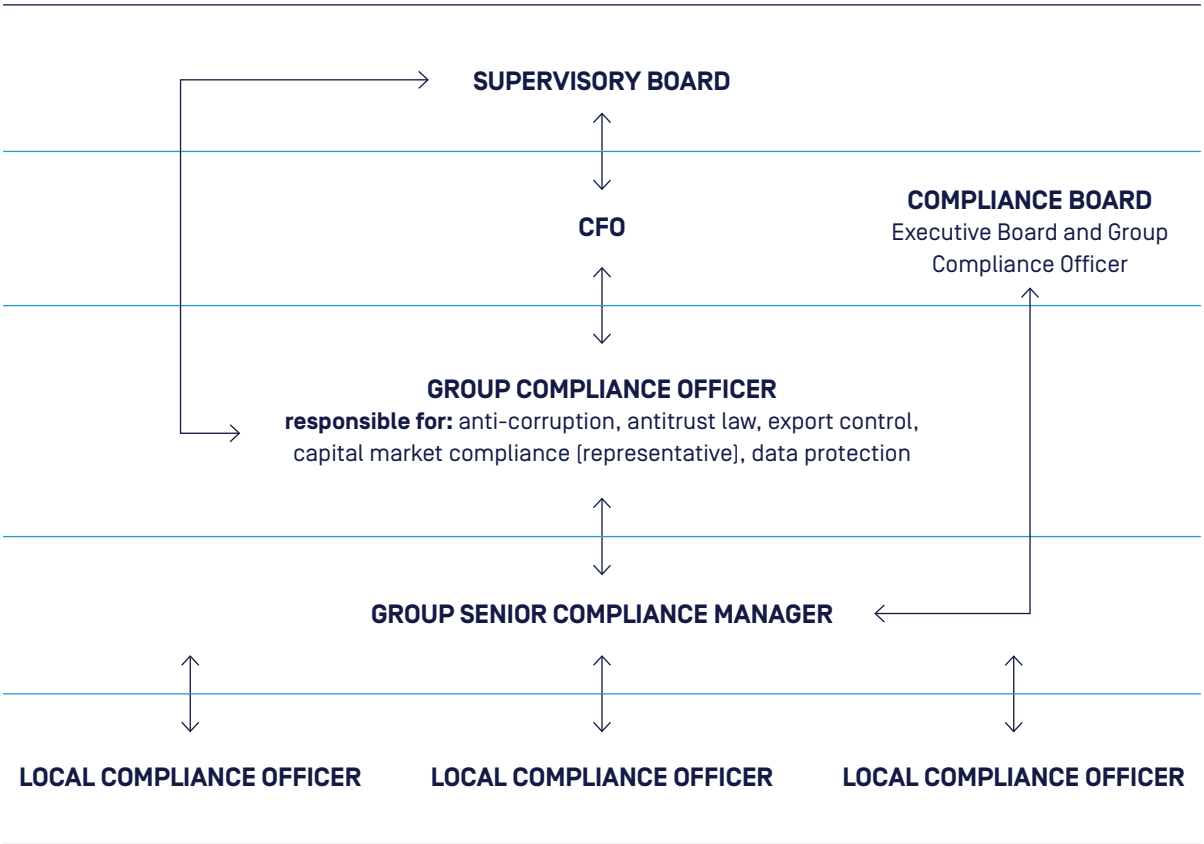
Protecting human rights

Compliance management aims to prevent potential misconduct, identify any violations and take measures to eliminate them and, if necessary, to mitigate or redress them. Various tools are used to do this, which deal with a wide range of compliance issues and follow three main approaches:



RESPONSIBILITY AND ORGANISATION

The highest authority in the area of compliance and anti-corruption is the CFO of the Semperit Group; the Group Compliance Officer reports to the CFO. Semperit has also established a Compliance Board (Executive Board and Group Compliance Officer) to deal with specific issues. The main focus is on ensuring compliance in the areas of anti-corruption, antitrust, export control and sanctions, and data protection. The Local Compliance Coordinators at the individual sites act as the first point of contact for compliance issues on site. They communicate directly with the Senior Group Compliance Manager, who works centrally and reports to the Group Compliance Officer and the Compliance Board. The Local Compliance Coordinators meet several times a year to discuss key topics and issues at Group and regional level. These (online) meetings primarily serve the purpose of further training, the determination of future focal points and the professional exchange of information.



COMPANY POLICIES AND CODE OF CONDUCT

In close cooperation with the respective experts, the Compliance department is responsible for creating and updating Group-wide compliance policies. The most important corporate guidelines[1] in the area of sustainability include the HSEQ Policy, People Policy, Supplier Policy or the Modern Slavery Act Statement, which, together with the Group-wide Code of Conduct[2], reflect Semperit's values and guidelines. In these policies, Semperit refers to the relevant international frameworks such as the OECD Guidelines (of the Organization for Economic Co-operation and Development) for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the SDGs (Sustainable Development Goals), the UNGC (UN Global Compact) and the Paris climate protection goals and commits to the principles, targets and objectives contained in these frameworks.

The revised and expanded Code of Conduct provides a comprehensive overview of the regulatory framework consisting of principles, guidelines and instructions, and helps to ensure that employees behave ethically and in accordance with the company's values and guidelines.

Semperit's Code of Conduct sets clear standards and expectations regarding how to act and react. The responsibilities and accountabilities of employees, managers and business partners were also precisely defined. The Code of Conduct also contains requirements on human rights and sustainability topics as well as IT and privacy statements. It also refers to the possibility and importance of whistleblowing and explains the tools available for reporting misconduct.

The Code of Conduct is available in 13 languages. Communication and promotional materials developed to bring the Code of Conduct including its compliance provisions closer to the various target groups within the company in a practical way are also accessible in all relevant languages. These include, for example: online and offline whistleblowing promotional materials, topic-specific postcards, content stickers and posters.

The materials and the topics they convey are geared to the specific work environment and needs of the employees and aim to raise their awareness of these issues. The materials are disseminated locally by the Local Compliance Coordinators as well as through Integrity Booths (designated places where information on the topics is presented and explained), training and other awareness-raising activities. The regular support of the Senior Group Compliance Manager allows the continuity of the planned activities.

MODERN SLAVERY ACT STATEMENT

The Modern Slavery Act Statement, which Semperit updates and publishes annually, sets out the company's strategies to prevent modern slavery and human trafficking. The Statement prepared in 2023 relating to 2022 is available on the Semperit website[3].

ISSUER COMPLIANCE STATEMENT

In order to prevent the improper use or dissemination of insider information as defined by stock exchange law, Semperit AG Holding has issued an Issuer Compliance Directive to implement and ensure compliance with all relevant provisions of stock exchange law. This area is monitored and administered by an Issuer Compliance Officer, who reports directly to the entire Executive Board.



[1] https://www.semperitgroup.com/company/sustainability/sustainability-policies/
[2] https://www.semperitgroup.com/company/compliance-code-of-conduct/
[3] https://www.semperitgroup.com/company/sustainability/sustainability-policies/

COMPLIANCE TRAINING FOR EMPLOYEES

In 2023, Group Compliance continued to update and improve the training offered in cooperation with several specialist departments and the locally responsible employees. New courses on specific compliance topics were introduced, including basic training on ESG (Environmental, Social, Governance) or bystanders. In addition, Semperit updated some existing training courses and relaunched the "Integrity Declaration".

The training courses were organized as required. The new catalogue of training courses includes courses on general compliance issues that are relevant to the whole Group as well as others that provide information on site-specific situations and problems. The training courses are held online or in the form of face-to-face events. The training course format depends on the topic, and the circle of participants. Most of the courses on the list are available to Semperit employees online via the e-learning platform.

The type of training course that employees are obliged to complete depends on their field of tasks and responsibilities. Basic compliance training courses are mandatory for all employees and are assigned to them via Semperit's training platform as soon as they join the company. In addition, numerous training courses have to be completed each year as a regular refresher of the course content. The employees must confirm in writing that they have completed the respective obligatory training and that the contents have been brought to their attention in a comprehensible manner. Furthermore, employees are assigned further training courses and e-learning programs that they must complete within a certain period of time, depending on their activities and area of work. The training program in the area of compliance covers the key areas and topics listed in the following table:

OVERVIEW OF EMPLOYEES TRAINED BY TOPIC AREA[1]

TRAINING FOCUS	NUMBER									
	2023						2022			2021
	Total	Female	Male	Non-binary	Undec-lared	Un-known	Total	Female	Male	
Corruption and bribery	1,160	411	749	0	0	0	402	238	164	50
Antitrust and competition law	482	236	246	0	0	0	269	152	117	42
Identification and prevention of fraud	1,621	580	1,041	0	0	0	1,215	728	487	316
Export control and Due diligence of third parties	319	122	197	0	0	0	172	82	90	–
Conflicts of interest	1,413	507	906	0	0	0	974	580	394	1,398
Harassment, discrimination, bullying	1,118	399	719	0	0	0	1,576	942	634	1,388
General compliance training[2]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	170	108	62	227
Gifts, travel and entertainment[3]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	30	20	10	56
Code of Conduct	1,903	699	1,204	0	0	0	1,147	696	451	1,167
Data protection	2,111	832	1,279	0	0	0	456	272	184	1,136
Sustainable Procurement (sustainability in the supply chain)[4]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	149	95	54	14
Cyber security (data security)	2,450	878	1,572	0	0	0	637	375	262	923
Whistleblowing	1,750	623	1,127	0	0	0	784	461	323	–
Sustainable business (ESG)	1,138	416	722	0	0	0	765	456	309	–
Total number of trained white-collar employees	**1,217**	**438**	**779**	**0**	**0**	**0**	**1,418**	**864**	**554**	**1,448**
% of trained white-collar employees	**100 %**	**100 %**	**100 %**	**-**	**-**	**-**	**81**	**84**	**79**	–
Total number of trained blue-collar employees[5]	**724**	**102**	**622**	**0**	**0**	**0**	-	-	-	-
% of trained blue-collar employees	**100 %**	**100 %**	**100 %**	**-**	**-**	**-**	-	-	-	-

[1] The data includes all employees who worked for Semperit in 2023 and successfully completed compliance training, excluding employees of Sempermed Examination Gloves, the Rico Group, temporary workers and apprentices. The annual declaration of integrity is part of the Code of Conduct training from 2023 and is not reported separately.

[2] Merged with the Code of Conduct training in 2023.

[3] Discontinued in 2023

[4] "Sustainability in the supply chain" was replaced by the "Sustainable company (ESG)" training in 2023

[5] The data for blue collar employees only shows the compliance training courses that are recorded in the system. Training outside the HR system is not included.

The training provided will be continuously expanded in terms of topics and available languages. It is particularly important to overcome the language barrier in the area of compliance. Offering key content in the most common Semperit languages is crucial when it comes to conveying knowledge successfully and creating awareness. This is the only way to ensure compliance with the guidelines and principles.

In addition to the online training courses, Semperit is increasingly relying on "classroom training courses". On the one hand, these serve employees whose languages are not yet included in the online training catalogue, and on the other hand, they can address those employees in particular who do not have access to the Group-wide e-learning platform. These training courses are delivered by the Group Compliance Officers, Senior Group Compliance Managers and Local Compliance Coordinators and are arranged individually and according to need.

In 2023, the Group Compliance department visited all Semperit sites and conducted live training for all employees. Classroom training offers space for mutual interaction and enables collaborative learning.

BUSINESS PARTNER CHECKS

These checks are used to screen business partners and are mandatory for companies located in risk countries or which have an increased risk profile for other reasons. Business partners with an elevated risk profile based on other criteria can also be screened. The checks apply to suppliers, customers, distributors as well as other third parties and serve to identify risks in advance of a cooperation, allowing for risk mitigating measures to be taken where necessary. These measures may lead to the termination of the business relationship.

In recent years, these checks have been successfully decentralized and extended to the competent departments, such as Purchasing and Customer Service. This is a basis for comprehensive screening and control of upstream supply chains regarding potential risks. Due to recent export restrictions and economic sanctions imposed in connection with Russia's war against Ukraine, Semperit has taken additional measures to prevent the related risks.

NEEDS-BASED RISK SURVEYS AS PART OF THE DUE DILIGENCE PROCESS

The Group Risk Management & Assurance department identifies and evaluates operational, legal, strategic and reputational risks for the Semperit locations on a regular basis and as required. Internal and external



risks are assessed, including environmental, social and governance (ESG) risks.

In 2023, 14 reviews were carried out (74 % of the sites). To this end, risk workshops were held on site with the respective experts from various departments, focusing on corruption risks, among other things.

SPEAK UP! AND THE SEMPERLINE WHISTLEBLOWER HOTLINE

Semperit's comprehensive "Speak up!" program offers all internal and external stakeholders the opportunity to report violations and incidents via various channels, such as direct communication of employees with supervisors and managers, the SemperBox for letters, direct e-mail and telephone contact with the compliance team on a global level and locally and the publicly available Semperit hotline SemperLine[1].

Reports can be submitted to the local or central compliance team anonymously or disclosing one's identity. SemperLine is a communication platform operated by an external partner, which serves the secure and confidential transmission as well as recording and processing of reports regarding violations of the regulations applicable at Semperit. The reports can be submitted securely and anonymously. If they are not made anonymously, Semperit treats the identity of the whistleblower with absolute confidentiality and protects all whistleblowers from retaliation. Since 2023, all reports received by the compliance team through the various channels have been recorded in this standardized system. The "Speak up!" campaign launched in 2021 was continued in the reporting period. Employees were made aware of the established complaints process through various communication channels and informed about how to report concerns about alleged incorrect behavior. The

[1] https://www.semperitgroup.com/company/compliance-code-of-conduct/semperline/

compliance organization reviews each report received and determines appropriate measures. In 2023, a total of 30 reports – 7 via SemperLine, 13 via e-mail, 1 via telephone, 5 via SemperBox, 1 per mail and 3 personally – were received, checked and investigated by Semperit. Measures were derived from the results of the investigations and implemented promptly.

DATA PROTECTION

After Semperit revised and updated its Data Protection Regulation in 2022, the affected processes were adapted in 2023. The Data Protection Regulation informs stakeholders about data processing activities and the exchange of personal data in peer-to-peer and business communication. It forms the basis for the systematic recording of complaints about alleged data misuse. The complaint is followed up on immediately and the alleged data misuse is investigated. In order to promote awareness of the issue of data protection and support employees in their efforts to ensure data security and privacy, various e-learning courses and on-site training sessions were held in 2023 by the Senior Group Compliance Manager, the Chief Information Security Officer (CISO) or the Local Data Protection Coordinators. In addition, Local Data Protection Coordinators meet regularly to discuss data protection issues at Group and location-specific level and to ensure continued compliance with legal requirements.

INFORMATION SECURITY

The objective of information security is to protect information and the information and communication technologies required for its processing and storage appropriately in the interest of Semperit Group companies, employees, business partners and customers.

The following protection goals are pursued:

- → Confidentiality (protection against access by unauthorized persons)
- → Integrity (protection against unauthorized modification) and
- → Availability (access on demand and protection against loss)

In order to reduce the risk of technical system failures and the associated additional expenses and loss of revenue, continuous measures are taken to increase the availability of IT, for example equipment of server rooms. Measures are also introduced to increase confidentiality (e.g. awareness training for employees) and integrity (e.g. data back-ups). In addition to the technical safeguards, the Group's Chief Information Security Officer ensures standardized control and monitoring (security governance) of information security throughout the Group. Information security risks are dealt with as part of Group-wide enterprise risk management.

In 2023, the first elements of a Group-wide information security management system were developed, including the following guidelines:

- End-User Guideline,
- Mobile Device Guideline,
- Incident Guidelines,
- Malware Guideline,
- Physical Control Guideline und
- Technology Guideline.

The CISO was spun off from the IT organization and now reports directly to the CFO to ensure independence from acute concerns and a high level of management agility. Consistent security governance includes ongoing measures and checks to prevent damage – for example through malware – and to reduce identified risks.

The human factor is particularly important in information security. Semperit strives to sensitize its employees to cybersecurity and to establish a proactive error culture. To this end, a comprehensive and uniform Group-wide awareness concept has been developed. In 2023, the focus of awareness measures was on recognizing and dealing with phishing e-mails. Communication and learning channels used included e-learning, training with interactive components, mock e-mails and dynamic screensavers.

CONSUMER PROTECTION

As a component manufacturer and business-to-business company, Semperit is not in direct contact with consumers. Nevertheless, consumer protection is of substantial concern. The Semperit Group attaches great importance to product safety and is therefore in close contact with business partners. In this context, relevant information is made available on request and dialogue with consumers is promoted in order to address relevant concerns. Contact options: SemperLine[1]. Furthermore, Semperit neither makes assurances nor conceals information that could have a misleading effect on business partners. Abusive marketing practices are to be prevented and uncovered through cooperation with public authorities. In addition, Semperit always strives to avoid negative effects on public health, safety or the environment that could potentially emanate from or be related to products of the Semperit Group.

[1] https://www.semperitgroup.com/company/compliance-code-of-conduct/semperline/



COMPLIANCE IN THE SEMPERIT GROUP[1]

TOPIC AREA	STATUS 2023	MEASURES AND TOOLS
Anti-corruption and anti-bribery	No confirmed violations	Code of Conduct, online training and individual training according to position and field of work, Supplier Policy, various reporting channels[2]
Anti-trust compliance	No confirmed violations	Expansion of the Compliance Management System, establishment of a Compliance Board, Business Partner Checks, risk assessment, online training, classroom courses and face-to-face training
Discrimination	No confirmed violations	Various reporting channels, Code of Conduct
Other human rights	No confirmed violations	Various reporting channels, Code of Conduct, People Policy, Supplier Policy
Anti-competitive behavior	2 current proceedings[3]	Various reporting channels, Code of Conduct, online training and classroom courses
Environmental compliance	No confirmed violations	Compliance with national limits and restrictions, HSEQ Policy
Compliance in the supply chain	No confirmed violations	Supplier Policy, supplier evaluation, Code of Conduct
Data protection and cyber security	No confirmed violations	Process development, data protection, cyber security and IT system controls
Compliance cases	30 compliance cases[4]	Various reporting channels, Compliance Board, increased communication measures
Compliance violations	No confirmd violations[5]	

[1] Data also includes Sempermed Examination Gloves, excluding Rico Group data.

[2] Group compliance e-mails, local compliance e-mails, in person, via SemperLine, Semperbox, by mail or telephone

[3] One company of the Semperit Group is involved in a competition law case. The proceedings are currently at a stage where the outcome cannot be estimated with sufficient probability. The proceedings are being handled in coordination with local specialists before the authority. The subsidiary is cooperating with the authorities responsible for the case and assures its full support. The management of the Semperit Group anticipates that these proceedings will not result in any significant impairment of the Group's assets, liabilities, financial position, and profit or loss. Provisions for the most probable amount according to the Semperit Group's assessment have been set aside in accordance with IAS 37 to cover the expected costs and the corresponding risk. Any need for adjustment is reassessed periodically.

[4] It is important to note that the number of reports is not indicative of their content or impact. Each report is taken up by the Compliance Board, followed up and appropriate measures are taken, depending on the nature of the incident. Since 2023, the Semperit Group has had a uniform whistleblowing management system that covers all reports received by the Group's compliance department. Previously, reports were only reported as cases via SemperLine.

[5] There are no violations of compliance-relevant laws that have been legally established by a court or an authority. There are no cases that result in either significant fines or other sanctions due to non-compliance on the part of the public, the judicial authorities or other persons outside Semperit.

OVERVIEW OF "BUSINESS ETHICS" TARGETS AS PART OF THE SUSTAINABILITY STRATEGY 2030

"Compliance with all legal requirements is the foundation of corporate responsibility and thus the basis of our actions." In order to give this principle weight in the Sustainability Strategy 2030, the topic of business ethics was included and relevant targets defined for the next few years:

- → Establishment and maintenance of the Compliance programs
- → Expansion of the training program in the area of compliance and allocation of the relevant training courses to managers and employees
- → Promoting a culture of trust through communication and awareness raising
- → No violations of relevant laws confirmed in a final decision by a court or authority



100 %
employees trained

47
communication measures

0
legally enforceable violations

Semperit also implemented numerous measures to further develop the compliance program in 2023. The main goal was to strengthen and deepen awareness of compliance issues and rules among employees. The topics relevant to Semperit in the context of integrity and compliance were concretized and the corresponding instruments for managing these areas were implemented. The relevant activities include the development and adaptation of guidelines, policies and processes, the provision of appropriate training programs, extensive communication measures and the expansion of reporting mechanisms.

As part of the systematic maintenance of the compliance program, a new Group-wide Code of Conduct was published at the beginning of 2021. The human rights and sustainability topics included in 2022 as well as information and guidelines on whistleblowing, cyber security and data protection were passed on to employees in training sessions and e-learning courses. The compact presentation of the most important rules of conduct for our employees and business partners is intended to ensure compliance with the relevant legal requirements and the desired business ethics. Awareness-raising activities continued in 2023 at both Group and local level, and included the dissemination of various information materials and through local training sessions.

Ongoing employee training is an important focus, which not only enables the sharing of content, but also serves to raise awareness. The range of training courses is constantly reviewed and expanded in terms of topicality of content and potential new topics. Each employee is assigned relevant training content that they must complete depending on their position and activity. Since 2022, an integrity declaration, which was reissued in 2023, has been presented to all employees for electronic signature – and, if applicable, also a declaration of compliance with management rules. Relevant courses are mandatory for all employees. In addition, employees were trained on the use of certain compliance tools, such as the Business Partner Check and Data Protection Management from Group Compliance, in 2023. The aim was to promote and transfer knowledge on the one hand, and to train the relevant experts internally in the sense of "train the trainers" on the other. This initiative is aimed primarily at Local Compliance and Data Protection Coordinators and is intended to help them manage and communicate their focus in a targeted manner.

In addition to the overarching objective of "no legally valid violations of compliance-relevant laws", Semperit is increasingly working on a transparent and trusting corporate culture that promotes the addressing of concerns or potential misconduct without having to fear retaliation. An open corporate culture in which concerns or challenges can be addressed openly is intended to reduce or prevent "intentional" misconduct.

TRANSPARENT TAX MANAGEMENT

TAX CONCEPT

The tax management of the Semperit Group follows the concept of sustainable corporate management and the balanced consideration of economic, ecological and social aspects. An appropriate balance between the concerns of all parties interested in the company is the guiding principle. The following basic tax principles can be derived from the general corporate strategy:

The Semperit Group is also aware of its social responsibility towards the economy, the environment and society in tax matters and is committed to fulfilling this responsibility at all locations. Business transactions should be structured in a tax-efficient manner. In case of doubt, however, business considerations should take precedence over tax optimization ("tax follows business").

The main task of the tax function is to protect the assets of the Semperit Group and to minimize liability risks both for the executive bodies of the Group companies and for all employees entrusted with tax matters by complying with all relevant national and international tax laws and legal regulations. The Semperit Group does not engage in aggressive tax planning. Artificial tax structures that pursue the purpose of minimizing taxes are not implemented. The options provided by the legislator are to be exercised in the interests of tax optimization from the perspective of the Semperit Group. Transfer prices are not used for tax planning; tax is paid where the added value is generated.

TAX GOVERNANCE, CONTROL AND RISK MANAGEMENT

As an interface function within the Semperit Group, the Group Tax function plays an important role in the coordination between Group companies but also between the corporate functions, the divisions and individual business units.

In order to fulfil the principle of transparency and to ensure clear and open communication in the area of taxation as well, tax reporting is a central component of the Semperit Group's reporting system. Semperit's Chief Financial Officer is responsible for risk management, including tax risk. The Group Risk Management & Assurance department reports to the Audit Committee on a quarterly basis and ensures that the necessary risk control measures are implemented in tax management. Furthermore, the management of each individual Group company is obliged to comply with and implement the tax regulations. An external tax advisor must always be consulted for the tax assessment of material issues and tax returns. Tax management and risk management with the principle of transparency thus follow the OECD Guidelines[1] for Responsible Business Conduct.

INVOLVEMENT OF STAKEHOLDERS AND MANAGEMENT OF TAX CONCERNS

Dialogue with the tax authorities is open and objective in order to set out the Semperit Group's actions in a comprehensible and understandable way. The cooperation with the tax authorities is fair, constructive, cooperative and reliable. Irrespective of this, all legal and legitimate options and legal norms are exhausted, if necessary, in order to defend the legal tax positions of the Semperit Group. All tax-related obligations to cooperate are fulfilled; in particular, all retention, notification, declaration, submission and payment obligations in the countries in which the Group operates are implemented in a timely, lawful and comprehensive manner. The management of each company is responsible for the implementation of and compliance with tax regulations. Potential tax risks must be recorded by the individual companies and departments via the Group risk management system and the corresponding countermeasures are monitored on an ongoing basis. The Group Risk Management Report is regularly submitted to the Audit Committee. Non-compliant or questionable matters can be reported via the compliance hotline, which is part of the Group Compliance Policy. Furthermore, training courses and regular information on task-specific topics are used to ensure compliance on an ongoing basis.

COUNTRY-BY-COUNTRY REPORTING

Further information on country-by-country reporting can be found in the appendix on p. 154.

[1] https://www.oecd.org/publications/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct-81f92357-en.htm



SUSTAINABILITY IN THE SUPPLY CHAIN

As a globally active company, Semperit has a responsibility to ensure ecological and social standards within the supply chain. New EU provisions and regulations emphasize the importance of this issue. Semperit relies on the certification of suppliers by EcoVadis and has developed and implemented effective management tools with the Code of Conduct, the Supplier Guideline and the Business Partner Checks, thus ensuring sustainability in its supply chain. Semperit maintains good relationships with its suppliers and is in close dialogue with them regarding the requirements that the company places on them in the ESG context. A good feel for the market and for the specific situation of suppliers is a prerequisite for successful supplier development in terms of sustainability. Memberships and initiatives that promote the exchange of experience and cooperation within the industry and beyond to ensure sustainability along the value chain are also important.

SEMPERIT'S SUSTAINABILITY STRATEGY IS AIMED AT CONTINUOUS COOPERATION WITH SUPPLIERS AND THEIR ONGOING SUSTAINABLE DEVELOPMENT.



The Group-wide Code of Conduct and the Supplier Policy of the Semperit Group set out the ethical, environmental, and social principles that Semperit abides by when selecting suppliers and working with them. These guidelines are available on the company's website and form the basis foar long-standing trusted partnerships to which Semperit attaches great importance in its supply chain management.

SUPPLY CHAIN MANAGEMENT

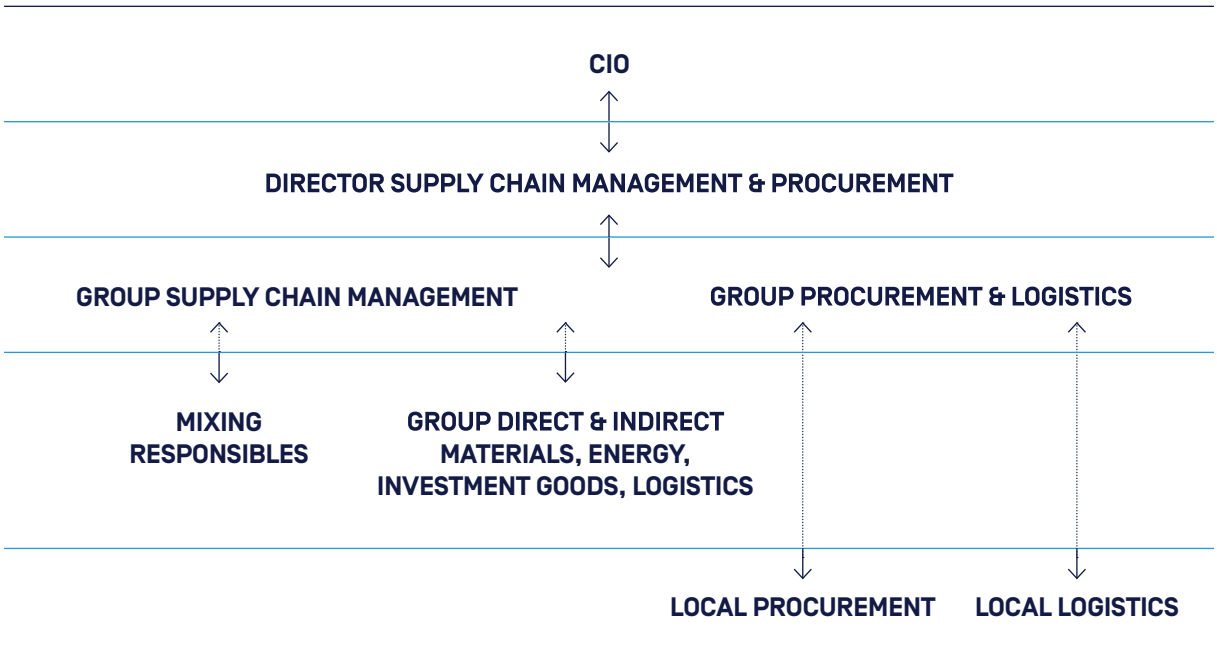
Purchasing is the remit of the Chief Industrial Officer and reports to the Director Supply Chain Management & Procurement. The purchasing team comprises 49 employees (until 31.08.2023 11 additional employees in the Sempermed examination gloves business; excluding the Rico Group), who work worldwide. The dispatchers for the compound raw materials report to the central Supply Chain Management. The individual sites are responsible for local purchasing and storage management but are centrally managed and supported by Group Procurement & Logistics as far as possible.

Central purchasing is divided into five thematic groups:

- **Raw materials**
  Rubber, latex, chemicals, carbon black, steel, textiles and packaging
- **Investment goods**
  Machines and vehicles
- **Logistics**
  Inbound and outbound logistics, warehousing
- **Indirect procurement**
  Office supplies and service providers
- **Energy**
  Gas, heating oil, electricity and steam

Semperit focuses on material purchasing when it comes to sustainable supply chain management. This is because, on the one hand, the purchasing of materials has a direct impact on the company's profitability due to the high proportion of material costs in the total product price; on the other hand, the procurement of materials is also potentially associated with the company's greatest indirect environmental and social impact. In 2023, the cost of materials was around EUR 204 million (until 31.08.2023 an additional EUR 38.8 million in the Sempermed examination gloves business; excluding the Rico Group) and thus around 39 % of revenue.

Global crises have also left their mark on Semperit and its suppliers. The sanctions imposed in the course of the war in Ukraine are being strictly observed. At the same time, the company had to restrict contact with Ukrainian suppliers, as production was partially shut down or transport could no longer be ensured. By contrast, the war in the Middle East, which broke out in 2023, initially had little impact on Semperit, as the company generally does not purchase brominated chemicals, which often originate from Israel. There is also general uncertainty on the energy markets due to the economic situation and global crises. Overall, this had little impact on energy expenses in 2023 compared to the previous year.



In the reporting period, energy expenses totaled EUR 38 million (until 31.08.2023 an additional EUR 24 million in the Sempermed examination gloves segment; excluding Rico Group) compared to EUR 88.9 million in 2022. However, prices fell significantly from the second half of 2023 onwards, reflecting the well-filled gas reservoirs, good hydroelectricity availability and the nuclear power plants in France being reconnected to the grid. Sea freight logistics was affected by the Covid-19 pandemic in 2021 and 2022. Transport and sea freight costs recorded a significant price reduction in 2023. In the meantime, ship passages through the Red Sea have been restricted due to the expansion of the conflict, leading to rising transport costs. For land freight, increased wages and salaries, improved social benefits and the demographic ageing of drivers have only had a minor impact on prices so far. Similar to Semperit, the material suppliers also have cost structures that are primarily determined by raw material and energy prices.

In terms of logistics, Semperit generally aims to make use of combined transport as much as possible. Thanks to close cooperation with existing suppliers and the expertise of experienced purchasers, the Semperit Group's supplier network has been largely stable for years and is subject to only minor fluctuations. Semperit endeavors to have at least one supplier in Europe and one outside Europe in its portfolio for all material groups in order to have an alternative source of supply in a different region in the event of regional supply problems. This reduces the risk of supply disruptions or other problems in procurement, such as those arising in the course of the Covid-19 crisis or as a result of the recent wars and the associated geopolitical tensions and economic sanctions.

Semperit typically avoids intermediaries and seeks direct contact with suppliers.

The change in the company structure – with the separation from the medical sector and the acquisition of the Rico Group – had no impact on existing suppliers thanks to the established supplier management. There is no overlap with existing suppliers, which implies a neutral approach to supplier management.



SUPPLY CHAIN AND INTERNATIONAL STANDARDS

A wide range of chemicals are needed for producing rubber products. Strict requirements must be observed and complied with when handling these chemicals, from transport and storage through to processing. In the EU, for example, the requirements of the REACH regulation (Registration, Evaluation, Authorization and Restriction of Chemicals) must be monitored on an ongoing basis and complied with. Semperit complies with all legal requirements with regard to the avoidance and substitution of hazardous substances at European, national, and regional levels.

Semperit sources and processes natural rubber, wood and palm oil derivatives, among other things, introduces products made from these materials on the EU market and exports such products from the EU. The company therefore falls within the scope of the upcoming Deforestation Regulation[1] (EU) 2023/1115. The ESG and Procurement teams are working together on the extremely complex and new issues associated with this regulation. Compliance with the new requirements is to be ensured within the framework of the existing supplier management processes. Semperit is in continuous dialogue with suppliers in order to be able to provide customers with appropriate evidence of deforestation-free products until the obligations of the regulation enter into force.

Semperit is also already in contact with the suppliers concerned by the climate protection instrument CBAM (Carbon Border Adjustment Mechanism), which provides for an emissions-based CO_2 price on the import of certain goods manufactured outside the EU. The aim is to establish complete and transparent reporting for 2026.

[1] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023R1115

NUMBER OF SUPPLIERS (RAW MATERIALS, PACKAGING MATERIALS AND TRADE GOODS WITH A PURCHASING VOLUME OF EUR >50,000 EUR PER ANNUM)[1]

Region	2023	2022	2021
Europe	177	198	191
Asia[2]	98	120	113
America (incl. r. o. t. w.)	3[3]	2	1

[1] The data includes Sempermed examination gloves, excluding the data of the Rico Group.
[2] Until 31.08.2023 29 additional suppliers of Sempermed in the examination gloves segment
[3] Until 31.08.2023 an additional EUR 74.0 million in expenses incurred by Sempermed Examination Gloves

MONETARY VALUE OF EXPENSES PAID TO SUPPLIERS (EUR MILLION)

2023	2022	2021
365.0	652.8	530.3

SUPPLIER EVALUATION

A systematic process for selecting and evaluating suppliers as well as close cooperation with suppliers ensure compliance with the standards defined by Semperit. Potential sustainability risks, which generally exist in connection with supply chains and supplier management, are identified as part of the annual reassessment of ESG risks. In addition, the selection of suppliers as part of the evaluation process is based on criteria such as procurement category, geographical presence of the suppliers, and total expenditures. In addition, the internal regulations provide for a Business Partner Check for every new supplier in order to verify whether the potential partner is also authorized to do business. This risk mapping is performed prior to deciding whether to conduct evaluations or audits in order to select the suppliers that should be evaluated or audited as a matter of priority. The evaluation process involves different methods and ranges from cognizance of the Supplier Policy, self-disclosure, or an evaluation by EcoVadis to conducting audits.

SUPPLIER POLICY AND BUSINESS PARTNER CHECK

The requirements that Semperit places on its suppliers in the ESG context are described in the Group-wide Supplier Policy and follow international guidelines such as the principles of the UN Global Compact, the Charter for Sustainable Development of the International Chamber of Commerce (ICC) Charter for Long-term Sustainable Development and the relevant Conventions of the United Nations International Labour Organization (ILO). Semperit expects its suppliers to comply with these standards and encourages them to take this responsibility into their respective supply chains. The Supplier Policy is sent to suppliers with a purchasing volume of over EUR 100,000 with a request for signature. In 2023, Semperit generated 54 % of its purchasing volume with suppliers who have signed the Semperit Supplier Policy, which is based on the principles and standards of the Code of Conduct (CoC), or follow their own policy, which must be at least equivalent to these standards. In addition, new and existing suppliers are subjected to a Business Partner Check (see page 134) by the Compliance Department in order to identify any risks in advance.

TOGETHER FOR SUSTAINABILITY (TFS)

SDG 17 "Partnerships for the Goals" makes it clear that in some areas it takes the combined effort and collaboration of multiple stakeholders to make a big difference. With this in mind, Semperit joined the "Together for Sustainability" (TfS) initiative in 2021. More than 50 well-known and internationally active chemical companies have joined forces in this initiative with the aim of making the global supply chains of the chemical industry more sustainable. Some of Semperit's suppliers are also taking part in this initiative. TfS evaluates the sustainability performance of suppliers with the help of expert opinions and audits and makes the results available to all members. The initiative follows the principles of the UN Global Compact and Responsible Care and proactively improves sustainable procurement in the chemical industry through the cooperation of its members. TfS is a global organization supported by regional working groups in Asia and North and South America.

TfS works closely with the EcoVadis supplier evaluation platform, which has gained importance across all industries in recent years. In addition to the supplier evaluations, TfS cooperates with recognized auditing firms and conducts on-site audits based on an audit standard developed for the chemical industry. All results, activities and developments are shared within the network with the aim of creating transparency, using synergies, and promoting sustainability at all levels.

Along with the EcoVadis evaluations and TfS audits, the close links between TfS members are at the forefront of the cooperation. In addition to the step-by-step evaluation of suppliers, the aim is also to address various challenges, such as offsetting and reducing Scope 3 emissions or ensuring compliance with human rights in the supply chain, and to develop solutions together. Each member is part of a topic-based

working group. Regular meetings provide a vehicle for a professional exchange of views and ensure that the high standards of the TfS initiative are maintained and that work on the various remits proceeds consistently.

Consequently, being part of the TfS network not only means purposefully driving sustainability issues forward, but also being a pioneer in developing the highest standards. TfS is not "only" a label that a company pays for, or where a company can be a passive observer; rather, the member company is also required to devote human resources to it and to make a considerable contribution in terms of work to the network. This ensures continuous improvement as was demonstrated by the fact that Semperit was awarded Platinum status – the highest possible sustainability rating – by EcoVadis again in 2023. More information can be found at www.tfs-initiative.com.

TOGETHER FOR SUSTAINABILITY

COURSES AND TRAINING

In 2023, Semperit continued to train and raise awareness among lead buyers in order to deepen the company's knowledge of how to ensure sustainability in the supply chain and how to select suppliers and integrate them into the TfS assessment process. In 2023, the purchasing team received training at various internally and externally organized events. The training program covered the use of the EcoVadis platform and also served to promote an understanding of social and environmental issues as well as the ability to identify and avoid risks.

SUPPLIER EVALUATION BASED ON SELF-DISCLOSURE

Suppliers with which Semperit does business in excess of EUR 500,000 per annum and which are unwilling to undergo an EcoVadis evaluation are evaluated using an online self-disclosure tool developed by Semperit. In addition to key operating figures, the self-disclosure includes information on environmental performance, such as whether the supplier has implemented a certified environmental management system, for example in accordance with ISO 14001, or whether and how it ensures compliance with human rights and other social standards and working conditions with a focus on health and safety.

INTERNAL AWARENESS-RAISING AND SENSITIZATION

Since 2021, Semperit has held an online employee training course dedicated exclusively to the various sustainability aspects along the supply chain. The ESG and Compliance departments were jointly responsible for selecting and developing the course content. The training course was initially assigned to selected positions within the Semperit Group. Since 2022, the e-learning course has been rolled out to all employees. In addition to the training and education that Semperit provides in order to incorporate sustainability into the procurement process, the Group-wide purchasing team is also increasingly concerned with international initiatives and benchmarks. Employees are involved for instance in activities organized by the German Rubber Manufacturers Association (Wirtschaftsverband der Deutschen Kautschukindustrie)[1] or the International Rubber Study Group, Singapore[2]. They also engage in constant dialogue with suppliers in order to drive developments forward together with them. This applies in particular to innovations in the area of materials.

HEAD OF QUALITY & SUSTAINABILITY OF PROCUREMENT

Since 2021, a member of the purchasing team has been established as the interface between sustainability and purchasing. Since 2023, this function has been anchored in the organization as the Head of Quality & Sustainability of Procurement (HQSP). In 2023, the HQSP's focus was on increasing the proportion of suppliers with an EcoVadis assessment, supporting suppliers in improving their ratings and preparing them for TfS audits. He/she also worked with employees from the ESG and R&D departments to calculate product carbon footprints (PCFs) in accordance with the new TfS PCF guideline. In 2023, the working group obtained primary data from suppliers for all important raw material categories (such as ethylene propylene diene rubbers/EPDM, natural rubber or carbon black) and calculated the PCFs for significant parts of the Semperit product portfolio. In addition, the HQSP is a point of contact for questions regarding existing and future regulatory requirements in the area of supply chain management.

[1] www.wdk.de
[2] www.rubberstudy.com

SUPPLIER COOPERATION

Semperit has set itself the goal of further promoting sustainability in the supply chain through supplier evaluations via EcoVadis or self-disclosure questionnaires as well as through close cooperation with suppliers and the joint implementation of improvement measures. Due to the portfolio and strategy changes, Semperit also evaluated and set a more ambitious target for sustainability in the supply chain in 2023. From 2024, Semperit aims to have all purchasing expenditures assessed by EcoVadis – in contrast to the current target, which only relates to direct materials. In this way, Semperit is further expanding its positive impact on sustainability in the supply chain. By 2030, the company aims to generate 75 % of its procurement volume from suppliers that have been screened against ESG criteria and meet Semperit's high standards.

OVERVIEW OF "SUSTAINABILITY IN THE SUPPLY CHAIN" TARGETS AS PART OF THE SUSTAINABILITY STRATEGY 2030

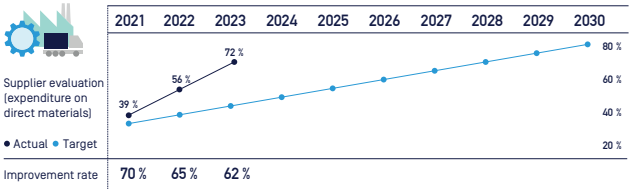
As part of the cooperation with TfS, Semperit is required to define annual quantitative goals that the company intends to achieve within one year. These goals include the number of suppliers evaluated via EcoVadis, the number of audits conducted, and the rate of improvement achieved in the course of repeated evaluations.

In 2021, Semperit began inviting its most important suppliers to have their sustainability performance evaluated using EcoVadis. As a result, Semperit was already able to source materials or services from 156 suppliers with an EcoVadis rating by the end of 2023. In 2023, Semperit decided to expand the previously set target from direct materials to the entire purchasing volume (direct materials, packaging materials, merchandise, logistics costs, services and services) and to achieve coverage of 75 % by 2030. In 2023, Semperit conducted 1 TfS audit and 4 audits on site at suppliers. Semperit is aware of the importance of on-site audits, which is why this topic is currently increasingly developed following the Covid-19 pandemic. The improvement rate in 2023 was 62 %. This means that 62 % of suppliers managed to improve their EcoVadis rating during the reporting period. The annual survey of this indicator is intended to show whether and to what extent the sustainability performance of suppliers is improving over the long term. It is therefore an important indicator for Semperit's Sustainability Strategy 2030, which does not aim for a one-time assessment regarding sustainability in the supply chain, but rather for continuous cooperation with suppliers and their ongoing sustainable development.

Semperit not only endeavors to source as much as possible from EcoVadis-rated suppliers. The company also specifies what rating result its suppliers should achieve and intends to raise this threshold in the future. Suppliers that are below the value are to be developed more intensively. In 2023, 19 suppliers (until 31.08.2023 11 additional suppliers in the Sempermed examination gloves business; excluding Rico Group) achieved a score below 45 – the current threshold value. Semperit will encourage and, if necessary, help these companies to take effective improvement measures.

Semperit continues to focus on the implementation of a circular economy and the increased use of recycled materials. Semperit maintains close and ongoing contact with the still few companies on the market that can supply recycled carbon black and reclaimed rubber. Both secondary raw materials are still only suitable for the production of Semperit products to a limited extent and remain a niche business with limited availability on the raw materials market. Nevertheless, Semperit is trying to strengthen these supplier relationships and jointly make the supply chain more robust in order to successively increase the use of recycled raw materials in Semperit products.

SUPPLY CHAIN MANAGEMENT





72 %
of expenditures for direct materials certified by EcoVadis

62 %
of suppliers improved their EcoVadis score



APPENDIX

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ABBREVIATIONS

BSCI ..... Business Social Compliance Initiative
CAPEX ..... Capital Expenditures
CDP ..... Carbon Disclosure Project
COP ..... Communication on Progress
CSDDD ..... Corporate Sustainability Due Diligence Directive
CSRD ..... Corporate Sustainability Reporting Directive
D&I ..... Diversity & Inclusion
dB ..... Decibel
DIN ..... Deutsches Institut für Normung
DNSH ..... Do no significant harm
EDI ..... Electronic Data Interface
EMAS ..... Eco Management and Audit Scheme
EPDM ..... Ethylene propylene diene rubber
ERP ..... Enterprise Resource Planning
ESG ..... Environment Social Governance
ESRS ..... European Sustainability Reporting Standards
EU ..... European Union
FTE ..... Full-Time Equivalent
GHG ..... Greenhouse Gas
GRI ..... Global Reporting Initiative
GWP ..... Global Warming Potential
HR ..... Human Resources
HSEQ ..... Health, Safety, Environment, Quality
HTR ..... Härtereitechnik Rosenblattl GmbH
IFRS ..... International Financial Reporting Standards
ILO ..... International Labour Organization
IPCC ..... Intergovernmental Panel on Climate Change
IRO ..... Impact, Risk und Opportunity Assessment
ISAE ..... International Standard on Assurance Engagements
ISO ..... International Organization for Standardization
KPI ..... Key Performance Indicators
MASE ..... Management system for health, safety and environment
MWp ..... Megawatt peak
NaBeG ..... Sustainability Reporting Act
NACE ..... Statistical Classification of Economic Activities in the European Community
NaDiVeG ..... Sustainability and Diversity Improvement Act
OECD ..... Organization for Economic Co-operation and Development
OPEX ..... Operational Expenditures
PCF ..... Product Carbon Footprint
PPSE ..... Personal Protective Safety Equipment
R&D ..... Research and Development
REACH ..... Registration, Evaluation, Authorisation and Restriction of Chemicals
SCMS ..... Semperit Combined Management System
SDG ..... Sustainable Development Goal
SEA ..... Semperit Engineered Applications
SIA ..... Semperit Industrial Applications
SOP ..... Standard Operating Procedure
TCFD ..... Task Force on Climate-related Financial Disclosures
TfS ..... Together for Sustainability
UGB ..... Austrian Commercial Code
UNGC ..... United Nations Global Compact
USA ..... United States of America
WEP ..... Women's Empowerment Principles

ABOUT THIS REPORT

This is the Group-wide Sustainability Report of the Semperit Group. The reporting organization is Semperit AG Holding. The report contains information and data regarding activities, achievements, and targets of the corporate group that are important in the context of sustainable development. It offers stakeholders comprehensive insight into Semperit's business activities and, in particular, describes how the Group meets its economic, social, and environmental responsibilities.

STANDARDS AND SPECIFICATIONS

The report was prepared in accordance with the GRI Standards (GRI 1: Foundation 2021). These standards are used and recognized worldwide as a framework for transparent and comparable sustainability reporting. The GRI Content Index in the appendix provides a detailed overview regarding the GRI standards covered in the report and where the respective information can be found.

The Austrian Sustainability and Diversity Improvement Act (NaDiVeG) – the national implementation of the EU Directive 2014/95/EU (NFI Directive) on mandatory reporting of non-financial and diversity-related information – has been in force in Austria since December 2016. This report fulfils the requirements of this law and is equivalent to a separate consolidated non-financial report pursuant to Section 267a of the Austrian Commercial Code (UGB).

Semperit has participated in the UN Global Compact since the beginning of 2021. This initiative calls on companies all over the world to apply ten principles from the areas of human rights, labor standards, environmental protection, and anti-corruption. This report documents the Group's achievements in the context of these ten principles and thus serves as a Communication On Progress (COP).

The disclosure of information on the EU taxonomy included in the report complies with the Taxonomy Regulation (EU) 2020/852 and the Delegated Regulation (EU) 2023/2485 amending Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2486 as well as the associated published FAQ.

REPORTING PERIOD AND CYCLE

The reporting period covers the 2023 financial year, which corresponds to the calendar year. To improve comparability and to make the development of the key figures visible over a longer period of time, the tables primarily show the last three financial years. Semperit publishes an annual Sustainability Report; the last one was issued in March 2023.

REPORT CONTENT

The content of the report was determined while taking into account the reporting principles defined in the "GRI 101: Foundation" standards. This report provides information on the material topics identified on the basis of the materiality analysis conducted in 2020 and the materiality analysis updated in 2023 in accordance with the ESRS. This does not correspond to full compliance with the reporting requirements based on ESRS. The topics and sub-topics from the ESRS identified as material at the end of 2023 will be reported on in the 2024 Sustainability Report.

CHANGES IN THE ORGANIZATION AND IN REPORTING

In accordance with IFRS 5, the earnings and balance sheet figures, and the key performance indicators of the EU taxonomy in this report relate only to continued operations excluding the discontinued medical business, including information from the acquired business division of the Rico Group. All other data and information continue to represent the continued and discontinued operations. In the reporting period, there were significant changes in terms of size and structure due to the divestment of the medical business on August 31, 2023, and the acquisition of the Rico Group on July 31, 2023. There were marginal changes in ownership in the reporting period – further details on changes can be found in the management report.

REPORTING BOUNDARY

All data and information in the "Semperit Group", "Social", and "Governance" chapters refer to the entire Group. The reporting boundary therefore includes all companies within the scope of consolidation. The examination glove business, which is part of the medical business sold in 2022, left the Semperit Group's scope of consolidation at the end of August 2023.

Therefore, the values of the examination glove business are only included in the key figures published in the report until the end of August (in the event of individual deviations from the reporting boundary, this is explicitly pointed out at the respective point in the report).

The Rico Group, which was acquired in July, was not included in the Semperit Group's scope of consolidation in 2023; integration is planned for 2024. Individual key figures and disclosures in chapters on sustainability and environmental management (energy, waste, water) and social issues (accident rate, number of employees) are explicitly noted. The revenue, capex and opex figures of the EU taxonomy include the key figures of all Rico locations in full.

There are further exceptions to the scope of consolidation and thus limitations to the reporting boundary for the environmental data in the "Environment and climate protection" chapter. It includes all production sites except the site in the USA and the German M+R Dichtungstechnik GmbH (full consolidation of the environmental data of both locations from 2024). 51% of M+R Dichtungstechnik were taken over by the Semperit Group in 2021. In order to make the transition as efficient as possible, Semperit relies on a gradual integration of the company into the Group structure, and complete consolidation of sustainability data until the acquisition of the remaining company shares at the end of 2025.

Data from the sales locations will not be collected due to their low environmental relevance. This restriction of the reporting boundary for environmental data was based on the criteria of materiality and the Pareto principle: The environmental impact of these companies is comparatively low, and the effort required to collect the environmental data would be disproportionately high. In the case of individual deviations from the report boundary, this is explicitly pointed out at the relevant point in the report.

DATABASE

Compared to the previous Sustainability Report, the depth of key non-financial figures has been improved, the data collection process has been optimized, and the consolidation framework has been aligned where possible. As part of the ongoing development of data management, the values for some key figures for past years may differ slightly from those published in previous reports.

→ The commercial data and financial information correspond to that published in the Annual Report 2023 and in the Consolidated Financial Statements according to IFRS contained therein.

→ Data on employment structure is primarily based on the personnel data system SuccessFactors; additional data has been collected manually. Due to a standardization of definitions and recording methods, which was completed in 2020, a consolidated presentation of all data is only possible as of 2020.

→ In the 2023 reporting year, the data on occupational safety and health protection originates from the company's internal database and is collected at site level and consolidated at Group level.

→ In the 2023 reporting year, data on energy originates from the company's internal database, is collected at site level and consolidated at Group level. For the key figure Energy Consumption of the Semperit Group by source (MWh) of 2020 and 2021, there was an adjustment in 2022.

→ The direct and indirect greenhouse gas emissions (Scope 1 and Scope 2) have been determined since the 2017 reporting year. All 7 greenhouse gases regulated under the Kyoto Protocol were taken into account in the calculation of the corporate carbon footprint. This includes:

- Carbon dioxide (CO_2)
- Methane (CH_4)
- Nitrous oxide (N_2O)
- Hydrofluorocarbons(H-FKW/HFCs)
- Perfluorocarbons (FKW/PFCs)
- Sulphurhexafluoride (SF6)
- Nitrogen trifluoride (NF_3).

Since the 2020 report, Scope 3 has also included business travel by air, rail, bus and leased or private cars (Scope 3-6) as well as purchased upstream and downstream logistics services (Scope 3-4 and Scope 3-9) in addition to fuel and energy-related emissions that are not included in Scope 1 or 2 (Scope 3-3). These categories are calculated in accordance with the Greenhouse Gas Protocol Corporate Standard.

Both the greenhouse gas emissions per life cycle inventory data (natural gas, liquid gas, heating oil, fuels, etc.) and the breakdown of fuel-related emissions into Scope 1 and Scope 3 are based on data from the Austrian Environment Agency from December 2023 and are applied to all countries under consideration.

Market-based greenhouse gas emissions of purchased electricity are calculated using the shares of the individual primary energy sources and the corresponding conversion factors from the Ecoinvent database in the current version 3.10 (2023). Location-based greenhouse gas emissions are taken from Ecoinvent 3.10, as are the conversion factors for business travel and logistics services. The aim in the future will be to successively develop the depth of data collection in the area of logistics and business travel and to continuously improve the completeness of the greenhouse gas balance sheet.

→ Supplier, material, innovation, and compliance data comes from the relevant departments and is subject to the data collection systems used there.

REFERENCE VALUE FOR SPECIFIC ENVIRONMENTAL DATA

Specific values in the "Environment and climate protection" chapter, such as energy intensity or greenhouse gas intensity, refer to the reference value "good product". The values for the Hoses, Form, Profiles and Belting businesses refer to the metric tons of produced goods, while the value for Sempermed refers to the number of produced gloves.

EXTERNAL AUDIT

This report was reviewed by an independent third party: Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. The review was planned and performed in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) from the International Federation of Accountants. The assessment was made with limited assurance. Further information on the scope and result of the audit can be found in the audit report. The Executive Board instructed the responsible employees of the respective departments to make the documents and information necessary for the review available in a complete and correct form. The report lists risks in line with the requirements of the Sustainability and Diversity Improvement Act based on the ESRS (see page 46 ff.). A comprehensive risk report can be found in the Group Management Report of the Semperit Group for 2023.

EU TAXONOMY REPORTING TEMPLATE

Proportion of turnover/Total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	**0.00 %**	**14.00 %**
CCA	0.00 %	0.00 %
WTR	0.00 %	0.00 %
CE	0.00 %	0.00 %
PPC	0.00 %	0.00 %
BIO	0.00 %	0.00 %

Proportion of CAPEX/Total CAPEX		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	**4.63 %**	**10.09 %**
CCA	0.00 %	0.00 %
WTR	0.00 %	0.00 %
CE	0.00 %	0.00 %
PPC	0.00 %	0.00 %
BIO	0.00 %	0.00 %

Proportion of OPEX/Total OPEX		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	**1.99 %**	**15.14 %**
CCA	0.00 %	0.00 %
WTR	0.00 %	0.00 %
CE	0.00 %	0.00 %
PPC	0.00 %	0.00 %
BIO	0.00 %	0.00 %

TURNOVER

Financial year	2023			Substantial contribution criteria						DNSH criteria (Do No Significant Harm)									
Economic activities	Code	**Absolute Turnover**	**Proportion of Turnover, year N**	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1	Category (enabling activity)	Category (transitional activity)
		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
3.5.Manufacture of energy efficiency equipment for buildings	***CCM 3.5**, CCA 3.5*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00 %	E	
3.6.Manufacture of other low carbon technologies	***CCM 3.6**, CCA 3.6*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
Turnover of environmentally sustainable activities (Taxonomy-aligned (A.1)		**0.00**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**		Y	Y	Y	Y	Y	Y	0.00 %		
Of which Enabling			**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**		Y	Y	Y	Y	Y	Y	0.00 %	E	
Of which Transitional			**0.00 %**	**0.00 %**	**0.00 %**						N	N	N	N	N	N	0.00 %		
A.2 Taxonomy-eligible but not environmentally sustainable acitivities (not Taxonomy-aligned activities)																			
3.5 Manufacture of energy efficiency equipment for buildings	***CCM 3.5**, CCA 3.5*	-100,923,506.27	14.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %	E	
3.6.Manufacture of other low carbon technologies	***CCM 3.6**, CCA 3.6*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								18.22 %	E	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activitites) (A.2)		-100,923,506.27	14.00 %	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**								18.22 %	E	
A. Turnover of Taxonomy eligible activities (A.1+A.2)"		-100,923,506.27	14.00 %	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**								18.22 %		
B. Taxonomy-Non-eligible activities																			
Turnover of Taxonomy-non-eligible activities		-620,157,480.49	86.00 %																
Total		-721,080,986.76	100.00 %																

CAPEX

Financial year		2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)									
Economic activities	Code	**Absolute CapEx**	**Proportion of CapEx, year N**	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1	Category (enabling activity)	Category (transitional activity)
		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
3.5.Manufacture of energy efficiency equipment for buildings	*CCM 3.5*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %	E	
3.6.Manufacture of other low carbon technologies	*CCM 3.6*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
4.1. Electricity generation using solar photovoltaic technologynot applicable	*CCM 4.1*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
5.2. Renewal of water collection, treatment and supply systems	*CCM 5.2*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	*CCM 6.5*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.1 Construction of new buildings	*CCM 7.1*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.2. Renovation of existing buildings	*CCM 7.2*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.3. Installation, maintenance and repair of energy efficiency equipment	*CCM 7.3*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	*CCM 7.4*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	*CCM 7.5*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	*CCM 7.6*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.7. Acquisition and ownership of buildings	***CCM 7.7**; CCA 7.7*	12,083,102.18	4.63 %	Y	Y	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00 %	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned (A.1)		**12,083,102.18**	**4.63 %**	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**		Y	Y	Y	Y	Y	Y	0.00 %		
Of which Enabling			**100.00 %**	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**		Y	Y	Y	Y	Y	Y	0.00 %	E	
Of which Transitional			**0.00 %**	**0.00 %**							N	N	N	N	N	N	0.00 %		
A.2 Taxonomy-eligible but not environmentally sustainable acitivities (not Taxonomy-aligned activities)																			
3.5 Manufacture of energy efficiency equipment for buildings	***CCM 3.5**; CCA 3.5*	4,805,799.74	1.84 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
3.6.Manufacture of other low carbon technologies	***CCM 3.6**; CCA 3.6*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								6.54 %		
4.1. Electricity generation using solar photovoltaic technologynot applicable	**CCM 4.1**; CCA 4.1	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								1.76 %		
5.2. Renewal of water collection, treatment and supply systems	***CCM 5.2**; CCA 5.2*	103,726.63	0.04 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	***CCM 6.5**; CCA 6.5*	2,989,843.21	1.15 %	EL	EL	N/EL	N/EL	N/EL	N/EL								3.59 %		
7.1 Construction of new buildings	***CCM 7.1**; CCA 7.1*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.02 %		
7.2. Renovation of existing buildings	***CCM 7.2**; CCA 7.2*	858.70	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.93 %		
7.3. Installation, maintenance and repair of energy efficiency equipment	***CCM 7.3**; CCA 7.3*	3,073,272.34	1.18 %	EL	EL	N/EL	N/EL	N/EL	N/EL								5.32 %		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	***CCM 7.4**; CCA 7.4*	79,433.85	0.03 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	***CCM 7.5**; CCA 7.5*	476,007.21	0.18 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.13 %		
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	***CCM 7.6**; CCA 7.6*	2,616,077.46	1.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.19 %		
7.7. Acquisition and ownership of buildings	***CCM 7.7**; CCA 7.7*	78,793.56	0.03 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activitites) (A.2)		14,223,812.70	5.45 %	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**								18.48 %		
A. CapEx of Taxonomy eligible activities (A.1+A.2)"		26,306,914.88	10.09 %	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**								18.48 %		
B. Taxonomy-Non-eligible activities																			
CapEx of Taxonomy-non-eligible activities		234,530,525.82	89.91 %																
Total		260,837,440.70	100.00 %																

OPEX

Financial year		2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)									
Economic activities	Code	**Absolute OpEx**	**Proportion of OpEx, year N**	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1	Category (enabling activity)	Category (transitional activity)
		EUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
3.5.Manufacture of energy efficiency equipment for buildings	*CCM 3.5*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
3.6.Manufacture of other low carbon technologies	*CCM 3.6*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
4.1. Electricity generation using solar photovoltaic technologynot applicable	*CCM 4.1*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
5.2. Renewal of water collection, treatment and supply systems	*CCM 5.2*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	*CCM 6.5*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.1 Construction of new buildings	*CCM 7.1*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.2. Renovation of existing buildings	*CCM 7.2*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.3. Installation, maintenance and repair of energy efficiency equipment	*CCM 7.3*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	*CCM 7.4*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	*CCM 7.5*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	*CCM 7.6*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL		N	N	N	N	N	N	0.00 %		
7.7. Acquisition and ownership of buildings	***CCM 7.7**; CCA 7.7*	756,911.60	1.99 %	Y	Y	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00 %	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned (A.1)		**756,911.60**	**1.99 %**	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**		Y	Y	Y	Y	Y	Y	0.00 %		
Of which Enabling			**100.00 %**	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**		Y	Y	Y	Y	Y	Y	0.00 %	E	
Of which Transitional			**0.00 %**	**0.00 %**	**0.00 %**						N	N	N	N	N	N	0.00 %		
A.2 Taxonomy-eligible but not environmentally sustainable acitivities (not Taxonomy-aligned activities)																			
3.5 Manufacture of energy efficiency equipment for buildings	***CCM 3.5**; CCA 3.5*	3,766,983.62	9.90 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
3.6.Manufacture of other low carbon technologies	***CCM 3.6**; CCA 3.6*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								5.44 %		
4.1. Electricity generation using solar photovoltaic technologynot applicable	***CCM 4.1**, CCA 4.1*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.10 %		
5.2. Renewal of water collection, treatment and supply systems	***CCM 5.2**; CCA 5.2*	6,497.66	0.02 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	***CCM 6.5**; CCA 6.5*	376,179.18	0.99 %	EL	EL	N/EL	N/EL	N/EL	N/EL								1.33 %		
7.1 Construction of new buildings	***CCM 7.1**; CCA 7.1*	0.00	0.00 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
7.2. Renovation of existing buildings	***CCM 7.2**; CCA 7.2*	354,314.50	0.93 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.05 %		
7.3. Installation, maintenance and repair of energy efficiency equipment	***CCM 7.3**; CCA 7.3*	292,524.83	0.77 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.53 %		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	***CCM 7.4**; CCA 7.4*	4,975.91	0.01 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	***CCM 7.5**; CCA 7.5*	29,818.12	0.08 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.01 %		
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	***CCM 7.6**; CCA 7.6*	169,317.54	0.44 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.01 %		
7.7. Acquisition and ownership of buildings	***CCM 7.7**; CCA 7.7*	4,935.80	0.01 %	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00 %		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activitites) (A.2)		**5,005,547.16**	**13.15 %**	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**								7.46 %		
A. OpEx of Taxonomy eligible activities (A.1+A.2)"		**5,762,458.75**	**15.14 %**	**100.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**	**0.00 %**								7.46 %		
B. Taxonomy-Non-eligible activities																			
OpEx of Taxonomy-non-eligible activities		**32,302,909.74**	**84.86 %**																
Total		**38,065,368.49**	**100.00 %**																

REPORTING FORM 1: ACTIVITIES IN THE NUCLEAR ENERGY AND FOSSIL GAS SECTORS

(APPENDIX XII: STANDARD REPORTING FORM FOR DISCLOSURE UNDER ARTICLE 8(6) AND (7))

ROW	NUCLEAR ENERGY RELATED ACTIVITES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
FOSSIL GAS RELATED ACTIVITIES		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

COUNTRY-BY-COUNTRY REPORTING FOR TAX TRANSPARENCY (GRI 207 - 4)

Country[1]	Number of employees[2]	Revenue from business transactions with third-party companies[3]	Revenue from intragroup transactions[4]	Earnings before tax[5]	Property, plant and equipment[6]	Inventories[7]	Income tax paid[8]	Current tax expense[9]
Australia	-	500	-	- 258	8	91	-	-
Austria **a)**	1,343	289,870	53,828	- 4,799	155,377	35,581	2,935	87
Brazil **b) c)**	-	-	-	467	-	-	-0.07	62
China **c)**	225	31,557	381	3,880	17,399	2,011	1,429	1,027
Switzerland **c)**	45	4,611	5	- 714	10,993	1,839	-0.08	124
Czech Republic **c)**	706	47,300	87,650	7,998	114,142	16,823	4,990	1,338
Germany **a) b)**	356	105,454	11,411	5,653	30,399	10,114	2,449	1,413
France **c)**	53	19,979	3,035	2,120	2,305	2,843	825	639
Hungary **d)**	305	768	18,820	- 798	6,465	1,062	374	289
India **b)**	152	18,466	2,709	1,502	1,848	1,651	1	-
Poland **c)**	732	116,829	59,186	21,239	66,331	21,876	1,995	3,017
Singapore	13	-	-	810	10	-	3	141
Thailand **c)**	386	5,536	23,635	7,313	7,292	4,003	2,645	1,651
USA **c)**	157	80,211	27	- 3,157	34,928	12,867	0	67

Financial information in EUR thousand

An expected tax expense can be determined by applying the regular tax rate to the earnings before tax figure. Temporary differences and prior-period effects can lead to **differences between incurred income taxes** and expected income taxes. Significant differences result from:

a) Tax group or consolidated income tax group between individual companies in a tax jurisdiction
b) Utilization of tax loss carryforwards or carrybacks
c) Temporary differences
d) Differences between IFRS and tax law (trade tax)

Further information on the table:

[1] The companies allocated to the countries can be found on p. 12 and their respective business activities on p. 16 (disclosure GRI 207-4b i and ii). In addition to these locations, there are further business units for tax purposes in China, Mexico, Jakarta and Dubai (representative offices).

[2] Number of employees is based on full-time equivalents at the end of the financial year.

[3] Revenue refers to the total revenue of all business units in a tax jurisdiction. There are no deviations from the revenue reported in the consolidated financial statements.

[4] The figure includes revenue from intragroup transactions of all business units in a tax jurisdiction.

[5] Earnings before tax refers to the total earnings before tax of all business units in a tax jurisdiction. Deviations from the consolidated financial statements result particularly from the fact that the disclosure contains country-by-country aggregated figures, while the consolidated financial statements contain consolidated figures.

[6] The disclosure corresponds to the disclosure in the consolidated financial statements.

[7] The disclosure corresponds to the disclosure in the consolidated financial statements.

[8] The disclosure of income taxes paid relates to the total income taxes paid by all business units in a tax jurisdiction, excluding the discontinued operation.

[9] The figure for incurred income taxes relates to the total income taxes paid by all companies in a tax jurisdiction, excluding deferred taxes, withholding tax and provisions for uncertain tax positions.

GRI CONTENT INDEX

Application note
Semperit AG Holding has reported in accordance with the GRI Standards for the period 1 January 2022 to 31 December 2023

Used GRI 1
GRI 1: Foundation 2023

Applicable GRI Standard
None applicable

Status/reason for omissions
- Fully reported/no omission
- Partially reported/omission of individual items of the disclosure
- Not reported/omission of information

1. Not applicable
2. Restrictions due to a duty of confidentiality
3. Explicit legal prohibitions
4. No or not all information available

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
General disclosures				
1. THE ORGANIZATION AND ITS REPORTING PRACTICES				
GRI 2: General Disclosures 2021	2-1 Organizational details	p. 9, 12, 16		
	2-2 Entities included in the organization's sustainability reporting	p. 148; AR		
	2-3 Reporting period, frequency and contact point	p. 147, 161		
	2-4 Restatements of information	p. 147-148, >>		There were no corrections and no significant restatements of information compared to the previous report.
	2-5 External assurance	p. 149, 163-164		
2. ACTIVITIES AND WORKERS				
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	p. 8-10, 12-18, 21-24, 140-141, 147		
	2-7 Employees	p. 19-20, 118		Semperit does not record any seasonal fluctuations within the annual fluctuation rate.
	2-8 Workers who are not employees	p. 119		
3. GOVERNANCE				
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	p. 26-31		
	2-10 Nomination and selection of the highest governance body	p. 30-31		
	2-11 Chair of the highest governance body	p. 26, 29		
	2-12 Role of the highest governance body in overseeing the management of impacts	p. 32-33, 104, 131, 140		
	2-13 Delegation of responsibility for managing impacts	p. 32-33, 104, 131, 140		

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
	2-14 Role of the highest governance body in sustainability reporting	p. 39-40, >>		The Supervisory Board relies on the auditor's review of the accuracy and completeness of the content of the non-financial report.
	2-15 Conflicts of interest	p. 26-27, 29-31; CoC		The regulations of the Austrian Corporate Governance Code are applied.
	2-16 Communication of critical concerns	p. 134-135; CoC		
	2-17 Collective knowledge of the highest governance body	p. 26-28		
	2-18 Evaluation of the performance of the highest governance body	p. 31-32	4	The Supervisory Board conducts a self-evaluation once a year to assess its own organization and working methods.
	2-19 Remuneration policies	p. 32; RP		
	2-20 Process to determine remuneration	p. 32; RP		
	2-21 Annual total compensation ratio	p. 32		
4. STRATEGY, POLICIES AND PRACTICES				
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	p. 5-6		
	2-23 Policy commitments	p. 36, 57, 103-104, 121-122, 129-130; CoC; RP; PP; HSEQ; MoR; GSP; SIP; MSA		
	2-24 Embedding policy commitments	p. 55-57, 103-108, 121-127, 129-136		
	2-25 Processes to remediate negative impacts	p. 86, 100, 105, 106-107, 123, 131, 134-135		
	2-26 Mechanisms for seeking advice and raising concerns	p. 134-135; CoC		
	2-27 Compliance with laws and regulations	p. 136		
	2-28 Memberships associations	p. 37		
5. STAKEHOLDER ENGAGEMENT				
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	p. 25, 39-40, 124		
	2-30 Collective bargaining agreements	p. 126		

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
Material Topics				
GRI 102: General Disclosures 2016	102-46 Defining report content and topic boundaries	p. 39-40, 42		
	102-47 List of material topics	p. 41-42		
Environment and Climate Protection				
Raw Materials and Material Use				
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42, 43-48, 55-57, 92-93, 94-96		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	p. 92, >>		The reported data only includes materials that are part of the final products. These are, in particular: raw materials (e.g., polymers, chemicals, fillers) and reinforcing materials. The mass share of auxiliary and operating materials as well as packaging materials is comparatively low and is therefore not reported.
	301-2 Recycled input materials used	p. 93		
Energy				
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42, 43-48, 49-53, 55-57, 76-81		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	p. 79		
Water				
GRI 3: Material Topics 2021	303-1 Interactions with water as a shared resource	p. 42, 43-48, 49-53, 55-57, 99-101		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	p. 99-101		
	303-2 Management of water discharge-related impacts	p. 99-101		
	303-3 Water withdrawal	p. 100		
Emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42, 43-48, 49-53, 55-57, 83-85		
GRI 305: Emissions 2016	GRI 305: Emissions 2016	p. 83-85, 148-149		
	305-2 Indirect (Scope 2) GHG emissions	p. 83-85, 148-149		
	305-1 Direct (Scope 1) GHG emissions	p. 83-85, 148-149	4	The data set and system boundary underlying the calculation of the Corporate Carbon Footprint published in the report do not include all Scope 3 emissions. A complete accounting is still being strived for.

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
Waste				
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42, 43-48, 49-53, 55-57, 94-98		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	p. 94-98		
	306-2 Management of significant waste-related impacts	p. 94-98		
	306-3 Waste generated	p. 94-98		
	306-4 Waste diverted from disposal	p. 94-98		
	306-5 Waste directed to disposal	p. 94-98		
Social				
Health and Safety				
Health and Safety	3-3 Management of material topics	p. 42, 43-48, 49-53, 103-110		
GRI 403: Occupational Health and Safety 2016	403-1 Occupational health and safety management system	p. 57, 104		
	403-2 Hazard identification, risk assessment, and incident investigation	p. 105		
	403-3 Occupational health services	p. 104-105, 107-108		
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 103-108		
	403-5 Worker training on occupational health and safety	p. 106-107		
	403-6 Promotion of worker health	p. 107-108		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 124, 129, 145, CoC, GSP >>		The Semperit Supplier Policy and the CoC oblige business partners to avoid negative effects on health and safety in the workplace.
	403-8 Workers covered by an occupational health and safety management system	p. 103-104		
	403-9 Work-related injuries	p. 109-110		

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
Diversity and Inclusion				
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42, 43-48, 49-53, 103, 111-116; PP; CoC; MSA		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 119		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	p. 112		
	404-2 Programs for upgrading employee skills and transition assistance programs	p. 111-112		
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 112		
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	p. 26-27, 29-31, 119		
	405-2 Ratio of basic salary and remuneration of women to men	p. 115	4	A differentiation of the gender pay gap by basic salary and remuneration as well as by employee category is not yet fully possible on the basis of the available data in accordance with GRI 405-2.
Human Rights and Social Standards				
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42, 43-48, 49-53, 103, 121-127; MSA		
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	p. 124		
	412-2 Training for white-collar employees on human rights policies and procedures	p. 126, 132		
Governance				
Compliance and Anti-corruption				
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42, 43-48, 49-53, 129, 130-138		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	p. 134		
	205-3 Confirmed incidents of corruption and actions taken	p. 136		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	p. 136		

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p. 136		
GRI 207: Tax 2019	207-1 Approach to tax	p. 138		
	207-2 Tax governance, control and risk management	p. 138		
	207-3 Stakeholder engagement and management concerns related to tax	p. 138		
	207-4 Country-by-country reporting	p. 12, 16, 153		
Sustainability in the Supply Chain				
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 42, 43-48, 49-53, 129, 139-144		
GRI 308: Supplier Environmental Asessment 2016	308-2 Negative environmental Impacts in the supply chain and actions taken	p. 92 - 93, 144	4	Assessment of negative environmental impacts is based on EcoVadis and for selected suppliers on TfS audits and Semperit audits of suppliers. EcoVadis assesses impacts based on documents and policies, but potential negative impacts at the suppliers' sites are not examined. As a result, Semperit assumes a partial data situation.
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	p. 126 - 127, 144	4	Assessment of negative social impacts is based on EcoVadis and for selected suppliers on TfS audits and Semperit audits of suppliers. EcoVadis assesses impacts based on documents and policies, but potential negative impacts at the suppliers' sites are not examined. As a result, Semperit assumes a partial data situation.

Legend

>>	Information on this disclosure can be found directly in the content index in the column Explanation on omission/other information
AR	Reference to the Annual Report 2023: https://www.semperitgroup.com/investor-relations/reports-presentations/
CoC	Reference to the Code of Conduct: https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Compliance/CoC_EN_January2023.pdf
RP	Reference to the Remuneration Policy 2023: https://www.semperitgroup.com/investor-relations/reports-presentations/
PP	Reference to the People Policy: https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/mitarbeiter/People_Policy_in_English.pdf
HSEQ	Reference to the Health, Safety, Environment, Energy and Quality Policy: https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/Semperit-Group/Company/Sustainability/HSEQ/HSEQ_Policy_ENGLISH.pdf
MoR	Reference to the Management of Resources, Processes, and Work Attitude Policy: https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/HSEQ/Semperit_MoR_Policy_EN_v03_2022.pdf
GSP	Reference to the Group Supplier Policy: https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Lieferanten/Supplier_Policy_English_20220525.pdf
SIP	Reference to the Sustainable Innovation Policy: https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Innovation/Semperit_Innovation_Policy_EN_v03_2022.pdf
MSA	Reference to the Modern Slavery Act Statement: https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Slavery-Act/ModernSlaveryStatementAct-FY-2022.pdf

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DISCLAIMER

The terms “Semperit” or “Semperit Group” in this report refer to the Group; the terms “Semperit AG Holding” or “Semperit Aktiengesellschaft Holding” are used to refer to the parent company (individual company). We have prepared this report and verified the information it contains with the greatest possible care.
In spite of this, errors in rounding, typesetting, and printing cannot be ruled out. Rounding of differences in the totaling of rounded amounts and percentages may arise from the automatic processing of data. The forecasts, plans, and forward-looking statements contained in this report are based on the knowledge and information available and the assessments made at the time that this report was prepared (editorial deadline: March 19, 2024). As is true of all forward-looking statements, they are subject to risk and uncertainties. As a result, actual events may deviate significantly from these expectations. No liability whatsoever is assumed for the accuracy of projections or for the achievement of planned targets or for any other forward-looking statements. These statements are identifiable by terms such as “expect”, “want”, “anticipate”, “intend”, “plan”, “believe”, “strive”, “estimate”, “will” and “predict”, “contemplate”, or similar terms. Furthermore, no guarantee can be given for the completeness of the contents.

This report was published in March 2024 and has been produced in German and English. In case of doubt, the German version shall take precedence.

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SEMPERIT I SUSTAINABILITY REPORT 2023



KARL HAIDER

HELMUT SORGER

GERFRIED EDER

TO THE MEMBERS OF THE EXECUTIVE BOARD OF SEMPERIT AKTIENGESELLSCHAFT HOLDING VIENNA

REPORT ON THE INDEPENDENT AUDIT OF THE CONSOLIDATED NON-FINANCIAL REPORT OF 2023

We have audited the consolidated non-financial report 2023 (hereafter "reporting") of Semperit Aktiengesellschaft Holding (hereafter "Semperit"), Vienna, to obtain limited assurance.

The consolidated non-financial reporting is based on the requirements according to Art. 267a UGB (Austrian Commercial Code UGB, Nachhaltigkeits- und Diversitätsverbesserungsgesetz NaDiVeG), the legal requirements of Art. 8 of the EU Taxonomy Regulation, and the GRI Standards 2021 as a separately prepared consolidated Sustainability Report 2023 of Semperit Aktiengesellschaft Holding.

RESPONSIBILITY OF LEGAL REPRESENTATIVES

The company's legal representatives are responsible for the proper preparation of the consolidated non-financial reporting 2023 in accordance with the legal requirements of Art. 267a UGB[1], the requirements of Art. 8 of the EU Taxonomy Regulation[2], and the GRI Standards 2021[3].

We have included a declaration of completeness signed by the legal representatives in our files.

THE AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion, based on our audit procedures, as to whether any matters have come to our attention that cause us to believe that the selected contents of the consolidated non-financial report 2023 do not comply in all material respects with Art. 267a UGB, the requirements of Art. 8 of the EU Taxonomy Regulation and the GRI Standards 2021.

We have performed our reporting in accordance with the "International Federation of Accountants' ISAE3000 (Revised)" standard.

These standards require us to comply with our professional duties, including independence requirements, and to plan and perform the engagement with due regard to the principle of materiality in such a way that we can express our opinion with limited assurance.

According to the "General Conditions of Contract for the Public Accounting Professions" our liability is limited. According to that, an accountant is only liable for violating intentionally or by gross negligence the contractual duties and obligations entered into. In cases of gross negligence, the maximum liability towards the client and any third party totals EUR 726,730.

Our reporting procedures were taken to achieve limited reporting security as a basis for our assessment. The scope of the reporting procedures for obtaining reporting evidence is smaller than the scope for sufficient reporting security (such as for annual reporting), so that a lower degree of reporting security is given.

The procedures selected depend on the auditor's judgment, including particularly the following procedures:

- → Obtaining an overview of the business activities as well as the company's structural and process organization
- → Interviews with company managers to identify and understand relevant systems, processes and internal controls with regard to the audited report contents that support collecting information for reporting
- → Review of relevant documents on Group, Executive Board and management level to assess awareness and priorities of the issues in consolidated non-financial reporting and to understand how progress was monitored

[1] https://www.ris.bka.gv.at/Dokumente/Bundesnormen/NOR40189009/NOR40189009.pdf
[2] https://eur-lex.europa.eu/eli/reg/2020/852/
[3] https://www.globalreporting.org/standards

- → Examination of risk management and governance processes related to sustainability and critical evaluation of the representation in the consolidated non-financial report
- → Performing analytical procedures on Group level
- → Site visits in Austria at the headquarters in Vienna and at the Wimpassing site as well as in Deggendorf to obtain evidence on key performance indicators. In addition, we conducted random data reviews on site level to test completeness, reliability, accuracy and current relevance. This year's focus was on the following locations: Vienna, Wimpassing, Deggendorf and Odry.
- → Review of data and processes on a random basis to test whether they had been collected, consolidated and reported appropriately at Group level. This included reviewing data samples to test whether the data had been reported in an accurate, reliable and complete manner.
- → Review of the coverage of material issues raised in stakeholder dialogues, that were covered in media reports and to which significant competitors refer in their environmental and social reports
- → Evaluation of the materiality analysis within the Group, including sector-specific megatrends and aspects of GRI
- → Assessment as to whether the requirements were addressed appropriately according to Art. 267a UGB
- → Review on a random basis of statements on the audited report contents in the reporting based on reporting principles of the GRI Standards 2021
- → Assessment as to whether the GRI Standards 2021 were consistently applied
- → Assessment as to whether the requirements of the EU Taxonomy Regulation were addressed appropriately
- → Provision of a gap analysis regarding the reasonable assurance readiness of the remuneration-relevant key figures Incidence Rate (employees), Energy Efficiency and Waste Reduction (environment).

Subject of our engagement was neither a final audit nor the auditing of financial statements. The performance indicators and statements, as well as information from the Corporate Governance Report and the risk reporting, which were audited by us within the framework of the annual audit, were not subject of auditing by us. We have reviewed the Art. 267a UGB- and GRI-compliant presentation of this information in reporting. Equally, neither the detection and investigation of criminal offences, such as embezzlements or other malicious acts or regulatory offences, nor the assessment of effectiveness and efficiency of the management were subject of our mandate. Furthermore, the figures that were taken from external studies and forward-looking statements were not subject of our contract. The report reviewed the references listed in the GRI content index, but no (web) references going beyond this.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

TERMS OF ORDER

We provide this report on the basis of the contract concluded with you, which is also based on the "General Conditions of Contract for the Public Accounting Professions"[1] with respect to third parties.

SUMMARIZED ASSESSMENT

Based on our reporting procedures and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial report 2023 does not comply in all material respects with Art. 267a UGB (NaDiVeG) and the requirements of Art. 8 of the EU Taxonomy Regulation as well as the GRI Standards 2021.

Vienna, March 18, 2024
Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
Hans-Erich Sorli ppa. Susanna Gross

[1] Version from April 18, 2018, issued by the Chamber of Public Accountants, Chapter 7, http://www.kwt.or.at/PortalData/1/Resources/aab/AAB_2018_de.pdf

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