

# SUSTAINABILITY REPORT 2022

NON-FINANCIAL REPORT



# TOPICS OVERVIEW



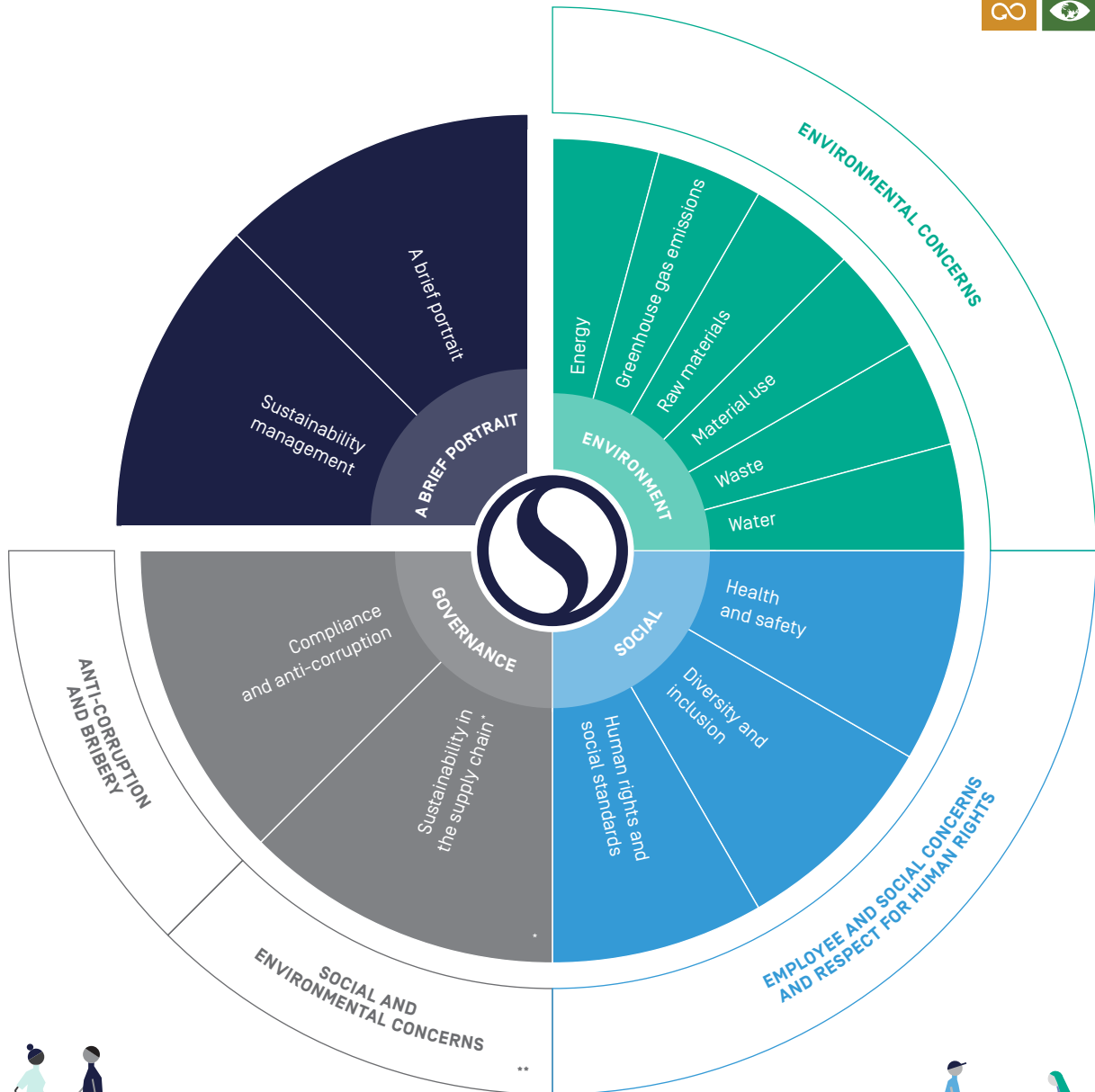
**SEMPERIT  
GROUP**

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**ENVIRONMENT AND  
CLIMATE PROTECTION**



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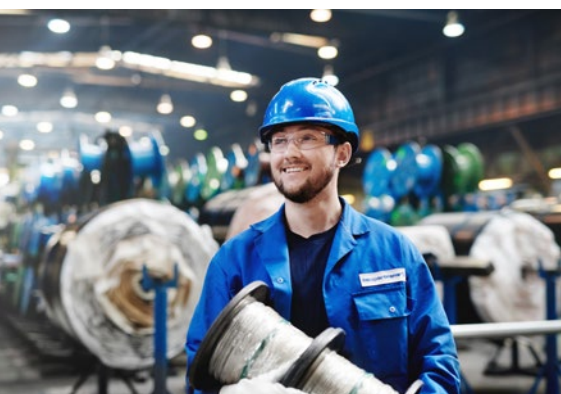


\* Material topics according to GRI (Global Reporting Initiative) are energy, greenhouse gas emissions, raw materials, material use, waste, water, human rights and social standards, diversity and inclusion, health and safety, sustainability in the supply chain, compliance and anti-corruption.

\*\* Concerns according to the Sustainability and Diversity Improvement Act (Nachhaltigkeits- und Diversitätsverbesserungsgesetz – NaDiVeG)



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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, labour standards, environmental protection, and anti-corruption is a top priority for Semperit AG Holding.

In our Sustainability Report 2022, 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,



A handwritten signature in black ink, appearing to read 'Karl Haider'.

Karl Haider  
CEO



A handwritten signature in black ink, appearing to read 'Helmut Sorger'.

Helmut Sorger  
CFO



A handwritten signature in black ink, appearing to read 'Kristian Brok'.

Kristian Brok  
COO



# FOREWORD FROM THE EXECUTIVE BOARD

IT IS IMPORTANT TO  
ANCHOR SUSTAINABILITY  
NOT ONLY IN ALL AREAS  
OF THE COMPANY, BUT  
ALSO IN THE HEARTS AND  
MINDS OF OUR EMPLOYEES.

Dear readers,

2022 was a challenging yet successful year for the Semperit Group for many reasons. The aftermath of the corona pandemic, the tense geopolitical situation as well as Russia-Ukraine conflict and the resulting sanctions caused bottlenecks in the supply of energy and raw materials, significant price increases and high inflation. In this extraordinary and difficult situation, the Semperit Group demonstrated its robustness and agility.

The signing of the divestment of Sempermed to HARPS GLOBAL PTE LTD at the end of December 2022 was an important milestone for our company, as it enables us to push ahead with our orientation as an industrial polymer specialist in addition to implementing the segment sale. As part of the ongoing transformation process, Semperit is not only striving for further organic and inorganic growth, but at the same time also for major steps in operational sustainability. We are aware that this will not be an easy undertaking for a rubber processing company in the chemical industry. Nevertheless, we are convinced that we can achieve the goal, with a transparent ESG portfolio that has a noticeable positive impact on all three areas: environmental, social and governance.

It was with pleasure and pride that we accepted the "Austria's Leading Companies Award" in the category "Sustainability" in listed companies in Austria for 2022. The award in the area of sustainability was well deserved: we worked hard over the past five years to achieve this quality level in sustainability and the corresponding reporting. We consciously and purposefully set the bar high in our reporting quality and will continue to make this demand on ourselves in the future in the highly complex regulatory environment.



Karl Haider



Helmut Sorger



Kristian Brok

The coming months will be no less intense than the past year. External and internal factors such as the current supply chain and logistics issues, geopolitical tensions, but also the planned company growth will continue to keep us very busy. Change is and will remain our constant companion in 2023 and it will reshuffle the ESG cards. Based on the implementation of the European Union's Corporate Sustainability Reporting Directive (CSRD), Semperit will take another big step towards even more sustainable processes, products and transparency in reporting.

Changes are always challenging -- we see them as an opportunity to align the Semperit Group with the future and to consistently realise our visions and goals. In addition to occupational safety, innovation and digitalisation, we will focus on diversity and inclusion and vigorously pursue talent management. In accordance with our motto "Move hearts and minds", it is important to anchor the multi-faceted aspects of sustainability not only in all areas of the company, but above all in the hearts and minds of our employees. We are convinced that only with the right mindset and a corresponding cultural change will we succeed in creating an honest, transparent and truly sustainable corporate orientation.

On the following pages, you will read about the developments we have observed in recent months, the topics we have defined as essential and the goals we have set ourselves for the next stages of our journey towards a sustainable future. We would be pleased to have you join us on this journey!

Vienna, 20 March 2023  
The Executive Board



# SEMPERIT GROUP

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# GLOBAL PRESENCE OF THE SEMPERIT GROUP

## SEMPERMED

- 1 Vienna, AT
- 2 Wimpassing, AT
- 7 Waldböckelheim, DE
- 8 Neutraubling, DE
- 10 Levallois, FR
- 15 Budapest, HU
- 16 Sopron\*\*, HU
- 17 Shanghai\*\*, CN
- 24 Kamunting, MY
- 25 Nilai, MY
- 26 Singapore, SG
- 31 Brighton, New Jersey, US
- 32 Clearwater, Florida, US
- 33 Coppel, Texas, US

## SEMPERFLEX

- 2 Wimpassing, AT
- 7 Waldböckelheim, DE
- 14 Odry, CZ
- 17 Shanghai\*\*, CN
- 21 New Delhi, IN
- 26 Singapore, SG
- 27 Hat Yai, TH
- 30 Newnan, Georgia, US

## SEMPERTRANS

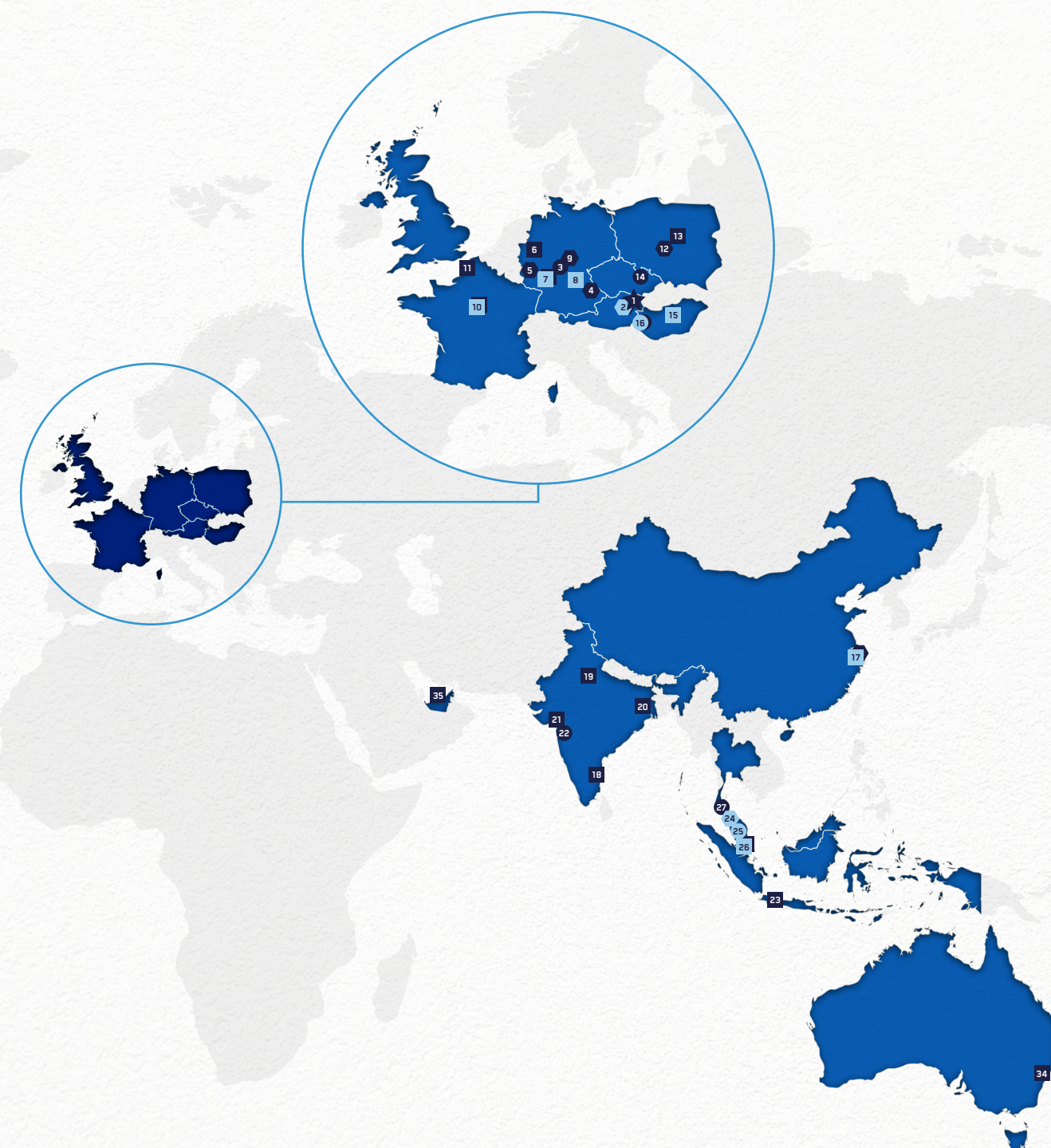
- 1 Vienna, AT
- 2 Wimpassing, AT
- 6 Moers, DE
- 10 Levallois, FR
- 11 Béthune, FR
- 12 Belchatów, PL
- 13 Warschau, PL
- 18 Chennai, IN
- 19 Delhi, IN
- 20 Kolkata, IN
- 21 New Delhi, IN
- 22 Roha, IN
- 23 Jakarta, ID
- 28 Winnipeg, CA
- 29 Querétaro, MX
- 30 Newnan, Georgia, US
- 34 Thornton, AU

## SEMPERFORM

- 2 Wimpassing, AT
- 16 Sopron\*\*, HU
- 17 Shanghai\*\*, CN
- 30 Newnan, Georgia, US

## SEMPERSEAL

- 2 Wimpassing, AT
- 3 Dalheim\*, DE
- 4 Deggendorf, DE
- 5 Hückelhoven\*, DE
- 9 Seligenstadt, DE
- 17 Shanghai\*\*, CN
- 30 Newnan, Georgia, US
- 35 Dubai, AE



- |                                       |                                          |                                             |
|---------------------------------------|------------------------------------------|---------------------------------------------|
| ★ Headquarters<br>Semperit AG Holding | ● Medical<br>production site             | ● Industrial<br>production                  |
|                                       | ■ Medical<br>sales office                | ■ Industrial<br>sales office                |
|                                       | ● Medical production<br>and sales office | ● Industrial production<br>and sales office |

\* Merger of the Dalheim and Hückelhoven sites

\*\* Two separate production sites

Presentation includes continuing and discontinued operations of the Semperit Group as at 31.12.2022



## A BRIEF PORTRAIT



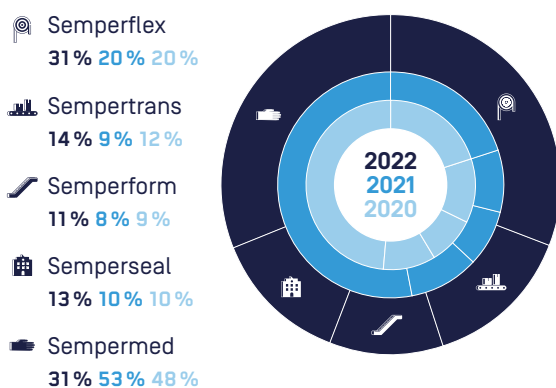
THE GROUP HAS 16 PRODUCTION SITES WORLDWIDE AND NUMEROUS SALES OFFICES IN EUROPE, ASIA, AUSTRALIA, AND THE AMERICAS.

The publicly listed company Semperit AG Holding is a global supplier of quality products made from natural and synthetic rubber or polymer materials. The international group of companies produces and markets products in over 100 countries.

The roots of the Semperit Group date back to 1824. In 2022, the Group employed 6,515 people. Semperit operated 16 production sites in the past financial year. The products were marketed in the B2B space through its own sales network in Europe, Asia, North and South America, and Australia. The most important product groups in the Industrial Sector are hydraulic and industrial hoses, conveyor belts, escalator handrails, window and door profiles, cable car rings, ski foils and products for railway superstructures. The Medical Sector – which will be sold in the near future as part of the strategic realignment – sells examination and protective gloves as well as surgical gloves.

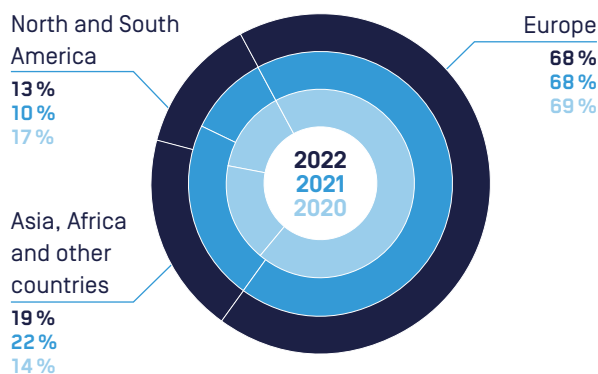
On December 16th, 2022 Semperit signed the contract to sell the Medical Sector to HARPS GLOBAL PTE. LTD.<sup>1</sup>

### REVENUE SPLIT BY SEGMENT\*



\* The segmentation by business unit is based on internal management and reporting and continues to include the Sempermed segment as a whole. The values refer to Segment reporting and show discontinued operations and continuing operations including group eliminations in total.

### REVENUE SPLIT BY REGION\*\*



\*\* Figures for 2022 and 2021 with regard to the revenue split by region refer exclusively to continuing operations.

The shares of the Semperit Group are traded on the Vienna Stock Exchange. In 2022, the majority shareholder, B&C Privatstiftung, indirectly held more than 54%. The free float was slightly below 46% on the balance sheet date.

## CORPORATE STRATEGY

At the beginning of 2020 as part of its strategic realignment, Semperit decided its future focus would be on the identifiable potential in the Industrial Sector and to complete the transformation into a specialist of engineered polymer solutions.

The restructuring steps already taken in the last years have strengthened the resilience of the Industrial Sector significantly and created a good basis for future growth. A significant increase in customer proximity, a market-oriented alignment of the overall organisation and a stronger focus on customer-oriented solutions are paramount for the existing Industrial segments. The goal is to serve existing and future markets faster, more effectively and more efficiently. In addition, there is the systematic and continuous improvement in all areas of the company, which is intended to further promote the competitiveness and sustainability of the Semperit Group. To achieve the defined key performance indicators, the organic growth potential in the Industrial Sector is set to be coupled with a clearly defined M&A strategy. At the forefront of the strategic M&A activities is the objective to profit from key trends, improve the geographical footprint, expand the range of business of the Industrial Sector and press ahead with the topics of digitalisation and circular economy.

In terms of markets and cyclicity, a balanced and sustainable industrial portfolio with target revenue in excess of EUR 1 billion and an EBITDA margin of more than 13% is envisaged.

After achieving the temporary goal of benefiting as long and as comprehensively as possible from the attractive contributions to operating income provided by the industry-specific boom in medical protective gloves, the separation process was resumed in 2022 in line with the fundamental strategic decision. In December, the sale to the Southeast Asian glove manufacturer HARPS GLOBAL PTE. LTD. was agreed. The implementation of

the transaction – subject to the approval of the competent authorities – will take place in two stages: the first step is planned for summer of 2023, the second in five years at the latest. For the 2023 financial year, the further refinement of the strategy, the pursuit of the growth targets and the next steps towards the transformation into an industrial polymer specialist are now on the management's agenda.

## KEY PERFORMANCE FIGURES (EUR million)\*

	2022	2021	2020
Revenue*	1,058.2	1,182.2	927.6
EBITDA*	90.5	361.8	208.6
EBITDA margin*	8.6%	30.6%	22.5%
EBIT*	25.8	315	237.8
EBIT margin*	2.4%	26.6%	25.6%
Earnings after tax	-5.6	247.5	194.6
Earnings per share**, in EUR	-0.27	12.0	9.1
Gross cash flow	30.5	323.4	193.7
Return on equity***	-1.1%	45.7%	58.0%

## BALANCE SHEET KEY FIGURES (EUR million)\*\*

	2022	2021	2020
Balance sheet total	842.9	958.6	764.4
Equity***	518.2	540.1	332.3
Equity ratio	61.5 %	56.3 %	43.5 %
Investments in tangible and intangible assets	50.1	56.4	28.5
Employees (at balance sheet date)****	6,515	6,948	6,943

\* In line with the annual report, the values refer to the discontinued operations (Sempermed segment) and the continuing operations incl. Group eliminations at revenue level in total (according to IFRS 5).

\*\* Earnings per share are attributable to the shareholders of Semperit AG Holding (excluding remuneration from hybrid capital).

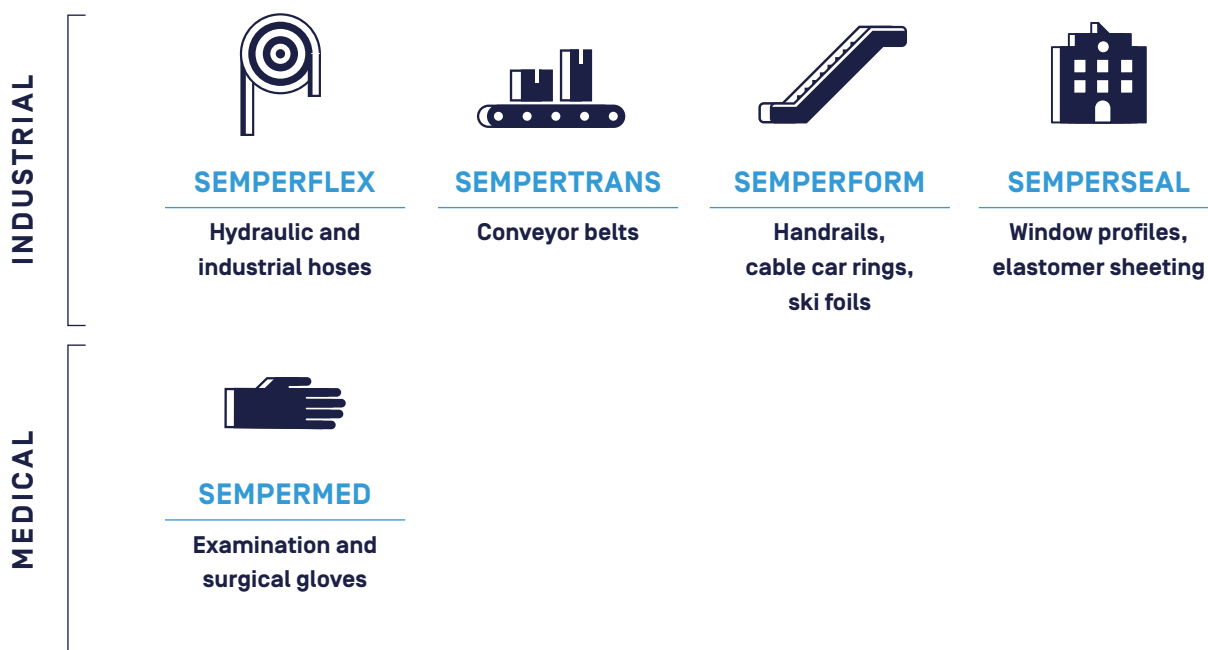
\*\*\* Attributable to the shareholders of Semperit AG Holding (excluding non-controlling interests).

\*\*\*\* The employee ratio in the Sustainability Report refers to the number of own employees in 2022 at all locations, including the Sempermed segment, excluding apprentices and interns, who are recorded as temporary workers (leased workers) according to GRI.



## SEMPERIT SEGMENTS

In 2022, the operating activities of the Semperit Group were divided into the Industrial Sector with the Semperfex, Sempertrans, Semperform and Semperseal segments, and the Medical Sector with the Sempermed segment.



### SEMPERFLEX

With its hose-only strategy, the Semperfex segment is one of the world's largest and most successful manufacturers of hydraulic and industrial hoses. The application-oriented and high-quality hydraulic hoses are used for energy transmission in hydraulic systems, mainly in construction and agricultural industries as well as in the mining industry, and for high-pressure cleaning. The industrial hoses enable the safe transport of a wide variety of media and are mainly used in the construction and transport industries as well as in industrial and agricultural mechanical engineering. All hoses are manufactured at the company's production sites in Austria, the Czech Republic, China and Thailand according to the highest quality standards.



## SEMPERTRANS

Innovation, experience and know-how have made Sempertrans one of the world's leading suppliers in the conveyor belt industry. Production takes place at two locations: Poland and India. With standard products ranging from textile belts to steel cord belts with the highest breaking strength, the Sempertrans segment ensures safe, high-quality and highly efficient conveying even under extreme conditions. Conveyor belts are used in mining, in the steel industry, in the cement industry, in power plants as well as in bulk material handling terminals and many other areas. Thanks to their customised production, the solutions are highly versatile. In the process, customers are supported from conception and production to installation and maintenance.



## SEMPERFORM

Semperform is a leading European manufacturer of moulded and extrusion products made of polymer and plastic. In the Smart Polymer Solutions division, the company develops customised solutions in close cooperation with its customers. The broad product range includes handrails, cable car rings, ski foils and engineered solutions (SES). As a competent partner for major original equipment manufacturers (OEMs), Semperform offers the development and production of specially designed, individualised solutions that often play a key role in specific applications. The proven products and special solutions are based on years of experience and mature know-how. The customised products are manufactured at production sites in Austria, Hungary and China. The Semperform segment operates mainly in Europe and has successfully positioned itself in market niches.

The Semperit Engineered Solutions business unit comprises customer-specific moulded injection products with sealing or steaming functions. Demand depends on the development of the construction and industrial industries as well as railway superstructures.

The Handrail business unit produces handrails for escalators. Business performance is influenced in particular by infrastructure investments and urbanisation.

Cable car linings (cable car rings) as well as ski and snowboard foils are produced in the Special Applications business unit.



## SEMPERSEAL

Semperseal is a leading European manufacturer of sealing profiles and elastomer sheeting. The broad product range includes elastomer and sealing profiles for windows, doors and façades as well as elastomer and wear-resistant sheeting. The customised products are manufactured at production sites in Germany, Austria and the USA. Distribution is global. In recent years, Semperseal has successfully developed into an R&D partner for industry.

The Profiles business unit, Semperseal's larger business area, is the market leader in Europe in the field of EPDM sealing profiles for window and façade construction as well as industry.

The Sheeting business unit produces elastomer and wear protection sheets. The elastomer sheets are mainly supplied to stamping companies and technical traders, who use them to produce all kinds of flat gaskets. Wear protection sheets are used for cladding, among other things.



## SEMPERMED

With its two production sites and its global distribution network, Sempermed is one of the world's leading manufacturers of examination and surgical gloves for the medical sector, and of protective gloves for industrial, commercial and private use. In Sempermed's research centre, new products are continuously developed and tested in close cooperation with users and experts. Sempermed has produced top-quality gloves and set standards in quality and innovation for more than 100 years. Glove production takes place in Malaysia (examination and protective gloves) and Austria (surgical gloves).

As part of the Semperit Group's new strategy, the fundamental decision was made in 2020 to divest the Medical Sector. After achieving the temporary goal of benefiting as long and as comprehensively as possible from the high contributions to earnings from the special boom in medical protective gloves, the separation process was resumed in 2022 in line with the underlying strategic decision. In December, the sale to the Southeast Asian glove manufacturer HARPS GLOBAL PTE. LTD. was agreed. The implementation of the transaction – which is subject to the approval of the competent authorities – is to take place in two stages: the first step is expected in summer of 2023, the second in five years at the latest.



## EMPLOYEES

Employees are the crucial factor for securing a company's long-term success. Social developments such as demographic change, economic and pandemic-related crises or the shortage of skilled workers are challenges that have an impact on the area of human resources. This is where Semperit focuses on a combination of expertise, commitment and integrity, and therefore strives to create an environment that fosters these very key attributes. These efforts include health and safety activities as well as a wide range of training and development opportunities. The company-wide principles and goals relating to employees are publicly available and can be viewed in the „People Policy“<sup>2</sup> on the website.

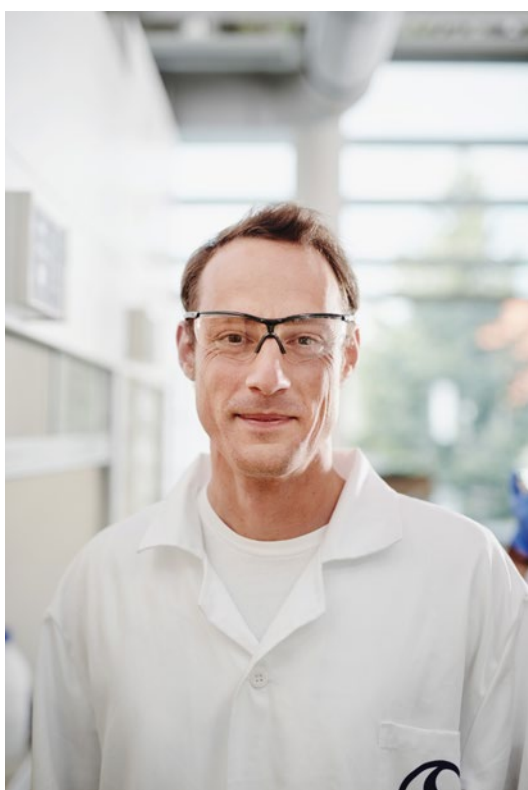


THE SEMPERIT GROUP  
COMPRISED 6,515 EMPLOYEES AT  
THE END OF 2022.

At the end of 2022, the Semperit Group had 6,515 employees (full-time equivalent), approx. 3,400 in Europe, approx. 3,500 in Asia, and approx. 100 in the Americas (including the rest of the world). 23% of the employees were women and almost 250 contingent workers.

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 the zero-accident policy or 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 Talent Academy (see chapter “Diversity & Inclusion” on page 110) as well as the “Internal Job Exchange”, which informs existing employees about new vacancies.



## EMPLOYEE INDICATORS

	2022	2021	2020
<b>NUMBER OF EMPLOYEES AT YEAR-END (FTE)</b>	<b>6,515</b>	<b>6,949</b>	<b>6,943</b>

### EMPLOYEES BY REGION (FTE)

Female Europe	908	895	795
Male Europe	2,476	2,470	2,272
<b>Total Europe</b>	<b>3,384</b>	<b>3,365</b>	<b>3,067</b>
Female Asia	550	636	685
Male Asia	2,484	2,861	3,127
<b>Total Asia</b>	<b>3,034</b>	<b>3,497</b>	<b>3,812</b>
Female Americas (including rest of the world)	37	33	25
Male Americas (including rest of the world)	60	54	39
<b>Total Americas (including rest of the world)</b>	<b>97</b>	<b>87</b>	<b>64</b>

### PERCENTAGE OF EMPLOYEES BY GENDER

Female	23%	23%	22%
Male	77%	77%	78%

### EMPLOYEES BY AGE GROUPS (FTE)

< 30	1,685	2,157	2,419
30–50	3,618	3,630	3,455
> 50	1,212	1,163	1,069

For more employee indicators see pages 114–116.

Note: Rounding of differences in the totalling 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 from the fully consolidated companies of the Semperit Group.

In 2022, Semperit carried out preparatory work for the system recording of non-binary and non-published gender.

The activation and communication of this HR system setting to employees is planned for 2023.

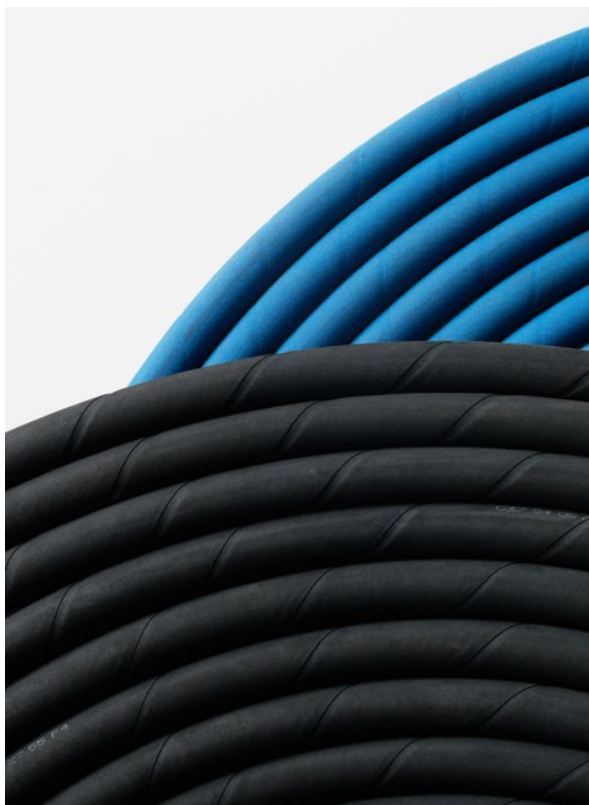
FTE = full-time equivalent

## 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. Research and development work in the areas of materials, products and processes is based on the knowledge that Semperit generates through stakeholder dialogues and targeted market monitoring. 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 also focus on the new and continuous development of existing products and production processes as well as a corresponding range of services.

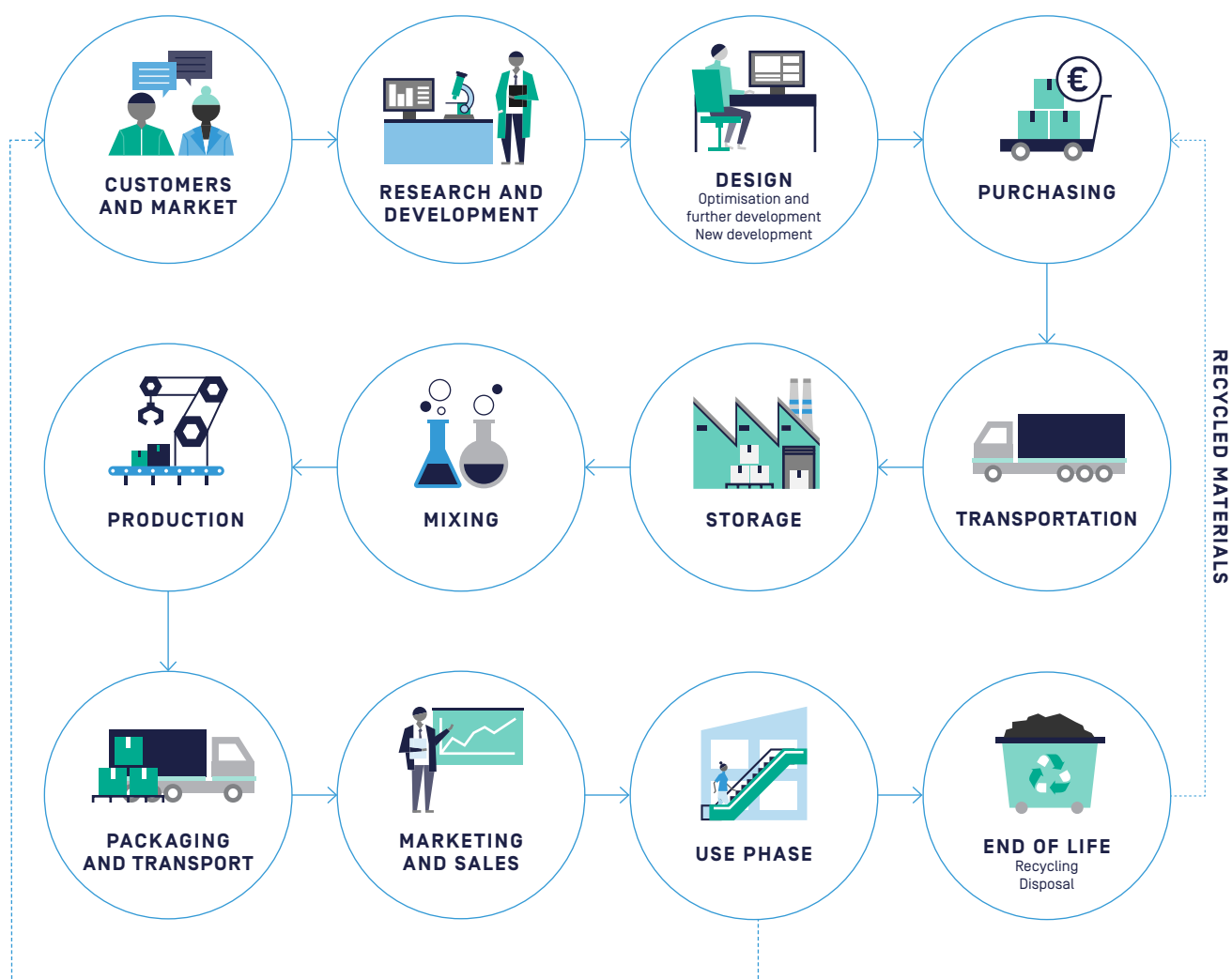


The centrally organised purchasing department is then responsible for the procurement of the most important starting materials for production, such as raw and secondary raw materials, process chemicals, energy, reinforcing and packaging materials, as well as the necessary infrastructure such as machines or vehicles. Purchasing is followed by storage, which has to be aligned with the required chemicals and raw materials. Production is roughly divided into three core activities: mixing, production, and packaging. In a first step, the starting product – the rubber compound – is produced. The composition of the respective compound depends on the future purpose of use. Depending on the segment, the compounds can then be processed into hoses, conveyor belts, window seals, or gloves. As far as possible, materials are recycled in mixing or in production. The finished products are packaged and delivered. Production works closely with the research and development department during every step. Knowledge generated in this process is internally passed on directly and is an essential part of ongoing operational innovation management.





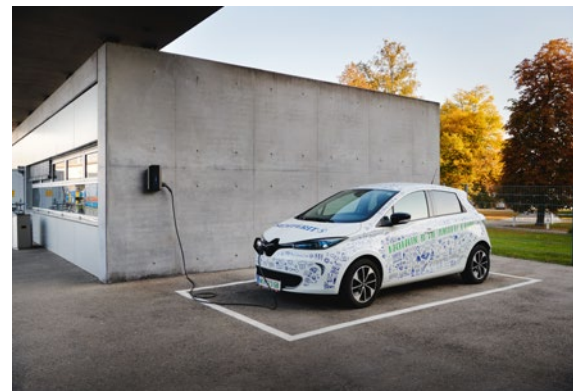
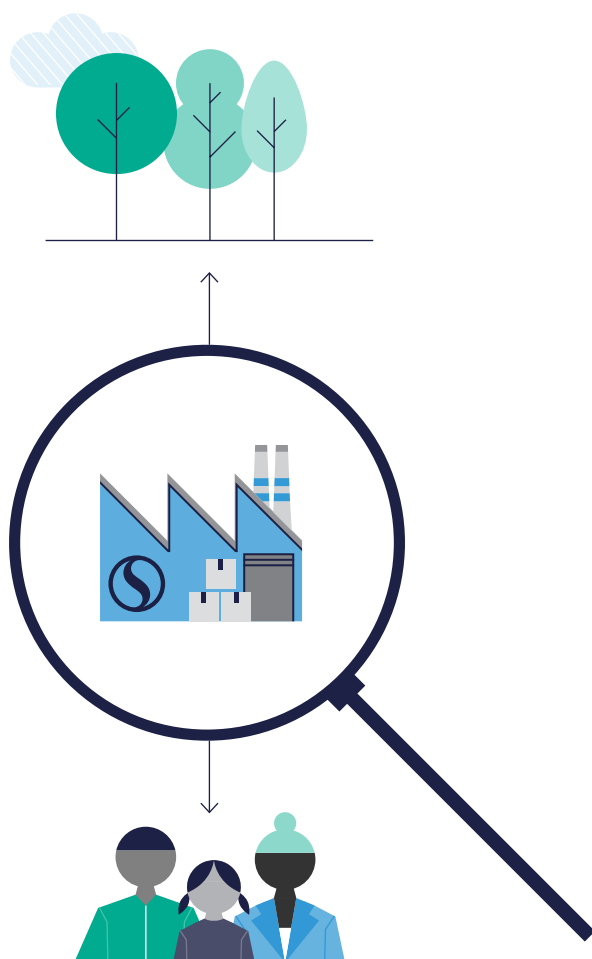
After the packaging and shipping of the products comes the use phase. In this context, too, Semperit attaches great importance to close cooperation with its customers. At the end of the use phase, products and production waste are recycled, used thermally, or disposed of in accordance with the requirements, depending on their composition. Rubber products, for example, are processed into flooring or used as fillers in road construction or in the tyre industry.



# SUSTAINABILITY MANAGEMENT

## MATERIALITY ANALYSIS 2022

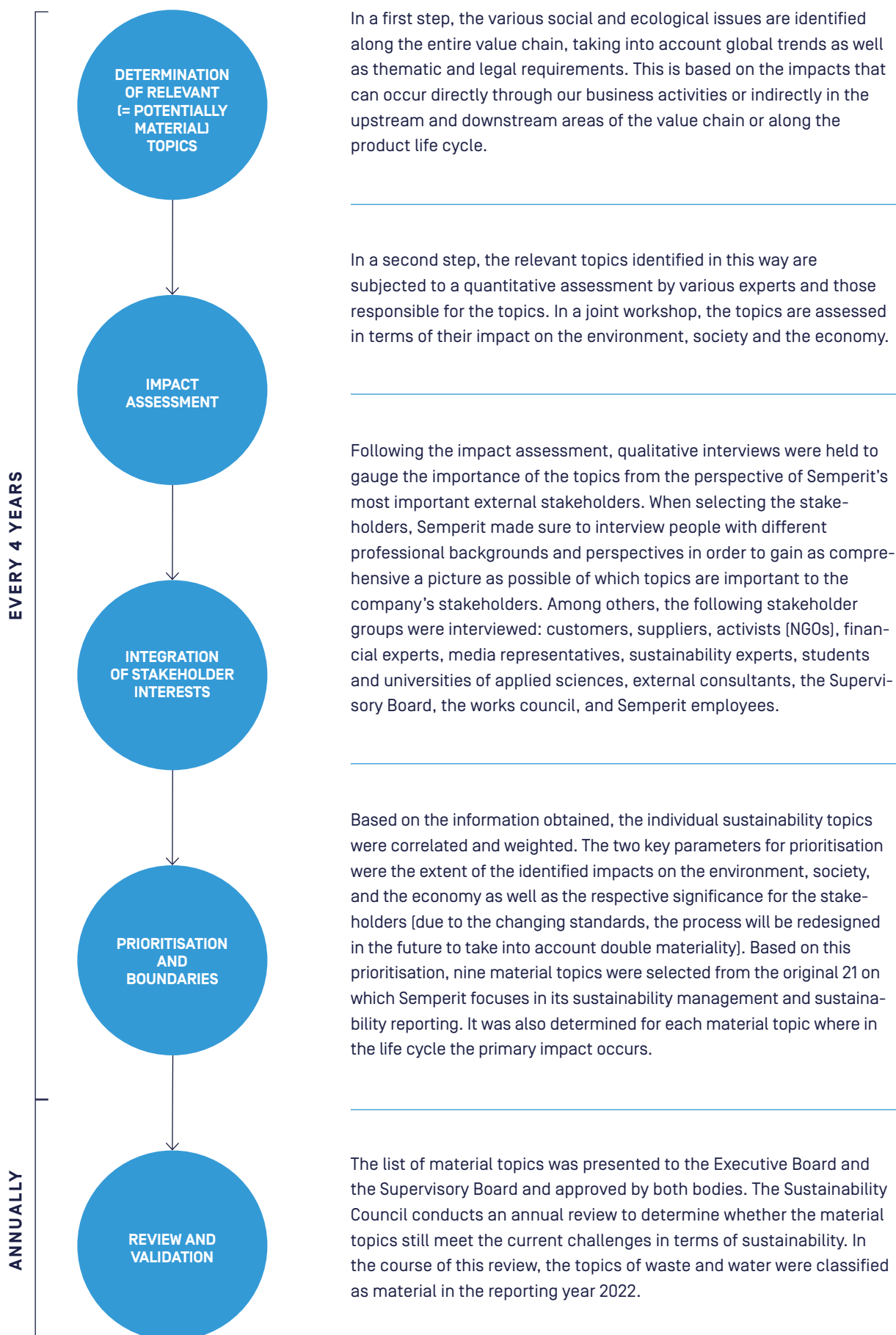
The materiality analysis last carried out in 2020 serves Semperit as a basis for sustainability management as well as for determining the content of this report. The approach chosen – the materiality analysis – complies with the legal requirements of the Sustainability and Diversity Improvement Act and the standards of the Global Reporting Initiative (GRI) 2016 and involves the key stakeholders. In accordance with these standards, quantitative data and qualitative information must be disclosed on the topics identified.



In the course of this materiality analysis, Semperit identified and evaluated the various sustainability topics that arise along the entire value chain as a result of the Semperit Group's business activities. Semperit's impact on the environment and society in the context of these issues was taken into account, as was their significance for Semperit's various stakeholders. In addition to the social and ecological impacts, the economic significance of the topics for Semperit was also discussed. The inclusion of the various interests of the stakeholders served to obtain a comprehensive and as complete as possible picture in order to be able to set the right priorities in the area of sustainability as a company. The comprehensive process of materiality analysis is repeated every four years, while the topicality of the identified topics is reviewed continuously. The next reassessment of material topics is planned for 2023 and will be carried out in accordance with the GRI standards (GRI 1: Foundation 2021 and GRI 3: Material Topics 2021).

The topicality of the material topics is reviewed annually and adjusted, if necessary, in order to respond to possible changes and trends in the business environment. In 2022, the topics of waste and water were also assessed as material as part of the update review by the Sustainability Council, and it was decided that the relevant information of the respective GRI standards would be disclosed in this report.

## STEP BY STEP TO MATERIALITY (PROCESS DESCRIPTION)



## MATERIAL TOPICS OF THE SEMPERIT GROUP IN 2022



## TABULAR OVERVIEW OF MATERIAL TOPICS IN 2022

MATERIAL TOPICS	SECTION	NADIVEG CONCERNS	GRI STANDARD	BOUNDARIES OF PRIMARY IMPACT	STAKEHOLDERS
<b>Energy</b>	Energy and emissions	Environment	GRI 302	Within the company	Semperit, investors, employees, customers, authorities and politics
<b>Greenhouse gas emissions</b>	Energy and emissions	Environment	GRI 305	Within the company, upstream and downstream	Semperit, customers, suppliers, investors, employees, authorities and politics
<b>Raw materials</b>	Selection of raw materials and innovation	Environment	GRI 301	Within the company, upstream	Semperit, customers, suppliers, employees, authorities and politics
<b>Material use</b>	Material use and waste management	Environment	GRI 301	Within the company	Semperit, customers, suppliers, investors, employees
<b>Waste</b>	Material use and waste management	Environment	GRI 306	Within the company, downstream	Semperit, employees, investors, authorities and politics
<b>Water</b>	Water	Environment	GRI 303	Within the company	Semperit, neighbours and residents, authorities
<b>Health and safety</b>	Occupational health and safety	Employees	GRI 403	Within the company	Semperit, employees, investors, authorities
<b>Diversity and inclusion</b>	Diversity and inclusion	Employees	GRI 401 GRI 405	Within the company	Semperit, suppliers, employees, customers
<b>Human rights and social standards</b>	Human rights and social standards	Respect for human rights, social concerns	GRI 412	Within the company, upstream	Semperit, employees, suppliers, customers, NGOs, media
<b>Sustainability in the supply chain</b>	Sustainability in the supply chain	Environment, social concerns	GRI 308 GRI 414	Upstream	Semperit, suppliers, customers, investors, NGOs
<b>Compliance and anti-corruption</b>	Compliance and anti-corruption	Social concerns, anti-corruption and anti-bribery	GRI 205 GRI 206 GRI 307 GRI 406 GRI 419	Within the company, upstream and downstream	Semperit, customers, suppliers, investors, employees

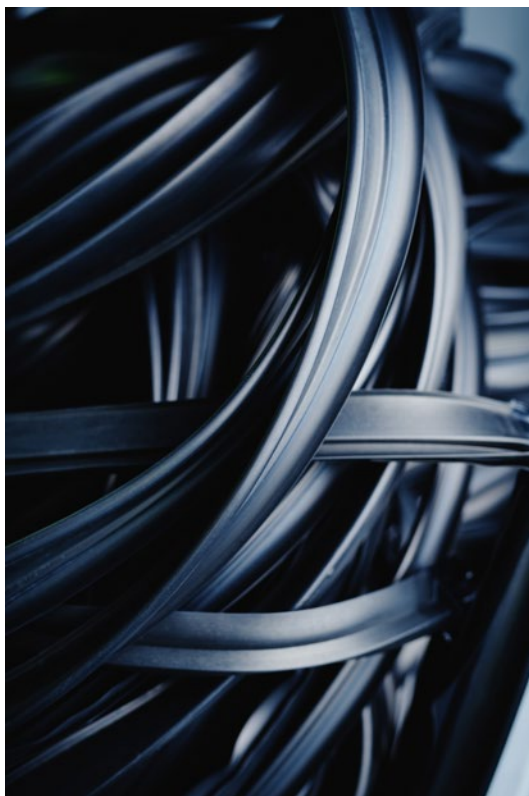


## STAKEHOLDER INVOLVEMENT

Stakeholders are individuals, institutions, or companies that have an interest in an organisation for personal or professional reasons because the actions of the organisation may have an impact on them, or because they themselves can influence the development of the company concerned. For this reason, it is particularly important to Semperit to get to know the interests and needs of its stakeholders and to promote mutual dialogue. Ongoing exchange with stakeholders takes a variety of forms, such as face-to-face meetings, trade shows, workshops, surveys, expert discussions, training courses, and the participation in national and international initiatives, and is part and parcel of the company's understanding of business. Semperit symbolises open and continuous dialogue. This means it is not only possible to create trust, but also to identify at an early stage which topics are relevant for Semperit in terms of sustainability or are likely to be in the future.



SEMPERIT ATTACHES PARTICULAR IMPORTANCE TO GETTING TO KNOW THE INTERESTS AND NEEDS OF ITS STAKEHOLDERS AND PROMOTING MUTUAL DIALOGUE.



The interaction between Semperit and the various stakeholders depends on the sector and topic and can take different forms. For example, communication with sensitive groups such as minorities is initiated by deputy representatives or NGOs. This is always done depending on the situation and the focus in order to achieve the best possible results and to meet all needs. The following table shows which topics are important to Semperit's various stakeholder groups and which dialogue formats the company uses to communicate with them and involve them.

## STAKEHOLDER OVERVIEW

STAKEHOLDER GROUPS	TOPICS	FREQUENCY	INTEGRATION AND DIALOGUE FORMATS
<b>Supervisory Board</b>	ESG risks, sustainable financial market, sustainability strategy and target setting, implementation of new laws and guidelines	Ongoing	Meetings, individual and group discussions, interviews
<b>Capital market (shareholders, outside creditors, etc.)</b>	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
<b>Employees</b>	Social standards, 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 programmes, group conferences
<b>Customers</b>	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
<b>Suppliers, business partners</b>	Raw material selection, energy, greenhouse gas emissions, certificates and audits, efficiency, market developments	Ongoing	Dialogues, events, trainings, talks, supplier surveys, audits
<b>Civil society, NGOs</b>	Recycling economy and waste management, human rights and social standards, Green Deal	Ongoing	Dialogues, one-to-one meetings, specialist events, answers to enquiries, media
<b>Local Stakeholders</b>	Health and safety, waste, water, corporate management, emissions, employee indicators	Ongoing	Personal conversations, factory tours, neighbourhood meetings, press conferences
<b>Political decision makers</b>	Greenhouse gas emissions, energy, innovative performance, employee indicators	Ongoing	Events, submissions
<b>Science, research</b>	Recycling economy, raw material selection, smart technologies	Ongoing	Round tables, R&D cooperation, speeches, discussions
<b>Media</b>	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
<b>Networks, associations</b>	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

## 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 analysed 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 44 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. Other SDGs are mentioned in the substantive part of the report.



### 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. Over the past three years, Semperit has made step-by-step progress towards its goal of steadily increasing the percentage of women. In addition to promoting diversity and equality, Semperit works hard to avoid all forms of discrimination.



## 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 characterised 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 optimise 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” programme 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 globalisation 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; PARTNERSHIPS AND MEMBERSHIPS

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 amfori BSCI and Together for Sustainability (TfS) organisations.

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.



### EXTERNAL INITIATIVES AND MEMBERSHIPS

- amfori BSCI – Business Social Compliance Initiative
- BVH – Bundesverband Hautschutz e.V. (Federal Association for Skin Protection)
- CIRA – Cercle Investor Relations Austria
- EcoVadis – 2021 Gold Standard (Semperit Group)
- 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)



### 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-Fensterprofile 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
- Technische Universität Wien (Vienna University of Technology)

## MANAGEMENT STRUCTURE AND COMPOSITION

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 and is based on the EU recommendations on the tasks of supervisory board members and on the remuneration of directors 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 2022 financial year was published in January 2021 and can be found online at [www.corporate-governance.at](http://www.corporate-governance.at).

Semperit AG Holding, as a publicly listed company that operates globally, is obliged to follow the Austrian Corporate Governance Code and also intends to follow the code in the future and justify any behaviour 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 observed by the relevant bodies and the company.

## COMPOSITION AND FUNCTION OF THE EXECUTIVE BOARD

At the end of the financial year 2022, the Management Board consisted of three members - CEO Dr. Karl Haider, CFO Dr. Helmut Sorger and COO Kristian Brok, MSc. At the end of the 2022 financial year, the Executive Board consisted of three members - CEO Karl Haider, CFO Helmut Sorger and COO Kristian Brok. 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. He initially worked in sales and project management at the Dutch chemical group DSM before advancing to become a member of the Executive Board of the Stainless Steel Division of voestalpine. Most recently, Karl Haider held the position of Chief Commercial Officer at Tata Steel Europe, one of the world's largest steelmaking companies. His achievements at Tata Steel, where he started off as Director Operations Downstream, included major mergers and acquisitions. A highly regarded industry expert and highly qualified manager, Karl Haider has gained extensive experience at major international industrial corporations throughout his career.

In his previous functions at voestalpine and Tata Steel, Karl Haider held numerous seats on Supervisory Boards at group subsidiaries. However, he does not currently hold any 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 31 December 2025.

Helmut Sorger, born in 1978, holds a doctorate in social sciences and economics. He began his career as a research assistant and university lecturer at the department for Quantitative Management at the Vienna University of Economics and Business Administration. In 2007 he joined Wienerberger in the Corporate Controlling Department. In the same year, Helmut Sorger took over as Head of Financial Reporting. In the summer of 2010, he moved to the US and served as Director Finance and IT of General Shale Brick Inc. In 2013 he returned to Vienna taking on the responsibility as Head of Corporate Reporting of Wienerberger AG. In the beginning of 2015, Helmut Sorger became CFO of the North America region and thus Head of the finance division of Wienerberger AG for the following seven years, where he supported the strategic reorientation and growth of the division through acquisitions and their rapid integration into the existing organization.

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



### KRISTIAN BROK

Member of the Executive Board since 1 January 2020; Chief Operating Officer (COO); term of office ends on 31 December 2025.

Kristian Brok, born in 1965, studied Engineering at the Technical University of Denmark and pursued further education in innovation, product portfolio management and business insight at MIT in the USA and INSEAD in France. He has more than 20 years of managerial experience within the field of highly specialised manufacturing and engineering. Before joining Semperit, he spent ten years at Trelleborg Sealing Solutions (a division of Trelleborg AB) in several senior leadership positions, most recently spending nine years as a Member of the Divisional Board and President of the Global Operations Elastomers Business Unit. In parallel, he headed up legal entities in the USA, Mexico, China and India, as well as several legal entities in Europe.

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.



## PETRA PREINING

Member of the Executive Board since 17 May 2021 initially on a temporary basis before being officially appointed on 29 September 2021; Chief Financial Officer (CFO); term of office ends on 31 December 2022.

Petra Preining was born in 1973 and studied Business Administration at the Vienna University of Economics and Business. After graduating, she worked for Unilever (Austria Frost GmbH) and Kraft Jacobs Suchard in various finance positions before joining Wyeth in 2001. During her nine years at Wyeth, she held the positions of Finance Manager ECE/CIS/MEA and CFO Russia. From 2010 to 2013, she was Finance Director at TRC Ltd/Tiller JLT and served as CFO at Austrian Kurdish Oilfield Services LLC from 2013 to 2015. From 2016, Ms Preining was employed at B & C Industrieholding GmbH. From February 2017 she was Managing Director of B & C Innovation Investments GmbH and from September 2018 Senior Finance Expert at B & C Industrieholding GmbH. In parallel, she was a member of the Supervisory Board and the Audit Committee of Semperit AG Holding from May 2017. She has also been a member of the Supervisory Board of Frequentis AG since September 2019. Petra Preining's Supervisory Board duties at Semperit AG Holding were temporarily suspended on 17 May, before she finally left the Supervisory Board on 29 September 2021.

Petra Preining resigned from the Executive Board prematurely as of 30 September 2022, as she accepted a new professional challenge.

## COMPETENCE PORTFOLIO IN SUSTAINABILITY MANAGEMENT

Apart from strategic foresight, managing sustainability performance also 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.

The shift to alternative energy supply systems is driven by the Executive Board team's prior experience in implementing energy optimisation programmes. All Executive Board members used to be leaders in this area in their previous roles.

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 utilisation, CO<sub>2</sub>-low steel production and hydrogen 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.

All board members also have experience in the specialist field of managing material use and waste management. However, this is especially true for COO Kristian Brok, whose experience in operationalising of reuse and recycling standards for polymers and end-of-life products complements the industry-specific know-how.

In his roles as Head of Operations and General Manager, he has been committed to continuous improvement of environmental and occupational safety issues.

Due to the extensive topics covered by sustainability management, clear competence potentials are recognisable, which are being exploited bit by bit through a continuous learning process. In addition, an intensive transfer of knowledge is ensured through close exchange with those responsible and the Sustainability Council.

## COOPERATION BETWEEN THE EXECUTIVE BOARD AND SUPERVISORY BOARD

Under Austrian law, stock corporations must have an institutional separation of management and control. Accordingly, the Executive Board of Semperit acts as the supreme management body and the Supervisory Board serves as the controlling body. The Executive Board and the Supervisory Board are committed to responsible and sustainable corporate governance, which takes place in an environment of constant open exchange and is continuously developed. The rules of procedure of the Executive Board regulate, among other things, the ongoing reporting of the Executive Board to the Supervisory Board as well as a catalogue of those transactions and measures that require the explicit approval of the Supervisory Board in addition to the

statutory provisions. The Supervisory Board appoints, monitors and supports the Executive Board in the management of the company, especially in decisions of fundamental importance.

## FUNCTION AND COMPOSITION OF THE SUPERVISORY BOARD

At the end of 2022, the Supervisory Board consisted of six 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 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<sup>1</sup>

### SHAREHOLDER REPRESENTATIVES

	Year of birth	First appointed to the Supervisory Board	Current term of office <sup>2</sup>	Supervisory board positions in other listed companies
<b>Stefan Fida</b> <sup>3,4</sup> Deputy Chairman until 26.12.2022, Chairman since 27.12.2022	1979	29.04.2014	Until the Annual General Meeting, resolving upon the 2024 financial year	Lenzing AG
<b>Birgit Noggler</b> <sup>3</sup> Member since 26.12.2022, Deputy Chairwoman since 27.12.2022	1974	08.05.2019	Until the Annual General Meeting, resolving upon the 2024 financial year	Raiffeisen Bank International AG
<b>Stephan Büttner</b> <sup>3</sup> Member	1973	27.04.2022	Until the Annual General Meeting, resolving upon the 2023 financial year	Executive Board member of AGRANA Beteiligungs-AG
<b>Klaus Friedrich Erkes</b> <sup>3,5</sup> Member	1958	23.05.2017	Until the Annual General Meeting, resolving upon the 2022 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) since 1 January 2022
<b>Claus Möhlenkamp</b> <sup>3,4</sup> Member	1965	22.07.2020	Until the Annual General Meeting, resolving upon the 2022 financial year	–
<b>Astrid Skala-Kuhmann</b> <sup>3</sup> Member	1953	29.04.2014	Until the Annual General Meeting, resolving upon the 2023 financial year	Lenzing AG

<sup>1</sup> As of 31 December 2022.

<sup>2</sup> According to regulations, each year at least two members of the Supervisory Board resign from their positions at the end of the Annual General Meeting.

<sup>3</sup> Have declared their independence to the Supervisory Board in accordance with C-Rule 53 of the Austrian Corporate Governance Code.

<sup>4</sup> In 2022, the Chairman of the Supervisory Board was Herbert Ortner. On 27 December 2022, he resigned from his position as Chairman of the Supervisory Board and left the Supervisory Board. Stefan Fida, Deputy Chairman of the Supervisory Board, took over as Chairman of the Supervisory Board, Birgit Noggler as Deputy Chairman of the Supervisory Board from 27 December 2022.

<sup>5</sup> No representation by a shareholder over 10% (C-Rule 54 of the Austrian Corporate Governance Code).



## EMPLOYEE REPRESENTATIVES

	Year of birth	First appointed to the Supervisory Board	Current term of office <sup>2</sup>	Works council function
<b>Herbert Ofner</b>	1966	27.04.2021	–	Deputy Chairman of the Works Council for white-collar workers, Wimpassing
<b>Monika Müller</b>	1964	27.04.2021		Chairwoman of the Works Council for white-collar workers, Vienna
<b>Michael Schwiegelhofer</b>	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
<b>Markus Stocker</b>	1979	01.01.2017	–	Chairman of the Central Works Council of Semperit AG Holding, Deputy Chairman of the European Works Council, Chairman of the Works Council for white-collar workers, Wimpassing

## RESIGNED MEMBERS OF THE SUPERVISORY BOARD

Shareholder representative	Year of birth	First appointed to the Supervisory Board	Current term of office
Dipl.-Ing. Herbert Ortner Chairman	1968	22.07.2020	Resigned from office as of 27.12.2022

## MEETINGS OF THE SUPERVISORY BOARD AND ITS COMMITTEES IN 2022

The Supervisory Board convened for nine meetings. In 2022, no member of the Supervisory Board attended less than 50% of the meetings. In 2022, Herbert Ortner was the Chairman of the Supervisory Board until 26 December. As in the previous year, Stefan Fida was the Deputy Chairman of the Supervisory Board. Following Herbert Ortner, Stefan Fida has served as Chairman and Birgit Noggler as Deputy Chairman of the Supervisory Board since 27 December 2022.

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. The Audit Committee held three meetings, focusing particularly on the preparation of the adoption of the annual and consolidated financial statements for 2021, on risk management, the internal control system, internal auditing, the compliance organisation, IT security (cybersecurity), and the preparation of the annual and consolidated financial statements for 2022.

In eight meetings, the **Nominating and Remuneration Committee**, chaired by Herbert Ortner until 27 December 2022 and then by Stefan Fida, focused on the performance assessment and agreement of targets for the members of the Executive Board as well as the remuneration policy for members of the Executive Board and the Supervisory Board, which was adjusted in 2022 and subsequently approved at the Annual General Meeting. In addition, the committee dealt with the termination agreement with Petra Preining. This committee most notably also dealt with the appointment of a new CFO and CEO and the nomination of Supervisory Board members. In addition, potential and succession issues on the second management level as well as in greater detail talent management in the company were discussed with the Executive Board, as well as the results of the employee survey.

The **Committee for Urgent Issues**, headed by Herbert Ortner until 27 December 2022 and then Stefan Fida, did not hold any meetings. In 2022, the Supervisory Board started an extensive self-evaluation based on qualitative and quantitative assessment in accordance with C-Rule 36 of the Austrian Corporate Governance Code. Discussion of results was started in the beginning of 2023. Based on these discussions, measures to increase the efficiency of the activities of the Supervisory Board will be derived and defined, and then implemented.

## COMPOSITION OF THE COMMITTEES OF THE SUPERVISORY BOARD

Committee	Members
Committee for Urgent Issues	Stefan Fida (Chairman) <sup>2</sup> Birgit Noggler <sup>2</sup> Markus Stocker
Nominating and Remuneration Committee	Stefan Fida (Chairman) <sup>2</sup> Birgit Noggler <sup>2</sup> Markus Stocker
Audit Committee	Birgit Noggler (Chairwoman) Stephan Büttner <sup>3</sup> Michael Schwegelhofer Markus Stocker

<sup>1</sup> As of 31 December 2022.

<sup>2</sup> On 26 December 2022, Herbert Ortner resigned from his position as Chairman of the Supervisory Board and all committee positions (Chairman of the Committee for Urgent Issues and the Nominating and Remuneration Committee, member of the Audit Committee) with immediate effect and left the Supervisory Board. Stefan Fida, Deputy Chairman of the Supervisory Board, took over as Chairman of the Supervisory Board and Birgit Noggler as Deputy Chairwoman of the Supervisory Board as of 27 December 2022. Stefan Fida was also appointed Chairman of the Nominating and Remuneration Committee and the Committee for Urgent Issues as of 27 December 2022 (previously a simple member). Birgit Noggler was also elected to the Nominating and Remuneration Committee and the Committee for Urgent Issues with effect from 27 December 2022.

<sup>3</sup> Since 27 April 2022.

## 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 and Claus Möhlenkamp were not shareholders of the company with an investment of more than 10% each nor did they represent the interests of such shareholders in 2022. There is D&O insurance for the Supervisory Board, with the associated expenses being borne by the company.

## MANAGERS' TRANSACTIONS

There were no managers' transactions in the financial year 2022. In general, transactions in shares or debt instruments of the company or related derivatives or financial instruments carried out by members of the Executive Board and the Supervisory Board are published online in accordance with Article 19 of the Market Abuse Regulation: <https://issuerinfo.oekb.at>.

## EQUAL OPPORTUNITIES AND DIVERSITY

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 factored in. The written version of a diversity concept 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 colour, or sexual orientation. A person's skills and potential are what counts. Using flexible working models such as flexitime and part-time work, as well as special parental part-time arrangements, the Group is aiming to continuously increase the proportion of female employees. As a traditional industrial company with a technical focus, the share of women was 23% across the Group in 2022 (compared to 23% in 2021), 27% throughout Europe (compared to 26% in 2021) and 38% in USA and rest of the world (compared to 38% in 2021). Since May 2017, Semperit AG Holding has met the 30% quota for women on the Supervisory Board, which has been required by law since 2018. There was one woman on the Executive Board until Petra Preining resigned from office in autumn. Overall, the share of women in management (Executive Board, Management Forum, department heads) was around 13% (compared to 10% in 2021).

## REMUNERATION POLICY

The [remuneration policy](#)<sup>4</sup> defines the principles which are used for determining the remuneration of the Executive Board and the Supervisory Board of Semperit AG Holding and can be fully accessed on the website. Basically, the remuneration system implements the statutory requirements of the Austrian Stock Corporations Act (Section 78 et seq. AktG) and the recommendations of the Austrian Code of Corporate Governance (ÖCGK) in order to promote long-term and sustainable business development.

In the remuneration policy most recently adopted by the 2022 Annual General Meeting, sustainability targets were incorporated into the remuneration model for the first time. The performance-based remuneration for the achievement of sustainability targets was integrated into the long-term incentive (LTI). The LTI is granted on a rolling basis, i.e., in annual tranches with three-year assessment periods each. This allows the sustainability targets to be regularly adjusted to the corporate environment of the Semperit Group, and different priorities can be set for each year.

Since the performance criteria to which the LTI is linked relate to the average of a three-year assessment period, a board member can be incentivised by the LTI even if he or she has already left the Executive Board. This is the case if the company's performance is consistently good and the values leading to the payment of the LTI are thus achieved. In this way, board members have an incentive to continue to make effective long-term decisions and investments in the company at the end of their term of office. Furthermore, the effects of cyclical fluctuations in results on the LTI are smoothed out.

The performance assessment of the Executive Board members is carried out annually by the Nomination and Remuneration Committee of the Supervisory Board, which decides on the remuneration based on this assessment.

The following table shows the ratio of the total annual compensation of the top earner at Semperit to the median annual income of all other employees. In contrast to the ["Fat Cat Day Survey" of the Vienna Chamber of Labour](#) (factor 80 in 2021), Semperit calculates this factor on the basis of the total annual income including any special payments that are paid out, for example, when employees leave the company.

The remuneration of Semperit's best earner in 2022 was 57 times higher than the median income of all others. Compared to the two previous years, the factor shows a decrease. 2021 was characterised by several changes in the Executive Board, which were associated with special payouts under stock corporation law.

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

2022	2021	2020
57	182	80

A detailed description of the remuneration system and an overview of the remuneration owed and received by current and former members of the Executive Board and the Supervisory Board during the course of a financial year, including all benefits in any form, is provided in the [remuneration report](#)<sup>5</sup>. This can be accessed on the website for further information.

## 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 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 Group Head of ESG reports to the Director HSEQ & ESG (Health, Safety, Environment, Quality & Environment, Social, Governance), who reports to the COO.

The Executive Board 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 the 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, 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 utilised. 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 the 2022 reporting year, the focus of sustainability activities continued to be on the incorporation of the requirements of the EU Taxonomy Regulation, the improvement of data management and the diverse activities in connection with the “Together for Sustainability” initiative, which deals with sustainable supply chain management. The preparation for future regulations and the anchoring of the sustainability strategy and the associated goals were also essential components of the sustainability work. The Sustainability Council focused on tasks related to ongoing data management, human rights due diligence and regulatory developments. The slowly changing market requirements with regard to sustainability, which are becoming noticeable mainly due to increasing customer demand and affect a wide variety of areas within the Semperit Group, are another that was topic increasingly discussed in the various committees.

## ORGANISATION OF SUSTAINABILITY MANAGEMENT



# ESG RISK MANAGEMENT

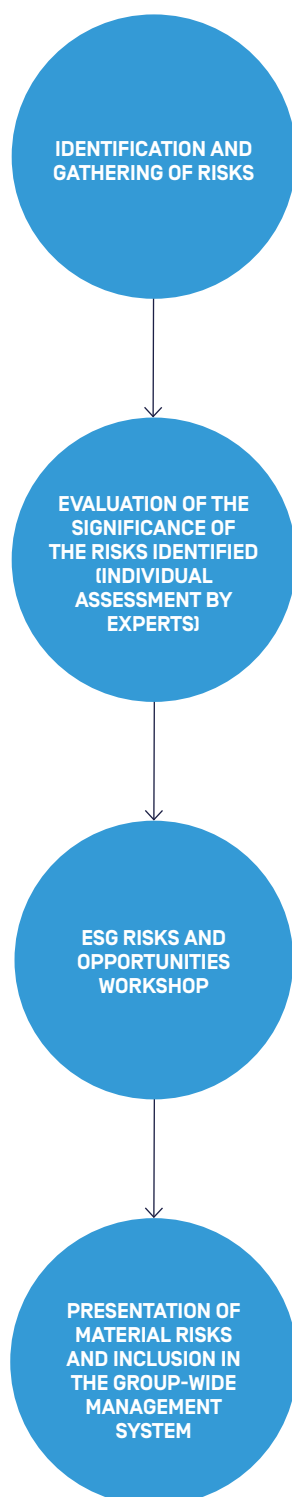
In addition to anchoring the sustainability strategy, advancing Group-wide goals in this context and preparing the company for future challenges, the annual reassessment of ESG risks is an important component of the Semperit Group's sustainability work. In the course of the ESG risk process, internal and external developments and impacts in the area of ESG (environment, social and governance) are identified and assessed so that they can be taken into account at management level going forward. Semperit looks in particular at environmental and social issues and challenges here. In order to respond promptly to developments, Semperit carries out an annual ESG Risk & Opportunity Assessment. The main risks are identified and assessed by Group Sustainability Management in conjunction with Group Risk Management in a comprehensive process that is time-independent of the traditional risk process. In addition to potential risks, opportunities and the relevant measures to mitigate risk and utilise opportunities are discussed and documented.



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

The impact of the Semperit Group on non-financial concerns (environment, social, employees, respect for human rights and combating corruption) is analysed as part of the risk assessment. Conversely, ESG and risk management also analyses how the company's own performance or external developments in these areas might financially impact Semperit. This is in line with the requirements of the Sustainability and Diversity Improvement Act and the principle of dual materiality. 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



Firstly, the existing ESG risk catalogue is revised in terms of its topicality and supplemented accordingly. This involves all relevant areas of the company, such as Human Resources, Health and Safety, Production and Innovation as well as the various Semperit sites. In addition to the risks emanating from the company, external developments, such as the effects of climate change on Semperit, are also included. The allocation of risks by category corresponds to the structure of the already established internal Group-wide risk management.

Next, the risks that have been gathered are individually assessed by internal experts and at the same time possible opportunities and countermeasures are garnered. The assessment system used for this purpose is based on the internal risk management system, which has been expanded according to internal and legal requirements. The assessment must estimate the severity of the impact and the probability of occurrence.

The results of the individual assessments are subsequently combined and serve as the basis for the ESG risks and opportunities workshop. Workshop attendees discuss the results of the first two steps and jointly define and evaluate the material risks. 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.

Subsequently, the material ESG risks and opportunities are presented to the Executive Board and the Sustainability Council for 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 following table lists the material ESG risks identified by Semperit in 2022 that could have a potentially high negative impact on non-financial concerns in accordance with NaDiVeG or 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) and the requirements for reporting climate-relevant information are discussed in more detail in the section "Climate-relevant information".

## OVERVIEW OF ESG RISKS IN 2022

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 decarbonisation 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 in 2022 – not least due to the war in Ukraine – 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, for example, the reduction of supplier dependencies and the gradual switch to alternative energy supply systems.

In the area of products, the main focus of the annual survey is on the selection of raw materials and the associated ecological effects, such as the loss of biodiversity, the promotion of raw material scarcity or forestry aspects in the use of natural rubber, as well as the carbon-based extraction of raw materials in the area of chemicals. This goes hand in hand with constantly changing customer requirements, to which Semperit must, and does, react accordingly. Other relevant risks identified and discussed in the area 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<sub>2</sub> tax.

The noticeable change in the prevailing zeitgeist 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 integrated into the planning of 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.

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.

MATERIAL RISKS	MEASURES	OPPORTUNITIES	PRIMARY SPHERE OF ACTION	NADIVEG CONCERNS
<b>Little consideration of sustainability aspects in corporate and innovation strategy (transition risks)</b>	<ul style="list-style-type: none"> <li>→ Linking sustainability strategy with corporate and innovation strategy;</li> <li>→ consideration and integration of ESG aspects into R&amp;D activities;</li> <li>→ focus on current trends and requirements in the fields of decarbonisation and circular economy</li> </ul>	<ul style="list-style-type: none"> <li>→ Environment and climate protection;</li> <li>→ image enhancement;</li> <li>→ improvement of market position;</li> <li>→ responsible business partner</li> </ul>	→ All	→ All NaDiVeG concerns
<b>Lack of commitment and dedication to achieving the Group-wide sustainability goals</b>	<ul style="list-style-type: none"> <li>→ Integration of objectives into the bonus system;</li> <li>→ clear targets;</li> <li>→ consideration of objectives in investment decisions;</li> <li>→ training and education;</li> <li>→ increased employee communication</li> </ul>	<ul style="list-style-type: none"> <li>→ Environment and climate protection;</li> <li>→ employee retention;</li> <li>→ image enhancement;</li> <li>→ improvement of market position</li> </ul>	→ All	→ All NaDiVeG concerns
<b>Little consideration of the potential impact of geopolitical unrest on ESG-relevant issues</b>	<ul style="list-style-type: none"> <li>→ Continuous switch to alternative energy supply systems;</li> <li>→ business partner checks;</li> <li>→ supplier checks;</li> <li>→ switch to alternative delivery options</li> </ul>	<ul style="list-style-type: none"> <li>→ Security of energy supply;</li> <li>→ image enhancement;</li> <li>→ stable and long-term supplier relationships;</li> <li>→ responsible business partner</li> </ul>	→ All	→ All NaDiVeG concerns
<b>Lack of consideration of ecological criteria, such as climate-related impact, when selecting raw materials</b>	<ul style="list-style-type: none"> <li>→ Definition of sustainability criteria in purchasing;</li> <li>→ awareness raising;</li> <li>→ increased R&amp;D activities;</li> <li>→ establishment of ecological criteria in product design;</li> <li>→ cooperation with suppliers, customers and other organisations</li> </ul>	<ul style="list-style-type: none"> <li>→ Environmental protection;</li> <li>→ competitive advantage;</li> <li>→ attractiveness for financial market;</li> <li>→ expansion of product range</li> </ul>	→ All	<ul style="list-style-type: none"> <li>→ Environmental concerns;</li> <li>→ social concerns; employee concerns</li> </ul>
<b>Increase in regulatory requirements in the context of waste and emissions</b>	<ul style="list-style-type: none"> <li>→ Continuous improvement of data collection and management;</li> <li>→ increase in efficiency;</li> <li>→ concentration of R&amp;D work on circular economy opportunities</li> </ul>	<ul style="list-style-type: none"> <li>→ Environmental and climate protection;</li> <li>→ cost benefit;</li> <li>→ image enhancement;</li> <li>→ improvement of market position</li> </ul>	→ Within the company	→ Environmental concerns

MATERIAL RISKS	MEASURES	OPPORTUNITIES	PRIMARY SPHERE OF ACTION	NADIVEG CONCERNS
<b>Loss of competitive advantage due to carbon-cutting measures such as CO<sub>2</sub> tax</b>	<ul style="list-style-type: none"> <li>→ Increasing efficiency;</li> <li>→ setting climate targets;</li> <li>→ promoting decarbonisation;</li> <li>→ switching to alternative energy systems;</li> <li>→ R&amp;D</li> </ul>	<ul style="list-style-type: none"> <li>→ Climate protection;</li> <li>→ employee retention;</li> <li>→ image enhancement;</li> <li>→ improvement of market position;</li> <li>→ cost benefit</li> </ul>	→ Within the company	→ Environmental concerns
<b>Changes in customer demand and preferences towards sustainable production and a green product portfolio [transition risk]</b>	<ul style="list-style-type: none"> <li>→ Definition of sustainability criteria in R&amp;D;</li> <li>→ awareness raising;</li> <li>→ cooperation with research institutions, customers and suppliers;</li> <li>→ expansion of the product portfolio</li> </ul>	<ul style="list-style-type: none"> <li>→ Competitive advantage;</li> <li>→ attractiveness for financial market;</li> <li>→ expansion of product range;</li> <li>→ opening up of new markets</li> </ul>	→ All	→ Environmental concerns
<b>Lack of attractiveness for the sustainable financial market [transition risks]</b>	<ul style="list-style-type: none"> <li>→ Implementation of requirements under the EU taxonomy;</li> <li>→ awareness raising;</li> <li>→ efficiency in production;</li> <li>→ measures to achieve Group-wide sustainability goals;</li> <li>→ ESG ratings;</li> <li>→ certifications</li> </ul>	<ul style="list-style-type: none"> <li>→ Access to sustainably oriented finance flows;</li> <li>→ competitive advantage;</li> <li>→ image enhancement</li> </ul>	→ Within the company	→ All NaDiVeG concerns
<b>Climate-relevant external effects such as new regulations and changing market requirements in the context of combating climate change [transition risks]</b>	<ul style="list-style-type: none"> <li>→ Projects to increase efficiency and effectiveness;</li> <li>→ calculation of corporate carbon footprint;</li> <li>→ efficiency in material use;</li> <li>→ raw material selection;</li> <li>→ sustainable waste management system;</li> <li>→ ISO 14001;</li> <li>→ ISO 9001;</li> <li>→ ISO 50001;</li> <li>→ instruction and awareness training</li> </ul>	<ul style="list-style-type: none"> <li>→ Environmental and climate protection;</li> <li>→ cost benefit;</li> <li>→ employee retention</li> </ul>	→ All	<ul style="list-style-type: none"> <li>→ Environmental concerns;</li> <li>→ social concerns;</li> <li>→ employee concerns</li> </ul>
<b>Lack of attractiveness for key personnel due to lack of sustainable corporate orientation [transition risk]</b>	<ul style="list-style-type: none"> <li>→ Clear positioning of the company in the area of ESG;</li> <li>→ development of non-financial compensation opportunities and offerings;</li> <li>→ diversity &amp; inclusion strategy</li> </ul>	<ul style="list-style-type: none"> <li>→ Image enhancement in the labour market;</li> <li>→ employee retention;</li> <li>→ increased attractiveness for skilled workers;</li> <li>→ competence development;</li> <li>→ talent development</li> </ul>	→ Within the company	<ul style="list-style-type: none"> <li>→ Social concerns;</li> <li>→ employee concerns</li> </ul>

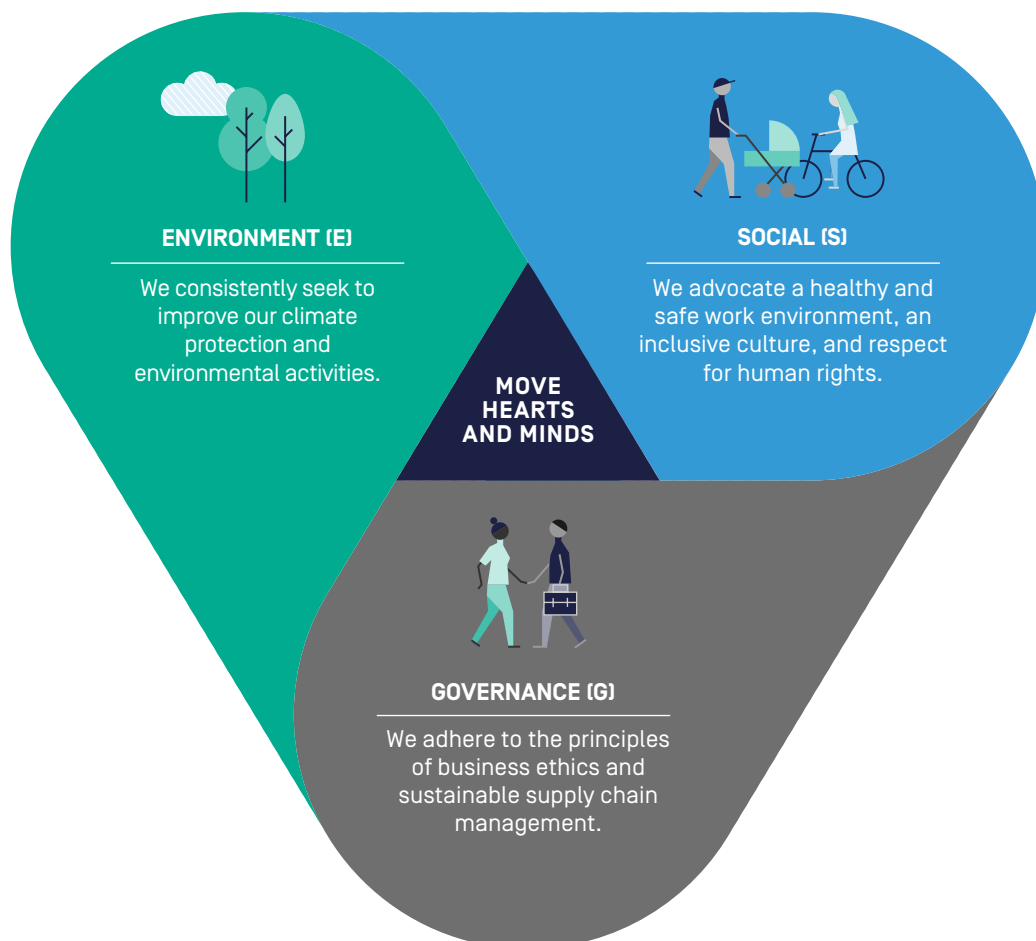
MATERIAL RISKS	MEASURES	OPPORTUNITIES	PRIMARY SPHERE OF ACTION	NADIVEG CONCERNS
<b>Lack of activities to promote a trusting corporate culture and lack of protection for whistleblowers</b>	<ul style="list-style-type: none"> <li>→ Increase in internal communication efforts;</li> <li>→ establishment of various, also secured anonymous complaint mechanisms (SemperLine);</li> <li>→ Code of Conduct, People Policy;</li> <li>→ supplier guideline;</li> <li>→ improvement of the Compliance Management Systems;</li> <li>→ transparent communication; training and education</li> </ul>	<ul style="list-style-type: none"> <li>→ Image enhancement in the labour market;</li> <li>→ improvement of market position;</li> <li>→ responsible business partner</li> </ul>	<ul style="list-style-type: none"> <li>→ Within the company</li> </ul>	<ul style="list-style-type: none"> <li>→ Social concerns;</li> <li>→ employee concerns</li> </ul>
<b>Violation of human rights along the entire value chain</b>	<ul style="list-style-type: none"> <li>→ Code of Conduct, People Policy;</li> <li>→ supplier guideline;</li> <li>→ internal and external audits;</li> <li>→ increased cooperation with suppliers and customers;</li> <li>→ internal instruction and training;</li> <li>→ creation of transparency;</li> <li>→ increased employee communication;</li> <li>→ employee survey, establishment and monitoring of various complaints mechanisms such as SemperLine</li> </ul>	<ul style="list-style-type: none"> <li>→ Respect for human rights and improvement of the living conditions of vulnerable groups;</li> <li>→ image enhancement;</li> <li>→ improvement of market position;</li> <li>→ responsible business partner;</li> <li>→ employee retention</li> </ul>	<ul style="list-style-type: none"> <li>→ Upstream;</li> <li>→ within the company</li> </ul>	<ul style="list-style-type: none"> <li>→ Respect for human rights;</li> <li>→ social concerns;</li> <li>→ employee concerns</li> </ul>
FURTHER RISKS	MEASURES	OPPORTUNITIES	PRIMARY SPHERE OF ACTION	NADIVEG CONCERNS
<b>Accident and health risks</b>	<ul style="list-style-type: none"> <li>→ HSEQ Policy;</li> <li>→ ISO 45001;</li> <li>→ ISO 9001;</li> <li>→ personal protective equipment;</li> <li>→ broad provision of training and information;</li> <li>→ raising employee awareness</li> </ul>	<ul style="list-style-type: none"> <li>→ Attractive and responsible employer;</li> <li>→ employee motivation;</li> <li>→ low turnover;</li> <li>→ image enhancement</li> </ul>	<ul style="list-style-type: none"> <li>→ Within the company</li> </ul>	<ul style="list-style-type: none"> <li>→ Environmental concerns;</li> <li>→ employee concerns;</li> <li>→ social concerns</li> </ul>
<b>Corruption and non-compliance with laws</b>	<ul style="list-style-type: none"> <li>→ Code of Conduct;</li> <li>→ Compliance Management System;</li> <li>→ capital market compliance; Compliance Board;</li> <li>→ whistleblower hotline;</li> <li>→ policies;</li> <li>→ training and instruction;</li> <li>→ value system</li> </ul>	<ul style="list-style-type: none"> <li>→ Industry role model;</li> <li>→ image enhancement;</li> <li>→ responsible business partner;</li> <li>→ competitive advantage</li> </ul>	<ul style="list-style-type: none"> <li>→ All</li> </ul>	<ul style="list-style-type: none"> <li>→ Fight against corruption</li> </ul>

# 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 minimise 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.

SUCCESSFUL IMPLEMENTATION OF THE GOALS CAN ONLY BE ACHIEVED IF INTERNAL AND EXTERNAL STAKEHOLDERS ARE FULLY INVOLVED AND PULL TOGETHER.

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.



## SEMPERIT'S COMMITMENT 2030 – OVERVIEW OF TARGETS



### ENVIRONMENT (E)

#### ENERGY AND EMISSIONS

- 30% less energy
- 30% lower emissions  
[Scope 1 & 2]

30 by  
2030



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#### WASTE AND WATER

- 30% less water
- 30% less waste

30 by  
2030



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### SOCIAL (S)

#### HEALTH AND SAFETY

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



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#### 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 110 ff.

#### RESPECT FOR HUMAN RIGHTS

- 100% training\*
- 100% external audits\*
- Zero violations



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### 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 127 ff.

#### 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

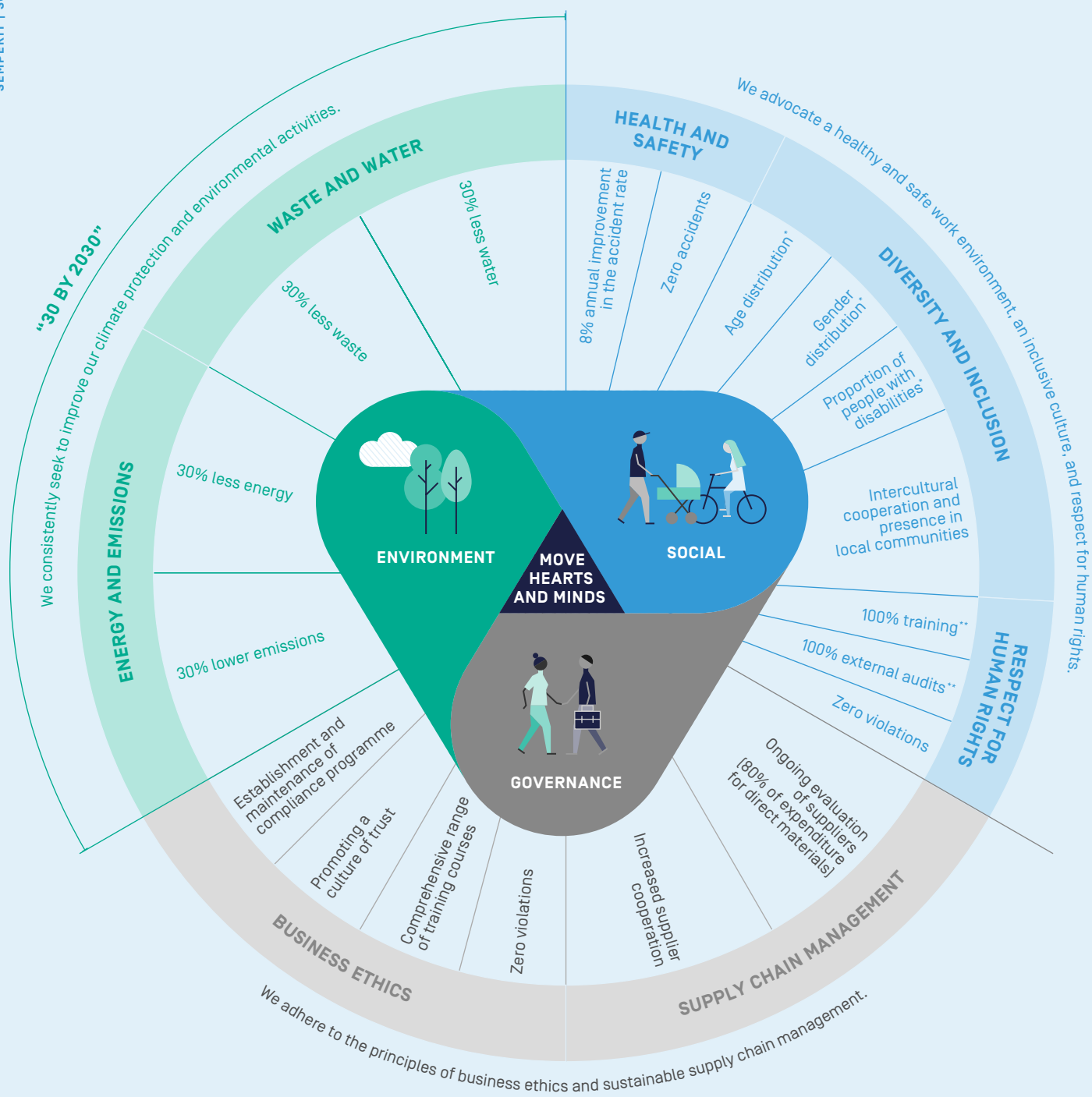


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\* For employees and sites that are characterised by a relevant risk

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

## SUSTAINABILITY STRATEGY 2030 "MOVE HEARTS AND MINDS"

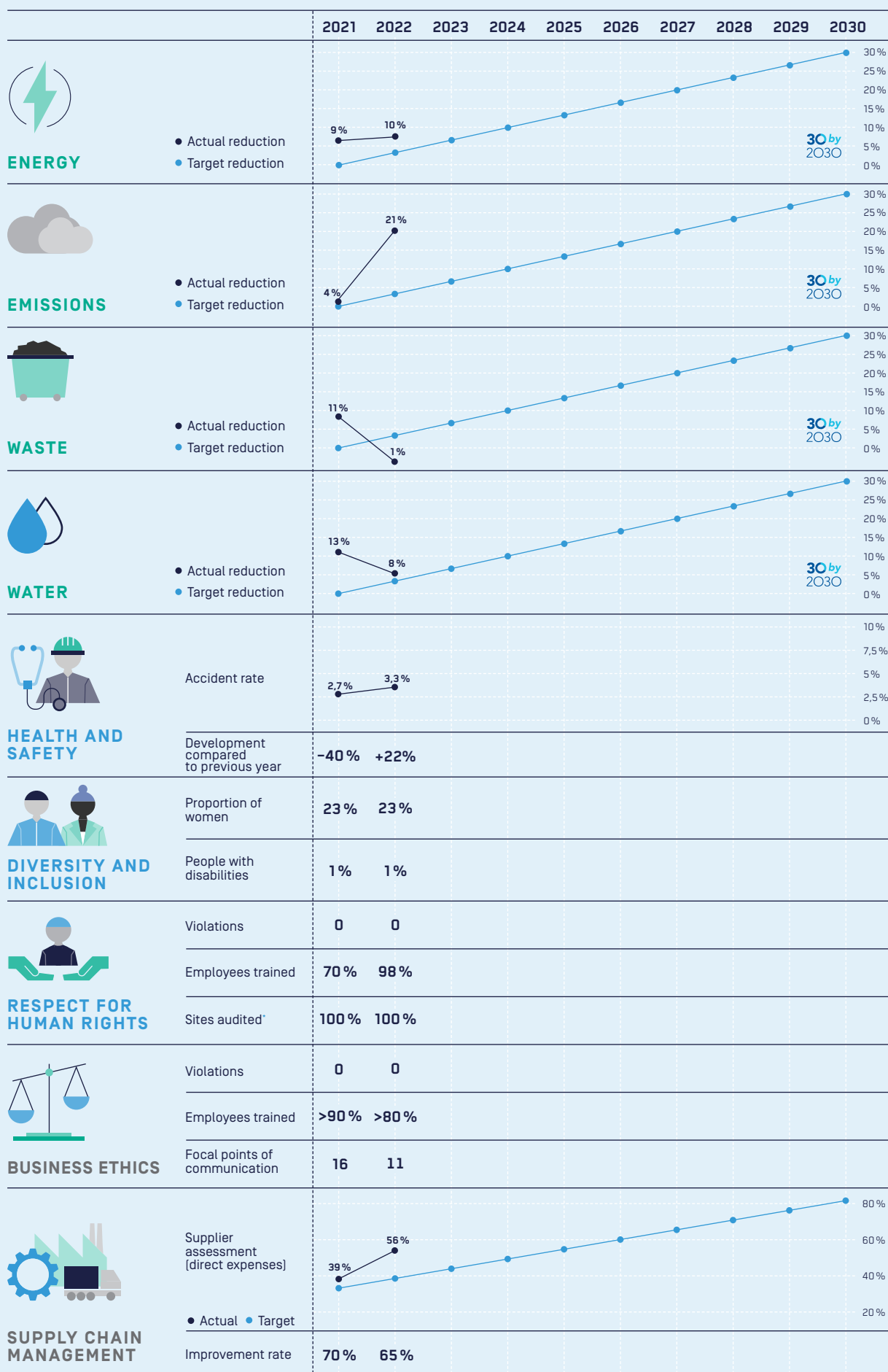


\* distribution according to relevant labour markets

\*\* for employees and sites that are characterised by a relevant risk



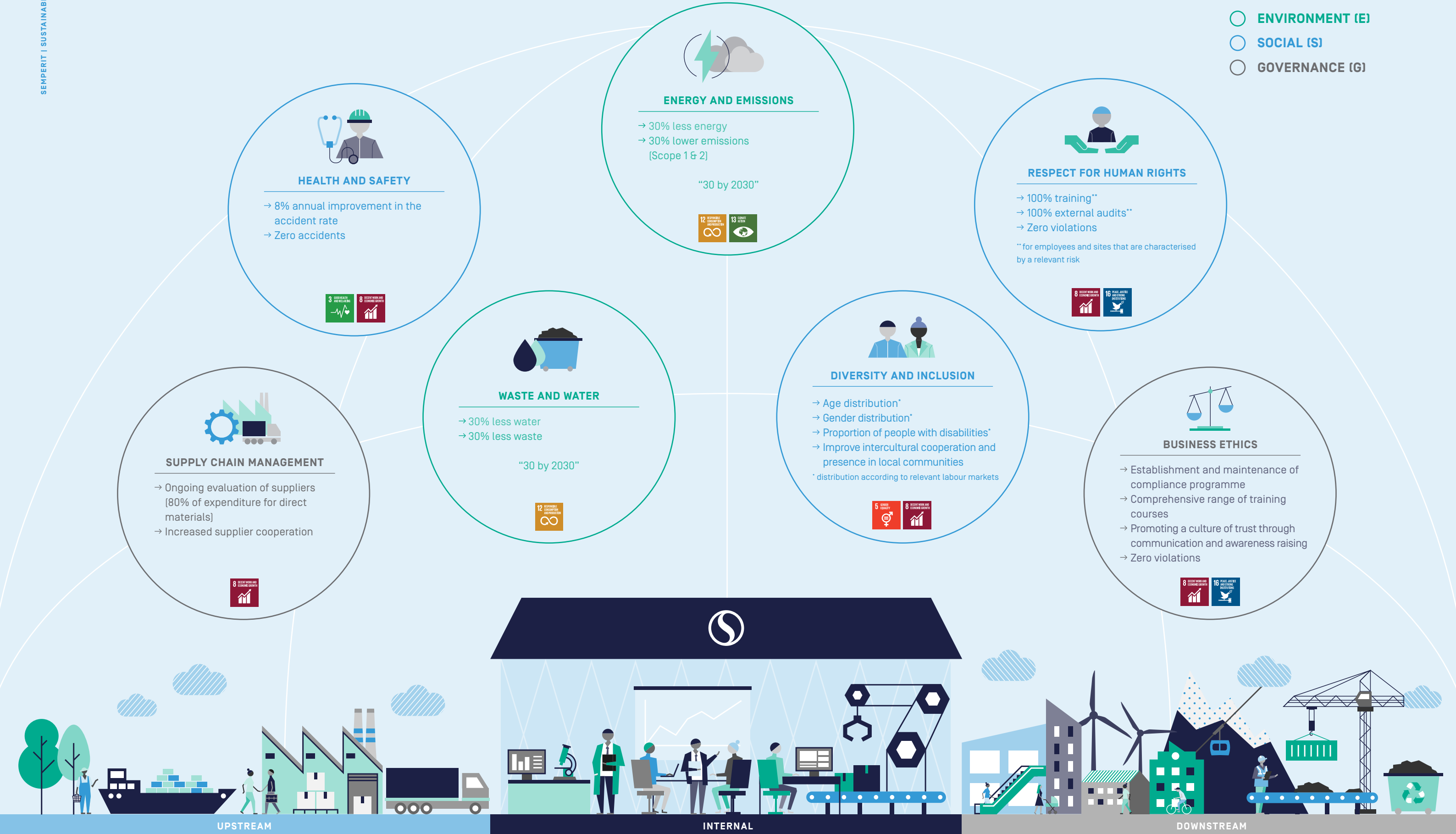
## MOVE HEARTS AND MIND DASHBOARD: OVERVIEW OF TARGETS ACHIEVED IN 2022 (MEASURED AGAINST 2019 BASELINE)



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

\* For employees and locations characterised by a relevant risk

## OVERVIEW: VALUE CHAIN OF SEMPERIT AND RELEVANT TOPICS AND GOALS FOR 2030

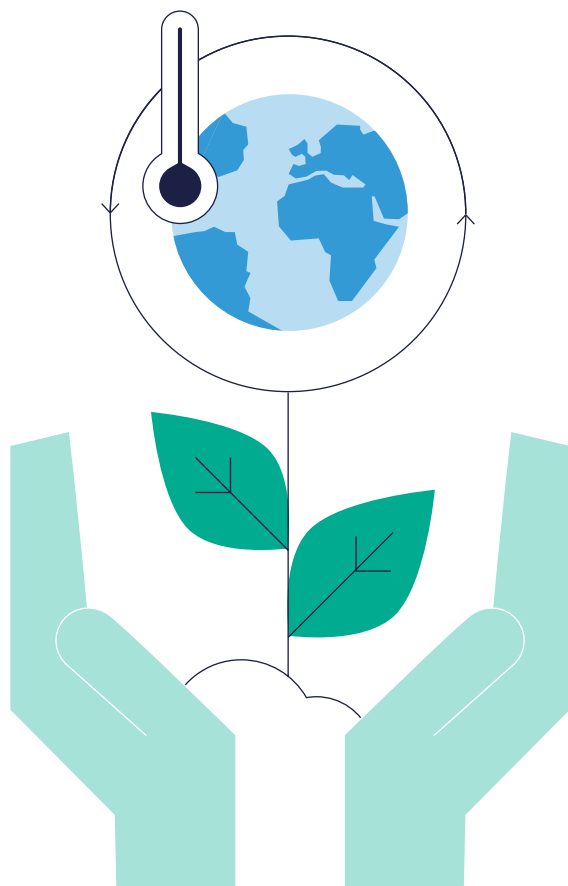




## ENVIRONMENT AND CLIMATE PROTECTION

Climate-relevant information	55
Energy and emissions	72
Selection of raw materials and innovation	83
Material use and waste management	91
Water	95

In 2022, there were again several climate change-related disasters, which reassure Semperit in vigorously pursuing its environmental and climate protection goals. The European Union is facing up to the challenges of climate change by taking regulatory action to reduce the extent and impact as far as possible and to drive necessary adjustments to the infrastructure. Companies must also contribute to their share, and Semperit is diligently fulfilling this obligation. The Russia-Ukraine war promptly showed that dependence on fossil energy is highly problematic not only in terms of climate change mitigation, but also for security of supply reasons. Semperit has been striving for energy efficiency for years, and these efforts have become even more urgent given the current energy shortage. The existing energy-saving programme has been intensified and expanded, bringing Semperit a big step closer to its goal of saving 30% energy by 2030.



HANDLING RESOURCES CAREFULLY,  
PREVENTING WASTE AND SCRAP,  
OPTIMISING ENERGY USE AND  
GRADUALLY SUBSTITUTING CRITICAL  
SUBSTANCES ARE IMPORTANT  
ENVIRONMENTAL AND  
CLIMATE-RELEVANT OBJECTIVES  
IN PRODUCTION.

Handling resources carefully, preventing waste and scrap, optimising 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 while at the same time bringing an economic benefit. Thus, new opportunities in global rubber markets are realised, and the expansion of the product range is targeted. In addition, the risks associated with climate change, such as dependence on gas or the effects of a possible blackout, are minimised.

According to the current state of knowledge, 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<sub>2</sub> 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 classified as so-called transition risks.

All Semperit employees are encouraged to proactively work on sustainable improvements. Every suggestion for improvement 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 and holistic improvement.

Product development focuses on the entire life cycle. This means that from production and use to disposal, attention is paid to conserving resources and keeping the potential impact of emissions as low as possible. The Semperit Group strives to keep the effects of odour, noise and other emissions on employees, neighbours and the ecosystem as low as possible at all times.

In order to avoid environmentally relevant 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 precautionary measures. 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, and Hückelhoven, Germany. 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 minimise 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 topics of environment, environmental standards and employee training.



## COMBINED MANAGEMENT SYSTEM

Structural implementation is essential for putting the strategically defined ESG goals into practice. This is ensured by the Semperit Group's Combined Management System, which makes monitoring and controlling individual management and production processes along the entire value chain possible. A Group-wide environmental management system, continuous further development of technological and organisational activities, 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) and in the "Management of Resources" quality guidelines and are publicly available on the Semperit Group website. The Group-wide policy was audited for the first time in 2020 and recertified across all departments in 2022.

The policy is available in the most common Semperit languages as a poster display at the locations or on the Semperit website and intranet. The ISO 14001 certified environmental management system is integrated into the Group-wide "Semperit Combined Management System", which defines the relevant processes, responsibilities, and detailed procedures 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 effectiveness of the management system is checked regularly through internal and external audits. If necessary, measures are implemented to improve the management approach.

COMPANY	SITE	ISO 9001	ISO 13485*	ISO 14001	ISO 45001	ISO 50001
<b>Semperit Technische Produkte Gesellschaft m.b.H.</b>	Austria	●	●	●	●	
<b>Semperit (Shanghai) Rubber &amp; Plastic Products Co. Ltd.</b>	China	●		●	●	
<b>Semperflex Shanghai Ltd.</b>	China	●		●	●	
<b>Semperit Profiles Deggendorf GmbH</b>	Germany	●		●	●	●
<b>Semperit Profiles Leeser GmbH</b>	Germany	●		—	—	●
<b>Semperflex Rivalit GmbH</b>	Germany	●		●	●	
<b>M+R Dichtungstechnik GmbH</b>	Germany	●		●	—	—
<b>Sempertrans India Private Limited</b>	India	●		●	●	
<b>Latexx Partners Berhad</b>	Malaysia	●	●	●	●	
<b>FormTech Engineering (M) Sdn. Bhd.</b>	Malaysia	—	—	—	—	
<b>Sempertrans Betchatów Sp. z o.o.</b>	Poland	●		●	●	
<b>Semperform Kft.</b>	Hungary	●		●	●	
<b>Sempermed Kft.</b>	Hungary	●	●	●	●	
<b>Semperit Industrial Products Inc.</b>	USA	●	—	—	—	—
<b>Semperflex Asia Corporation Ltd.</b>	Thailand	●		●	●	
<b>Semperflex Optimit s.r.o.</b>	Czech Republic	●		●	●	

Further information on data consolidation scope in the area of environment can be found on page 53.

\* 9001 certification includes service of handrails. Semperform profiles are currently not yet included in the scope.

## ADDITIONAL INFORMATION ON THE SCOPE OF CONSOLIDATION IN THE ENVIRONMENT SECTOR

The preceding list includes all Semperit Group production companies. The companies in grey are not included in the consolidated environmental data:

- Semperflex Rivalit GmbH, Germany is not shown as a production site but as 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 newly consolidated site in the USA went into operation in 2022. Full integration into the scope of the environment data sector is planned in 2023.
- A share of 51% in the M+R Dichtungstechnik site was acquired by the Semperit Group in 2021. To make this transition as efficient as possible, Semperit is gradually integrating the company into the Group structure until the remaining shares are acquired at the end of 2025. This means that M+R Dichtungstechnik GmbH will only be fully included in the Group-wide sustainability reporting in the coming years.

More information on the scope of reporting can be found in the chapter entitled "About this report" on page 141.

This chapter covers the topics classified as essential.



### 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. The US American site Newnan and the M+R Dichtungstechnik site in Germany are gradually integrated into the scope due to their size and are not yet fully included in all key figures. In 2023, the full integration of these sites into the scope will be worked on.



## Your contribution counts!



# 30 by 2030



**30%**  
less  
energy



**30%**  
less  
CO<sub>2</sub>



**30%**  
less  
waste



**30%**  
less  
water

## 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

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

Every employee, whether they work in the office or in production, is encouraged to contribute. This can be as simple as using energy and water sparingly in the workplace. Employees are also invited to contribute their ideas for increasing efficiency and conserving resources. This is supported by a corresponding communication campaign, which was designed in 2021 as part of the adoption of the sustainability strategy and continued in 2022.

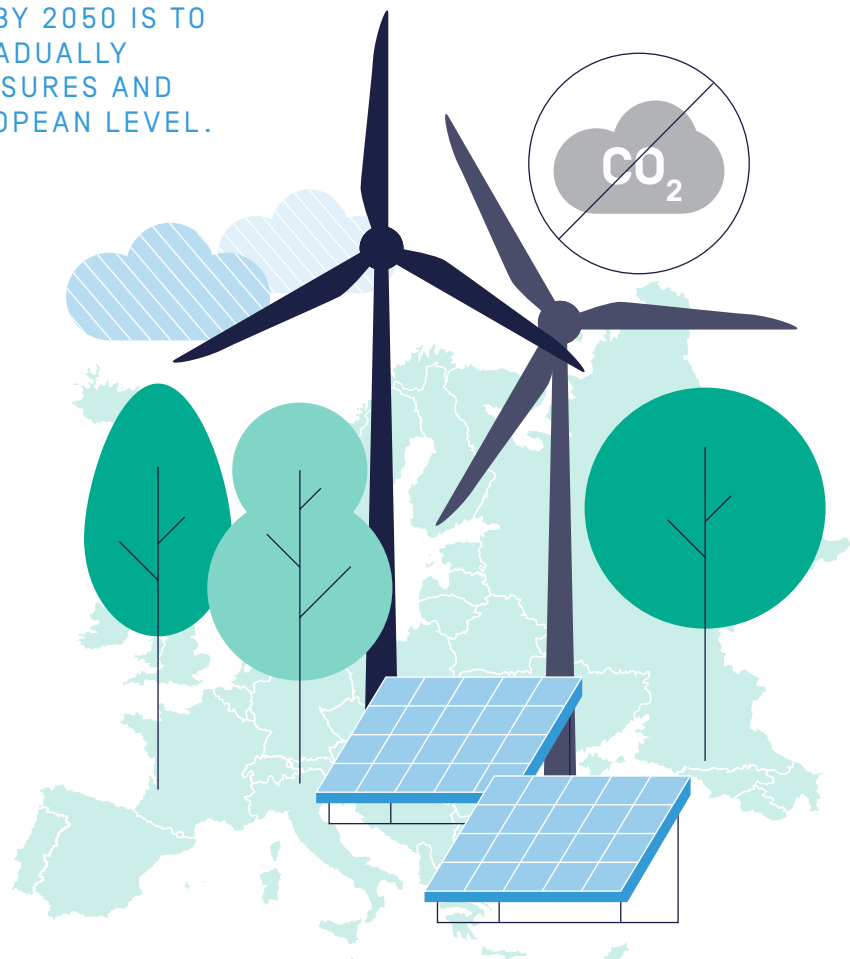
In order to achieve the Group-wide annual savings target of 3% (based on 2019) all production sites are to reduce energy, water, waste and emissions equally.

# CLIMATE-RELEVANT INFORMATION

The European Union's efforts to create the necessary framework conditions for a sustainable future for the economy with the "Green Deal" also led to the development of various regulations and action plans at the EU level in 2022, which are now gradually becoming binding and having an impact on companies. In order to take this development into account, Semperit is stepping up its own efforts to make corporate decisions in favour of ecological and social impacts. Clear goals are necessary to minimise negative impacts as much as possible. Viable strategies are also needed to permit further development of business models in such a way that they are resilient, sustainable and thus fit for the future.

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 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 or rising sea levels, must be considered, as well as market and regulatory impacts, such as changing customer and market requirements.

THE MAJOR OBJECTIVE OF MAKING EUROPE THE FIRST CLIMATE-NEUTRAL CONTINENT BY 2050 IS TO BE ACHIEVED GRADUALLY USING VARIOUS MEASURES AND ACTION PLANS AT EUROPEAN LEVEL.



The impact analysis of climate change and its consequences distinguishes between two main approaches: effects that act from the outside in (from the outside world to the company) and from the inside out (from the company to the outside world). This approach is the basis of a materiality analysis according to the principle of double materiality and includes interactions between corporate activities and climate change:

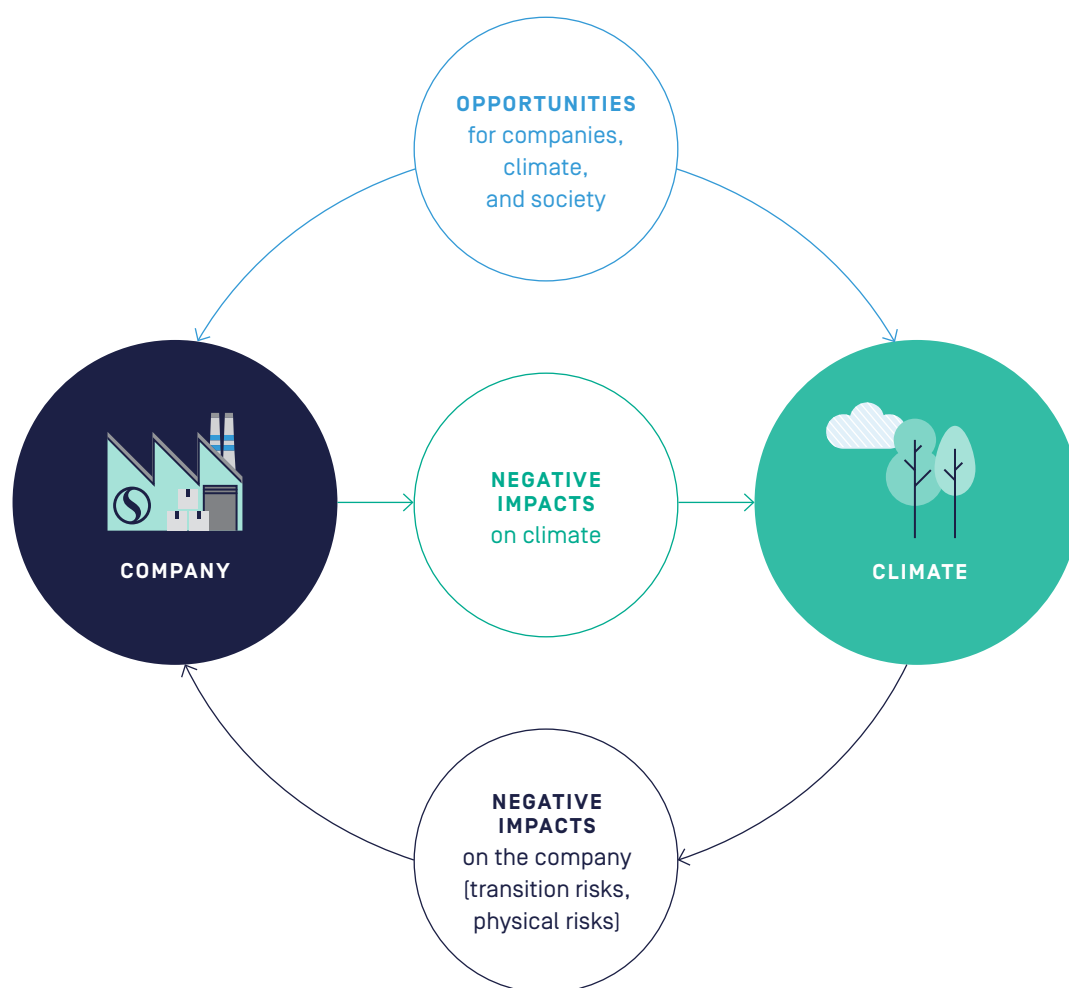
→ Effects that the company has on the climate and climate change, for example through its consumption of resources and greenhouse gas emissions = from the company to the outside world (from the inside to the outside);

→ Effects that climate change and its consequences can have on the company = from the outside world to the company (from the outside to the inside); these include:

**a. Acute or chronic, physical risks** such as increasing extreme weather events, rising global temperatures or intense heat waves and droughts,

**b. Transition risks such as rising costs, stricter limits or special market requirements** which arise due to structural change on the market side across the sectors or on the regulatory level on the path to a climate-friendly economy. These so-called transition risks include changes in climate policy, technology and the direct market environment, which can have a direct impact on the positioning of the Semperit brand and thus also on the financial sector with its stakeholders as well.

## DOUBLE MATERIALITY



## 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 TCFD can be found in the report. The implementation of the recommended scenario analyses is planned for 2023 and therefore cannot be reported on yet.

AREA	TCFD-RELEVANT DETAIL INFORMATION	PAGE
<b>Responsibilities and governance</b>	→ Management (governance) of climate-related risks and opportunities	→ 58
	→ Management role for evaluating and managing climate-related risks and opportunities	→ 58
<b>Strategy</b>	→ Climate-related risks and opportunities (short, medium and long term)	→ 59
	→ Impact of climate-related risks and opportunities on business, strategy, and financial planning	→ 59
	→ Resilience of business strategy considering various climate-related scenarios, including a 2°C scenario or less	→ Semperit currently does not have a dedicated scenario analysis
<b>Climate-relevant risk management</b>	→ Process description for identifying and assessing climate-related risks	→ 60 ff.
	→ Management of climate-related risks	→ 60 ff.
	→ Linking the identification, assessment, and management of climate-related risks with traditional corporate risk management	→ 60 ff.
<b>Metrics and targets</b>	→ Metrics used to assess climate-related risks and opportunities.	→ 62
	→ Scope 1, Scope 2, and, where applicable, Scope 3 greenhouse gas (GHG) emissions and associated risks	→ 62
	→ Metrics used to measure the impact of climate-related risks and opportunities in relation to associated objectives	→ 62

## 1. RESPONSIBILITIES AND GOVERNANCE

The Chief Operating Officer (COO) of the Semperit Group is primarily responsible for climate-related issues. During Executive Board meetings, relevant topics surrounding sustainability and the potential risks and opportunities associated with them are discussed. Thus, Semperit ensures that these topics are managed and considered in forward-looking decisions. The Executive Board subsequently reports to the Supervisory Board 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 and 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 Chief Operating Officer (COO) has the highest authority and is, in regard to climate aspects, currently primarily responsible for increasing efficiency in the areas of energy, materials, and waste. Together with the CEO and CFO, he also deals with questions regarding the future orientation of the product portfolio, production, and innovation performance, and develops appropriate solutions with the Executive Board. The Directors of Operation report to the Chief Operating Officer and coordinate the segment-wide management of relevant production parameters. 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 segment managers are responsible for the strategic orientation of the segments in cooperation with the technical managers and the innovation department.

On the product side, responsibility lies with the segment managers 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 characterised by volatility, uncertainty, complexity and ambiguity. In its sustainability management, Semperit therefore 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 to combat climate change. Based on the regular analysis of new climatic developments, findings and forecasts, as well as the effects of and on Semperit, we have identified the following risks for the group of companies:

- The risk that the use of fossil raw materials will become increasingly limited or expensive, and that access to alternative raw materials from renewable sources, recycled raw materials, or secondary 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, and that the energy supply and the associated plants and processes will have to be converted 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.

In order to counteract the risks in a timely manner, a long-term vision, resilient strategy and smart targets are needed in addition to the 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 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, optimising and continuously improving production processes to minimise climate-relevant risks, and considering sustainability aspects in evaluating potential future markets. In 2023, Semperit will launch a Group-wide strategy process that will set the economic and sustainable framework for the long-term orientation and the transformation of the Semperit Group required for this purpose.

### 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 raw materials, efficiency in using materials, increased use of secondary raw materials, optimising waste management, recycling of production waste, analysing recycling potential of Semperit products, efficient handling and low consumption of water



#### c. Expansion of the sustainable product range

Anchoring sustainability aspects in the corporate strategy is an essential tool at a higher level to successfully promote change as well as to ensure the success of the business model in the long term.

### 3. CLIMATE-RELEVANT RISK MANAGEMENT

As already described, risk and opportunity management must be considered as the basis for any strategic initiative. Therefore, Semperit integrated the ESG risk management required by the Sustainability and Diversity Improvement Act (NaDiVeG) into its existing Group-wide risk management. Since then, during the annual ESG risk assessment (see page 61 ff.), relevant risks and opportunities in the areas of environment, social affairs and governance (ESG) have been collected, discussed and evaluated. 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 include the direct effects of climate change. They are usually referred to as short-term risks, since – depending on the region – they may already be noticeable. A distinction is made:

- 
- **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 and temporary interruption of global supply chains to the loss of coastal locations.
- 
- **Indirect physical risks:** for example, production losses due to a shortage of water supply because of prolonged droughts
- 

The European locations of the Semperit Group are increasingly exposed to heavy rain events. Remaining physical risks such as systemic water shortages or other weather events currently play a subordinate role. However, as this may change in the coming years, physical risks are continuously monitored in terms of their probability of occurrence and potential impact.

#### Transition risks

The physical risks are offset by climate-relevant transition risks, which from a business perspective could have a greater impact on the activities of the Semperit Group in the short to medium term. Transition risks arise primarily due to regulatory and political requirements, such as the introduction of a CO<sub>2</sub> tax or the expansion and tightening of emissions trading, as well as because of market-specific and socially motivated developments in decarbonisation and the recycling economy, which can lead to rising company costs, as well as due to the changing needs of customers. These risks can affect the business model of entire sectors or the use of certain technologies and changes in customer behaviour.

Adapting to these effects may require extensive investments and primarily affect innovation, production, and logistics. The main risks regarding corporate orientation are the lack of integration of sustainability aspects into the corporate strategy and the associated lack of attractiveness for an increasingly sustainable financial market. Both aspects 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 2022

RISK	AREAS OF THE COMPANY	POSSIBLE CONSEQUENCES	POSSIBLE OPPORTUNITIES
<b>Little consideration of sustainability aspects in corporate and innovation strategies</b>	Strategy and innovation	Weakening of brand positioning and loss of market share; lack of attractiveness for investors and customers	Environmental and climate protection; image enhancement; competitive advantage
<b>Lack of commitment and dedication to achieving the Group-wide sustainability goals</b>	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; image enhancement; competitive advantage
<b>Little consideration of the potential impact of geopolitical unrest on ESG-relevant issues</b>	Strategy and innovation	Increasing costs; weakening of brand positioning; image loss; dependence	Security of energy supply; image enhancement; stable and long-term supplier relationships; responsible business partner
<b>No consideration of ecological criteria, such as climate-related impacts, in the selection of raw materials</b>	Strategy and innovation	Image loss; weakening of brand positioning; lack of attractiveness for investors; cost disadvantage	Competitive advantage; attractiveness for financial market; expansion of product range; development of new markets
<b>Increase in regulatory requirements in the context of waste and emissions</b>	Production	Increasing costs; weakening of brand positioning; image loss	Environmental and climate protection; cost saving; image enhancement; improvement of market position
<b>Loss of competitive advantage due to carbon-cutting measures (such as CO2 tax)</b>	Environment	Increasing costs; image loss	Climate protection; employee retention; image enhancement; improvement of market position; cost saving
<b>Changes in customer demand and preferences towards sustainable production and a green product portfolio</b>	Sales	Loss of customers; image loss; weakening of brand positioning; lack of attractiveness for investors	Environmental protection; competitive advantage; attractiveness for financial market; expansion of product range
<b>Lack of attractiveness for the sustainable financial market</b>	Finances	More difficult access to the financial market	Access to sustainably oriented financial streams; competitive advantage; image enhancement
<b>Climate-relevant external effects such as new regulations and changing market requirements in connection with combating climate change</b>	Environment	Increasing costs; image loss	Environmental and climate protection; cost advantage; employee retention

## 4. METRICS AND TARGETS

Clear and smart goals and corresponding measures are intended to minimise climate-relevant risks and serve to exploit possible opportunities in good time – such as the goal of adaptation (Climate Change Adaptation) to already prevailing climatic changes or the goal of avoiding climate consequences in the longer term by reducing or neutralising 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 optimisation (base year 2019)

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<sub>2</sub> 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) 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. An annual 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 2022 reporting year can be found in the corresponding chapters (Energy and Emissions, Material Use and Waste Management, and Water).

#### 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 and the successive expansion of the survey of Scope 3 emissions, the focus is on exploring possible material-specific measures such as product recycling or the use of secondary raw materials. In the materials sector in particular, various approaches are emerging that must be evaluated in a timely manner in the coming years in terms of their technical and economic possibilities and their climate effect. Currently, the possibilities to recycle rubber are still limited because of often intensive energy and chemical processes.

On the customer and market side, the aim is to identify future trends and potentials through close cooperation with customers and create products with sustainable added value. This is supported, among other things, by promoting scientific research and innovation in the field of new materials, technologies, and products. In summary, all 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 investors, for example by gradually improving the ESG rating results.

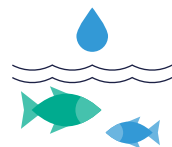
## THE SIX ENVIRONMENTAL OBJECTIVES OF THE EU TAXONOMY



### CLIMATE CHANGE MITIGATION



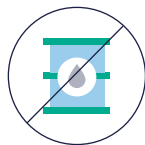
### CLIMATE CHANGE ADAPTATION



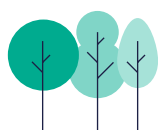
### SUSTAINABLE USE AND PROTECTION OF WATER AND MARINE RESOURCES



### 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 signalled 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. To achieve this and to support the financing of the Green Deal, private sector financial flows are also be redirected to “environmentally sustainable” activities. 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 fall within the scope of the regulation must disclose their proportion of revenues, the capital expenditures (capex), and the operational expenditures (opex) related to “environmentally sustainable” activities. The disclosure of the relevant data is intended to establish a link between financial and non-financial issues in the longer term. Taxonomy-aligned revenues indicate how “environmentally sustainable” a company with its products and services already is. Taxonomy-aligned and -eligible capital expenditures should index the extent to which a company is preparing for a decarbonised economy in 2050.

The following disclosure of information on the EU taxonomy is based on the Taxonomy Regulation (EU) 2020/852, the delegated acts on the two environmental objectives 1 and 2, on the delegated act Art. 8 as well as the announcement on the application of the Taxonomy Regulation on 19 December 2022. Accordingly, the report contains information on the proportion of Semperit’s business activities covered by the taxonomy (taxonomy eligible and taxonomy aligned) as well as the required qualitative information. The first two environmental objectives of the EU taxonomy, “climate change mitigation” and “climate change adaptation”, 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”.

## THE PRINCIPLES OF THE EU TAXONOMY

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

- 1. Substantially contribute to climate change mitigation or climate change adaptation, 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 Safeguards for occupational safety and human rights

### AD 1. SIGNIFICANT CONTRIBUTION TO AN EU ENVIRONMENTAL OBJECTIVE

The EU taxonomy-relevant business activities of the Semperit Group relating to significant capital and operating expenditures make a contribution to the first environmental objective “climate change mitigation” and can be divided into the following four major topics:

- **Construction of photovoltaic systems** [activities 4.1. Electricity generation using solar photovoltaic technology; 7.6. Installation, maintenance and repair of renewable energy technologies on-site]
- **Optimisation of water use and treatment** [activity 5.2. Renewal of water collection, treatment and supply systems]
- **Transport – acquisition, financing, renting, leasing, and operating e-vehicles** [activities 6.5. Transport by motorbikes, passenger cars and light commercial vehicles; 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings]
- **Building management** [activities 7.1 Construction of new buildings, 7.2. Renovation of existing buildings; 7.3. Installation, maintenance and repair of energy efficiency equipment; 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)

In addition to the significant contribution to environmental protection, it must be ensured that the selected activity does not have a significant negative impact on the five other environmental objectives (climate change adaptation, water quality, recycling economy, environmental pollution, and biodiversity). This is also referred to as the “Do No Significant Harm” (DNSH) principle, which, however, has only been fully published since the 2022 financial year and therefore could not yet be fully integrated into the quality management of the Semperit Group. The requirements set by the EU are mainly legal and regulatory provisions as well as minimum technical requirements. In order to meet the DNSH criteria for “climate change mitigation”, in 2022 the course was set for the preparation of EPDs (Environmental Product Declarations) for the Semperseal profiles and for the preparation of climate scenario analyses in 2022. 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 pollu-

tion" are essentially based on compliance with regional legal framework conditions. A review process is underway, accompanied by the collection of relevant documentation. For the fulfilment 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 being 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 labour and human rights or health and safety, is ensured at Group level for all companies and sites with the help of various tools 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 66 ff. and 118 ff. The corresponding key figures show Semperit's continuous improvement in these areas.

COMPLIANCE WITH SOCIAL  
STANDARDS, IN THE AREAS OF  
LABOUR AND HUMAN RIGHTS  
OR HEALTH AND SAFETY, IS ENSURED  
AT THE GROUP LEVEL FOR ALL  
COMPANIES AND SITES WITH THE  
HELP OF VARIOUS TOOLS AND  
ACTIVITIES AS WELL AS A DIVERSE  
RANGE OF SERVICES AND TRAINING.



## **ADDITIONAL INFORMATION**

The EU-wide requirements (classification) based on which economic activities are considered "environmentally sustainable" are intended to create transparency as well as security for investors. At the same time, companies can use the requirements as a guideline to align future decisions and activities accordingly. The following section lists the taxonomy-relevant products and activities of the Semperit Group that contribute to the environmental goal of "climate change mitigation" in accordance with the regulation.

### **REVENUE-RELEVANT PRODUCTS AND ACTIVITIES**

Based on the currently published information and the description of activities, only the thermal-insulating products (door and window profiles) from the segment Semperseal and activities related to their production can initially be designated as taxonomy-eligible. 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. In the area of manufacturing, the EU Commission emphasises that only a part of the economic activities in this sector have currently found their way into the taxonomy. The basis for the EU's

selection was greenhouse gas emissions at the sector level. According to the EU Commission, areas that are not currently covered cause lower greenhouse gas emissions compared to the areas included (e.g., production of cement, aluminium, iron and steel, hydrogen, carbon black, etc.) and will only be integrated later, if at all. The window and door profiles product group provides a positive contribution to the reduction of greenhouse gas emissions in the buildings sector due to its thermal insulation and sealing properties. Because of the significant reduction of greenhouse gas emissions in the buildings sector, Semperseal products can be assigned to the activity "production of other low-carbon technologies".

→ Semperseal products are part of the following activity based on the definition in the implementation regulations: production of other low-carbon technologies [activity 3.6.]

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.

### TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED

The EU classification system distinguishes between taxonomy-eligible and taxonomy-aligned business activities. A business is taxonomy-eligible when it corresponds to the activity descriptions in the corresponding annex to the environmental objectives. Taxonomy alignment, on the other hand, can only be shown if all DNSH criteria, the requirements of the Minimum Social Safeguards and the technical screening criteria are clearly met.

### ADDITIONAL INFORMATION AND OUTLOOK (REVENUE)

Regarding the revenue-relevant information, which currently relates exclusively to the Semperseal segment, it should be noted that from a sustainability perspective, a distinction can be made between products that are considered sustainable according to the requirements of the EU taxonomy and those that have a positive ecological added value due to their properties or production method [see Product innovations p. 89 ff].

Products that fall under the taxonomy must also fulfil the "technical screening criteria". These criteria and requirements of the EU taxonomy at product level are very specific in the area of rubber processing and relate primarily to the "product carbon footprint" (PCF), which must be significantly better than that of comparable products on the market. In addition, the life cycle GHG emissions analysis must be verified by an independent third party. Since data in this area is not yet available for most products, comparability is currently not given, which is why the criterion would not yet be applicable. Accordingly, it will be necessary in the coming years to collect the product carbon footprint and work on its optimisation.

### RELEVANT TOPICS IN RELATION TO TAXONOMY-ELIGIBLE CAPEX/OPEX EXPENSES

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:

- **Energy** (activities 4.1. Electricity generation using solar photovoltaic technology; 7.6. Installation, maintenance and repair of renewable energy technologies on-site)
- **Water supply, waste water and waste disposal, and elimination of environmental pollution** [activity 5.2. Renewal of water collection, treatment and supply systems]
- **Transport** (activities 6.5. Transport by motorbikes, passenger cars and light commercial vehicles; 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings)
- **Construction and real estate** (activities 7.1 Construction of new buildings; 7.2. Renovation of existing buildings; 7.3. Installation, maintenance and repair of energy efficiency equipment; 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 2022 were checked for completeness. Subsequently, the associated expenses [capex/opex] that can be reported as taxonomy-eligible in the reporting year were collected.

### ADDITIONAL INFORMATION AND OUTLOOK (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 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 optimisation, 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 fulfil the "technical screening 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 compliance will pose certain challenges. These criteria and requirements of the EU taxonomy at the product level are very specific in rubber and plastic processing and primarily relate to the product carbon footprint (PCF), which must be significantly better than that of comparable products on the market. In addition, the life cycle GHG emissions analysis must be verified by an independent third party. Since carbon footprint calculations are not yet available for most products, comparability is currently not provided, and the criterion is not yet applicable. Semperit aims to focusing more on the footprint of its products and optimising them in the coming years. The targeted optimisation is in line with the Group's efforts to promote a circular economy.

## EXPLANATIONS ON THE PROCEDURE FOR COLLECTING KEY FIGURES

The EU taxonomy currently primarily includes information on economic sectors and economic activities that can make a significant contribution to climate change mitigation or climate change adaptation. Together with an external expert and based on the company's NACE code, the first step after setting up the project management was to evaluate whether the Semperit Group's business activities fall into these sectors and are therefore subject to reporting requirements. Based on this information, the activities specified by the taxonomy that are relevant for Semperit were selected in a second step and evaluated in relation to the required description of activities. Subsequently, the key figures were collected, and existing processes and systems were analysed regarding its optimisation potential for future compliance with the EU taxonomy requirements.

Measures were taken to avoid double counting when reporting EU taxonomy values. Semperit refrained from using any materiality threshold for opex expenses. Following EU taxonomy KPIs relate to continuing operations [excluding discontinued operations as defined by IFRS 5, also see notes to the consolidated financial statements]. Due to the low amount, the figures related to discontinued operations had no material impact on the EU taxonomy KPIs as of December 31, 2022. No taxonomy-relevant activities were associated with discontinued operations.

Compared to the previous year, several process changes were implemented. Taxonomy figures were collected on a system basis by responsible experts at local sites of the Semperit Group and consolidated and reviewed centrally by Group Accounting and Group ESG. Changes between the years 2021 and 2022 are attributable also to this system-based collection method. Furthermore, Semperit has revised the list of relevant activities in 2022 and additionally included categories "7.1. construction of new buildings" and "7.7. acquisition and ownership of buildings" in the reporting.



## OVERVIEW OF THE MOST IMPORTANT STEPS

### 1. 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 organisation, internal and external communication
- **Objectives:** Creating a uniform understanding of the taxonomy criteria and reporting obligations as well as involvement of internal stakeholders

### 2. SELECTING AND ANALYSING BUSINESS ACTIVITIES COVERED BY THE TAXONOMY

- Selection and re-evaluation of the relevant economic activities according to NACE code
- Theoretical and practical training of experts in the respective local capex/opex project and finance departments at the Semperit Group's locations
- 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 basic compliance with legal requirements)
- Reviewing compliance with minimum social standards at Group level

### 3. SYSTEM IMPLEMENTATION AND ANALYSIS OF POTENTIAL OPTIMISATION STEPS

- Analysing the various reporting processes that contribute to collecting the relevant data
- Implementing the relevant activity classification in existing capex and opex and accounting system solutions
- Analysing possible system adjustments to optimally provide the necessary data based on the EU Taxonomy Regulation in the future
- Test and trial phase in the third quarter of 2022
- Collecting revenue, capex and opex for the "environmentally sustainable" activities in 2022 by the persons responsible for finance at the sites as well as the supporting documents and evidence for the external audit

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".

## DETAILED INFORMATION ON REVENUE 2022 (SEMPERSEAL)

ECONOMIC ACTIVITIES	CODE	REVENUE EUR million		REVENUE %		ENABLING ACTIVITY	TRANSI- TIONAL ACTIVITY
		2022	2021	2022	2021		
A. TAXONOMY-ELIGIBLE ACTIVITIES							
Production of other low-carbon technolo- gies	3.6	142.1	–	18.2	10	●	
Sales taxonomy-eligible [A]		142.1	–	18.2	10		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
Sales taxonomy-non-eligible activities [B]		637.7	–	81.8	90		
TOTAL (A + B)		779.9	–	100%	100%		

### REVENUE

According to the classification of Semperit products based on the EU taxonomy data, only the products from the Semperseal segment 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 18% for the 2022 financial year (compared to 10% in the previous year). The specified percentage and information result from the denominator, which corresponds to the revenue of the Semperit Group in the IFRS consolidated financial statements of EUR 779.9 million. In contrast, the numerator – revenue of EUR 142.1 million for the Semperseal segment (see section “Performance of Sectors and Segments” 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 percentage of eligible revenue published in the previous year was calculated including discontinued operations and should not be compared to 2022. However, the impact on the 2021 KPIs (according to IFRS 5, see Notes in the consolidated financial statements) is not material.

In order to report taxonomy-aligned sales in the Semperseal area in the future, but also in the interest of efficient production and promoting a circular economy, Semperit plans to take a close look at the carbon footprint (PCF) of its products in the coming years and implement measures that are appropriate to reduce the PCF, contribute to efficient production, and promote a circular economy. In this way, the requirements of the EU taxonomy are fulfilled and, by the targeted selection of raw materials used and creating a range of low-carbon products, a positive impact in environment and climate is created at the same time.

## CAPEX DETAILED INFORMATION 2022

ECONOMIC ACTIVITIES	CODE	CAPEX EUR million		CAPEX %		ENABLING ACTIVITY	TRANSI- TIONAL ACTIVITY
		2022	2021	2022	2021		
A. TAXONOMY-ELIBIGLE ACTIVITIES							
Production of other low-carbon technologies	3.6	2.7	–	6.5	5	●	
Power generation through photovoltaics	4.1	0.7		1.8			
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	1.5		3.6			
Installation, maintenance, and repair of energy efficient devices	7.3	2.2	–	5.3	2		
Further activities (<1% capex share)	5.2; 7.1; 7.2; 7.4; 7.5; 7.6; 7.7	0.5	–	1.3	1.8		●
Share taxonomy-eligible [A]		7.6	–	18.5	8.9		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
Share taxonomy-non-eligible activities [B]		33.4	–	81.5	91.1		
TOTAL (A + B)		41.0	–	100%	100%		

### 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 41.0 million (compared to EUR 74.2 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 3.4 million additions to IFRS 16 for 2022). This is compared to the numerator of EUR 7.6 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). Percentage of eligible capex published in the previous year was calculated including discontinued operations and should not be compared to 2022. However, the impact on the 2021 KPIs (according to IFRS 5, see Notes in the consolidated financial statement) is not material. In connection with the sales-related capex activities (Semperseal activities) the focus is on improving the production processes for manufacturing the taxonomy-eligible products (Semperseal). This refers to the use and exchange of machinery as well as the optimisation of existing processes.

In this context, a significant share resulted from the construction of the new production site in the USA in the reporting year, where two new Semperseal production lines were commissioned in 2022. Another factor was the continued expansion of photovoltaic plants at the Wimpassing and Shanghai sites.

Further capex activities are collected in relation to various ancillary activities in the EU taxonomy areas of energy, transport and real estate. These investments in this context were primarily in the area of infrastructure installation to improve building management and optimise 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. Accordingly, Semperit published a new vehicle policy in autumn 2021 which promotes the change to lower CO<sub>2</sub> emissions as well as the conscious decision to switch to e-mobility.

## OPEX DETAILED INFORMATION 2022

ECONOMIC ACTIVITIES	CODE	OPEX EUR million		OPEX %		ENABLING ACTIVITY	TRANSI- TIONAL ACTIVITY
		2022	2021	2022	2021		
A. TAXONOMY-ELIBIGLE ACTIVITIES							
Production of other low-carbon technologies	3.6	1.7	–	5.4	8.4	●	
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	0.4	–	1.3	3.1		●
Further activities (<1% opex share)	4.1; 5.2; 7.1; 7.2; 7.3; 7.4; 7.5; 7.6; 7.7	0.2	–	0.7	0.4		
Share taxonomy-eligible [A]		2.4	–	7.4	13.9		
B. TAXONOMY- NON-ELIGIBLE ACTIVITIES							
Share taxonomy-non-eligible activities [B]		29.7	–	92.6	86.1		
TOTAL [A + B]		32.1	–	100%	100%		

### OPERATING EXPENSES

The percentage of taxonomy-eligible operating expenses (opex) results from the denominator – the sum of operating expenses from direct non-capitalised 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 32.1 million (compared to EUR 11.2 million in the previous year, the difference is mainly caused by the consideration of maintenance costs in the cost of materials and directly attributable personnel costs in the reporting year 2022). This is compared to the numerator of EUR 2.4 million, made up of the taxonomy-eligible activities and the corresponding operating expenses in the various subject areas as described in the table (opex details). Percentage of eligible opex published in the previous year was calculated including discontinued operations and should not be compared to 2022. However, the impact on the 2021 KPIs (according to IFRS 5, see Notes in the consolidated financial statement) is not material.

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 2022 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 renova-

tions 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 reporting quality, further steps will be taken towards automation, standardisation and document storage optimisation in the following months. At this point in time, it can be assumed that even in the following years, the key figures for taxonomy-eligible activities and taxonomy-aligned activities will change continuously due to various parameters. On the one hand, this effect results from the ongoing expansion of the taxonomy and the potential expansion of Semperit's business activities and product portfolio through organic and inorganic growth, and thus on the basis of the inclusion of new activities in the taxonomy. On the other hand, the application of the technical screening criteria will also have a dynamic influence on the valuation of the activities. It is assumed that lower ratios will result for taxonomy-aligned activities than for taxonomy-eligible activities, as the activities must fulfil all the specified criteria (technical screening criteria) to be considered taxonomy-aligned. Yet, the percentage of taxonomy-aligned activities could increase in the future.



## ENERGY AND EMISSIONS

Industrial companies like the Semperit Group can make an effective contribution to climate and environmental protection by making production processes as efficient as possible. Decisive factors include energy use and consumption, as well as the associated greenhouse gas emissions. In this regard, Semperit is focusing on employee training and participation to promote developments and initiate a long-term change in thinking. Building knowledge along the entire supply chain, considering the total cost of ownership [TCO], and raising awareness are the foundation for initiating the necessary decarbonisation in the company.



TO SUCCESSFULLY PROMOTE DEVELOPMENTS AND ACHIEVE A LONG-TERM CHANGE IN THINKING, SEMPERIT IS INCREASINGLY FOCUSING ON EMPLOYEE TRAINING AND PARTICIPATION.

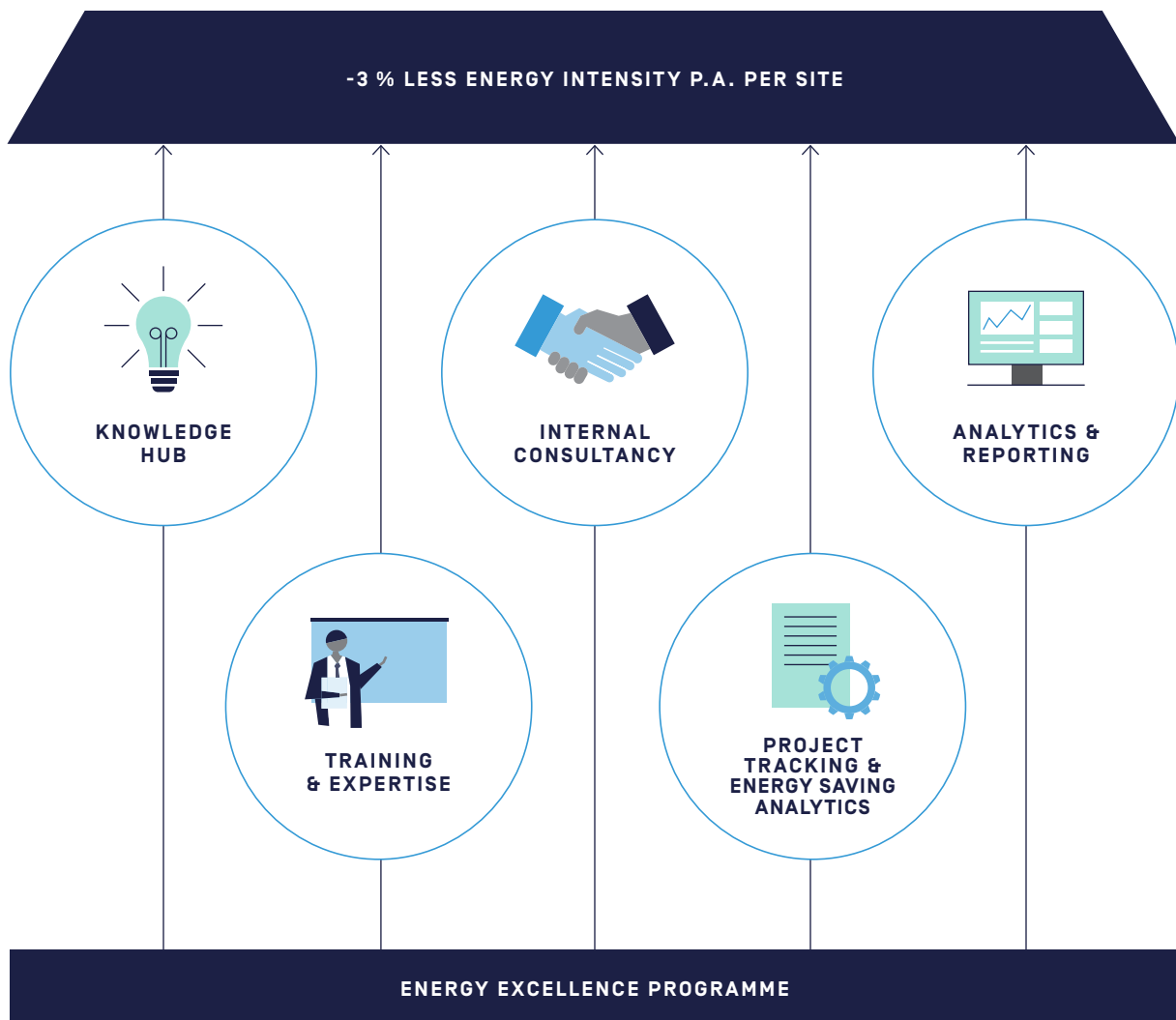
### ENERGY

#### ENERGY EXCELLENCE

Every manufacturing company strives for efficiency. Semperit has implemented a wide range of measures and activities throughout the Group to increase the efficiency of production processes and reduce energy consumption. For example, the Group-wide “Energy Excellence” programme was continued in 2022, focusing on employee training, implementing energy efficiency projects in the manufacturing process, and measures for energy conversion or expanding renewable energy sources such as photovoltaic systems. As part of the programme, each site has the option of receiving energy advice provided by an independent consultant as well as by appropriate specialised companies acting as general contractors. As part of this programme, the “Think.Act.Save” initiative was launched in 2022 to raise employee awareness of energy-saving measures and projects, and to encourage suggestions for cost-effective and quickly implementable energy-saving measures.

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. For the programme, 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 programme 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. The necessary Group-wide measures and activities are supported by the “Energy Excellence” programme.





Employees' suggestions for improvement and ideas for measures to increase energy efficiency are collected, analysed, and implemented where possible. 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. Optimisations 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:

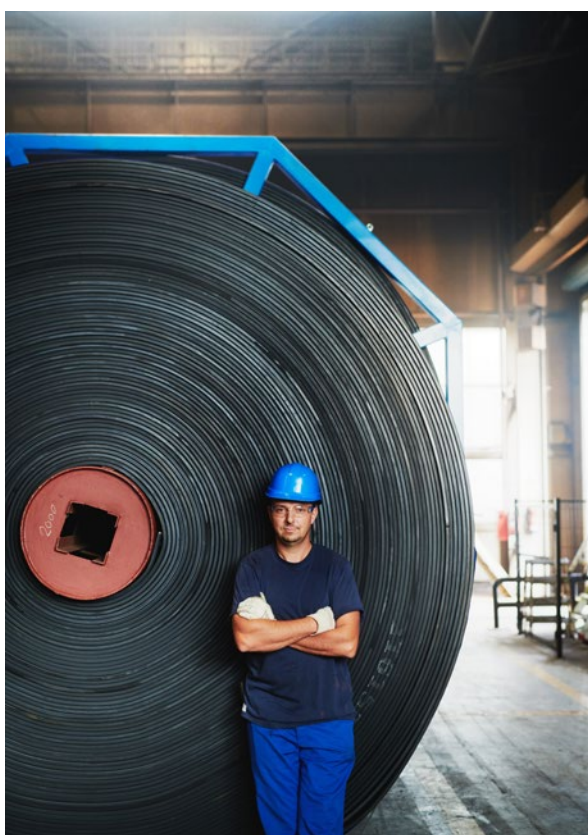
- **Efficiency enhancement through maintenance and repair measures**
- **Reduction of energy loss (leakages)**
- **Stabilisation of existing production processes**
- **Improvement of machine efficiencies**
- **Optimisation of production planning with few downtimes**

## OVERVIEW ENERGY MIX AT THE SEMPERIT GROUP



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 63 ff.).

Not least because of the current energy crisis, the reduction of energy consumption is consistently pursued. Targeted energy-saving projects were initiated during the reporting period. In addition, the "Think.Act.Save" initiative was launched to raise awareness and inform employees in order to encourage their participation in Group-wide energy-saving measures. The Group's HSEQ team focuses on promoting and supporting energy-saving projects, with an emphasis on immediate, low-cost measures. In this context, a project structure is being developed with the Group's HSEQ team acting as facilitator. This includes creating a project overview, tracking project progress, holding meetings and providing advice and guidance on project implementation.



Viewed in terms of processes, glove production in the Sempermed plant in Kamunting consumes the most energy. In total, only four plants of the Semperit Group are responsible for more than 94% of energy consumption: those at the Kamunting, Wimpassing, Odry and Bełchatów sites. The other plants account for the remaining 6%.



VIEWED IN TERMS OF PROCESSES,  
GLOVE PRODUCTION IN THE  
SEMPERMED PLANT IN KAMUNTING  
CONSUMES THE MOST ENERGY.

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. In addition, the product portfolio is becoming broader and the products themselves are becoming increasingly complex, which is also reflected in 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.

## TOTAL ENERGY USE OF THE SEMPERIT GROUP (MWh)

2022	2021	2020
1,198,525	1,443,484	1,574,923

## ENERGY CONSUMPTION OF THE SEMPERIT GROUP BY SOURCE (MWh)

Source	2022	2021	2020
Natural gas	921,276	1,158,308	1,293,635
Liquid natural gas (LNG)	0	0	n.a.
Oil	15,845	6,778	7,625
Fuel consumption of vehicles (gasoline)	656	1,063	n.a.
Fuel consumption of vehicles (diesel)	2,278	2,677	n.a.
Fuel consumption of vehicles (total)*	2,934	3,740	3,982
Liquid nitrogen	1,293	1,270	1,081
Other sources (propane gas, etc.)	517	799	n.a.
Electricity consumption from external sources	207,571	226,083	223,098
Electricity consumption from own photovoltaic systems	495	n.a.	n.a.
Heating energy (district heating)	9,058	10,339	10,822
Steam	39,465	36,532	34,680
Heating sold	72	114	168

n.a. = not applicable

\* The values for fuel consumption by diesel and gasoline are not available until 2021 with the exception of the site in Nilai, Malaysia, for which no data is available.

**30 by  
2030****“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% by 2030. The targets always refer to consumption or volume in relation to the respective production volume. For the industrial segments Semperflex, Semperform, Semperseal and Sempertrans, the indicator refers to kilograms or meters of produced goods, for the medical segment Sempermed 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 characterised 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.

**10%****IN 2022****OF 30% BY 2030****(kWh/production unit)****“30 BY 2030” – ENERGY**

As in the first year, the Semperit Group was again able to exceed the reduction target of 3% in energy intensity per year (energy consumption per production volume compared to the base year 2019) in the second year: specific energy consumption fell by 10%<sup>4</sup> in 2022. The success is based on the measures described above as well as the groundwork in the Energy Efficiency Programme.

In 2022, Semperit further improved the existing systems and project management tools in order to track planned and ongoing activities and their contribution to target achievement across the Group. Focused project management makes it possible to determine the current status of measures, as well as a preview of planned initiatives and the associated savings potential. Since 2021, Semperit has expanded the continuous improvement platform “Move” in such a way that it can also be used to record projects and activities that make a positive ecological contribution in the context of the “30 by 2030” targets – i.e., in the areas of energy, emissions, waste and water. An expansion of the capex-opex system is currently underway to also track smaller projects with environmental impacts. In the tool “Track”, additional amendments have been made to the accident list for “Energy Unfriendly Act/Energy Unfriendly Condition” in order to also 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.

## PHOTOVOLTAIC (PV)

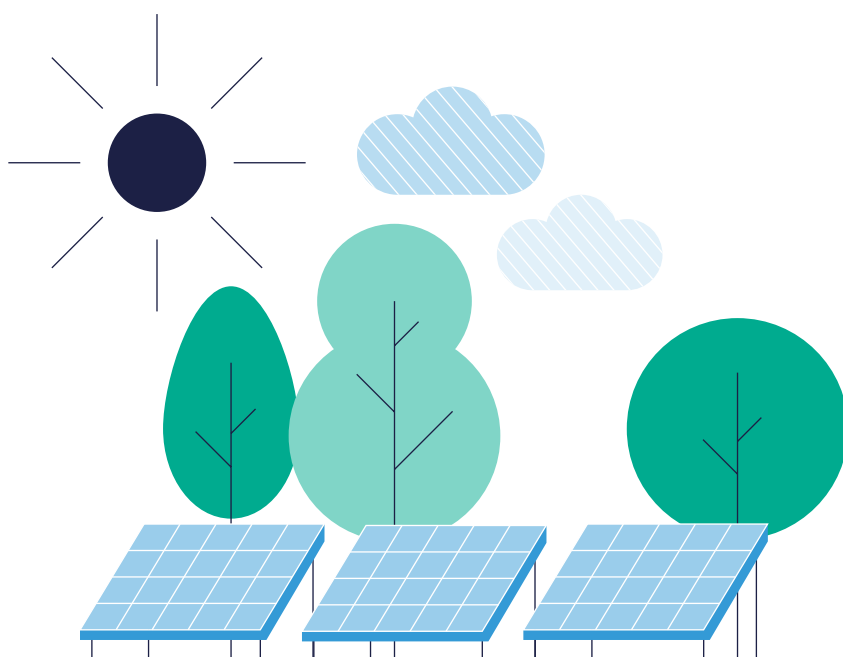
Around 17% of the Group's total energy consumption is accounted for by the demand for electrical energy. Semperit intends to produce electricity – to a certain extent – in the future and plans to generate 2% of its requirements with its own PV systems, the share being 0.24% in 2022. In 2020, the project to build a 1MWp photovoltaic plant for the Semperit headquarters in Wimpassing, Austria, laid the foundation for a significant supply of electricity from the company's own production. The 408 kWp plant installed at one of the Chinese sites in 2021 began generating electricity in 2022. Consequently, the second Chinese site was also equipped with a photovoltaic system at the end of 2022 and supplied with self-produced energy. The DH5 production hall to be constructed at the Odry site in the Czech Republic starting in 2023 will be equipped with a photovoltaic system of up to 2.3 MWp. Hose production in this new manufacturing facility will be powered exclusively by green energy, largely from the company's own photovoltaic system. 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

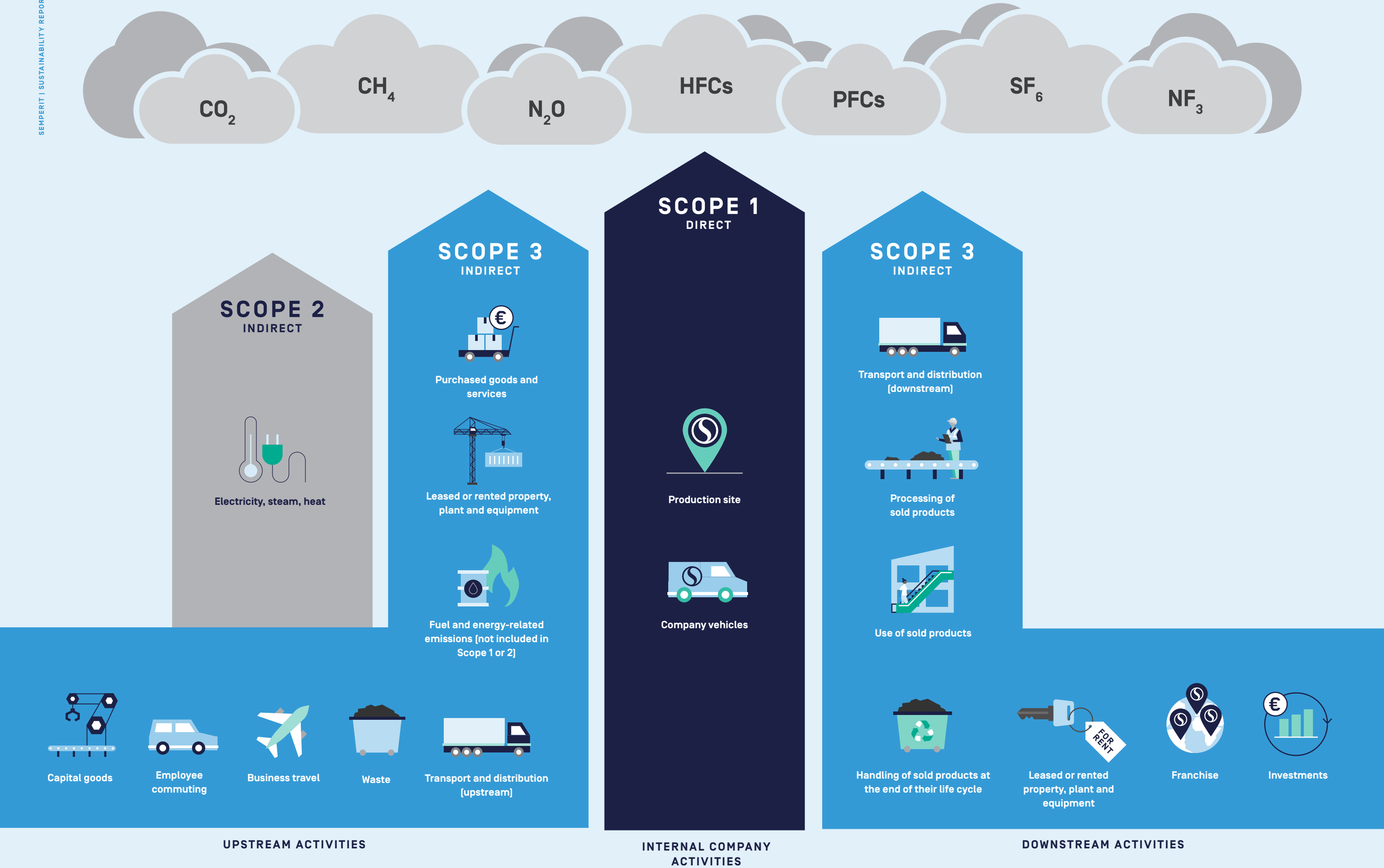
At the Belchatow site in Poland, all single screw extruders were replaced by twin screw extruders in recent years. These machines are being used for the first time in rubber processing. In addition, an annual energy saving of up to 719,710 kWh can be achieved by using them. The energy demand for mixing equipment is high compared to the other production steps, therefore it is crucial to invest in new energy-saving solutions.

At the Roha site in India, the existing cooling tower was relocated over the last year to achieve energy savings. This was done to bring the tower closer to the cooling units and other facilities, thereby reducing the high energy consumption for water supply and return to the cooling tower. The pumps used to run the plant were monobloc pumps with low energy-efficiency and high failure rates, resulting in high maintenance costs. The proposed system included a cooling tower relocated close to the cooling unit and other equipment so that the supply and return of water from the cooling unit to the cooling tower could be achieved with a single new and highly efficient pump, which will result in a projected saving of 20% of the cooling tower's kWh demand.

Another simple, yet effective conversion as part of the Energy Excellence programme was the switch from old, high-consumption lights to LED lighting in both production and office spaces at many Semperit Group locations.



OVERVIEW SCOPE 1, SCOPE 2, AND SCOPE 3



## 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. In the 2022 reporting year, the Semperit Group was able to achieve a saving of 21%, thus exceeding the planned target of 3% annually (base year 2019) for the second year. 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

In addition to clearly defined targets and corresponding monitoring, Semperit must take further steps in emissions, which relate to Scope 3 activities. Semperit is continuously working on expanding the calculation of the product carbon footprint (PCF) to the entire portfolio with its own PCF calculation model in order to come closer to capturing the corporate carbon footprint. In doing so, the company gains knowledge that can be used to further reduce greenhouse gas emissions.



**21%**

IN 2022

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.<sup>5</sup>

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 (see table below).

The currently available data on Scope -3 emissions include fuel- and energy-related emissions (not included in Scope 1 or 2), business travel, and “transport and distribution [upstream as well as downstream]”.

Emissions from the logistics sector occur upstream when materials are transported to the production sites, within the company between the sites, and downstream to the customer. Most transports take place via truck or rail. Semperit consistently works with customers and partners to optimise its logistics services. Data analysis provides additional information related to this.



## OVERVIEW OF THE SCOPE 3 CATEGORIES

### UPSTREAM ACTIVITIES

<b>Purchased goods and services</b>	Production or extraction, processing, and transport of purchased goods and services
<b>Capital goods</b>	Production or extraction, processing, and transport of purchased capital goods (as far as not included in other categories)
<b>Fuel- and energy-related emissions [not included in Scope 1 or 2]</b>	<ul style="list-style-type: none"> <li>→ Dismantling, production, and transport of purchased energy sources and fuels</li> <li>→ Dismantling, production, and transport of purchased energy sources and fuels used for generating purchased electricity and steam, as well as purchased heating and cooling.</li> <li>→ Transmission losses during transport and distribution of purchased energy</li> <li>→ Generating energy that is first purchased and then resold by the company concerned</li> </ul>
<b>Transport and distribution [upstream]</b>	<ul style="list-style-type: none"> <li>→ 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</li> <li>→ All transport and distribution services purchased by the company (note: inbound and outbound)</li> </ul>
<b>Waste</b>	Handling and disposal of waste resulting from operations (at facilities not owned or controlled by the reporting entity)
<b>Business travel</b>	Business travel by employees in vehicles not owned or operated by the company
<b>Employee commuting</b>	Commuting of employees between place of residence and place of work in vehicles not operated by the company
<b>Leased or rented property, plant and equipment</b>	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

<b>Transport and distribution [downstream]</b>	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).
<b>Processing of sold products</b>	Further processing of sold intermediate products by other companies
<b>Use of sold products</b>	Use of the company's sold products by end consumers
<b>Handling of sold products at the end of their life cycle</b>	Disposal and handling of sold products (in the reporting year) at the end of their life cycle
<b>Leased or rented property, plant and equipment</b>	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)
<b>Franchise</b>	Operation of franchise business activities in which the company acts as franchisor (as far as not included in Scope 1 and 2)
<b>Investments</b>	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<sub>2</sub> eq in t)\*

	2022	2021	2020
Scope 1	205,215	259,674	277,684
Scope 2**	122,948	154,785	158,587
Scope 3 (fuel and energy-related activities)	98,727	82,971	92,638
Scope 3*** (business travels)	5,890	1,188	2,773
Scope 3 (logistics)	83,132	82,442	80,626

The emission values of the Semperit Group were recalculated in 2022 compared with previous years. More details can be found in the chapter "About the report" in the notes.

- \* 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: 2020: 179,850; 2021: 183,794; 2022: 162,893.
- \*\* Scope 3 (fuel and energy-related activities): The 2022 value also includes the emissions from supply chain and network losses compared to previous years.
- \*\*\* Scope 3 (business travels): The 2022 value includes all countries of the Semperit Group (except Australia) and includes air, rail, bus as well as car travel that did not take place with company cars. Due to the change in travel behaviour as a result of COVID-19, the values in 2020 and 2021 are lower than in the previous year. The 2020 value includes business travel from Europe, China, the Americas, and India and refers to air, rail, and bus travel.

## PRODUCT CARBON FOOTPRINT

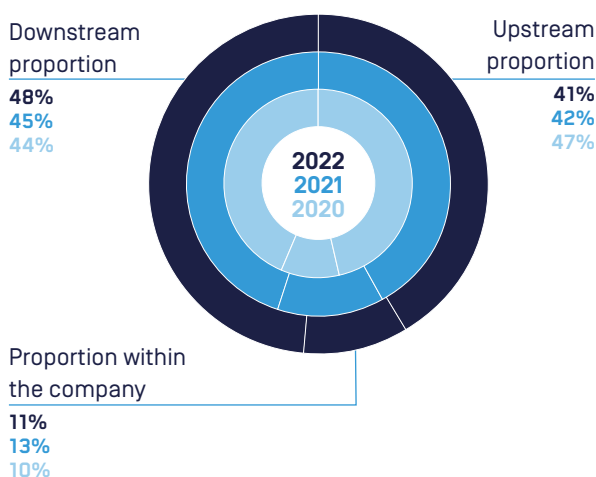
Semperit increasingly addresses greenhouse gas emissions which are caused by individual manufactured products along their life cycle – the so-called product carbon footprint (PCF). The PCF is the most common method for estimating the climate impact of products along their value chain. It assesses emissions 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 either from product creation to delivery ("cradle to gate") or throughout the entire life cycle. In 2022, carbon footprints of two window seal types were created as a pilot project. This project was carried out by the Central Process Development department in the Research and Development division. With the support of external experts, the entire life cycle was modelled, from raw materials and mixing, moulding and vulcanisation to packaging. Even the so-called "end of life", which is disposal after use of the product, can be depicted in the model. Based on this model, PCFs for Semperit products will be created for internal and external use in the future.

## EMISSIONS FROM DUST AND MICROPARTICLES

Among other things, Semperit collects and evaluates environmental aspects that arise in the production process. Based on this, appropriate measures are taken to minimise possible negative impacts. This evaluation includes surveying and assessing possible emissions into the atmosphere, soil and water. In addition to the Group-wide objective of reducing CO<sub>2</sub>, complying with legal requirements and preventing additional emissions are indispensable and mandatory. Dust and other particles emitted along the production processes are collected, filtered and properly disposed of. Compliance with local legal requirements and all required limit values is monitored at site level internally and externally on a regular basis. The sites are required to report potential deviations as environmental incidents and must immediately initiate appropriate countermeasures. Corresponding internal guidelines regulate the uniform procedure.

## LOCATION OF EMISSIONS CAUSED BY LOGISTICS SERVICES (%)





## RAW MATERIAL SELECTION AND INNOVATION

In order to ease the burden on the environment, Semperit is increasingly focusing on the ecological properties of the raw materials in its selection of raw materials and product development. The aim is to manufacture products of the highest quality while keeping the environmental impact as low as possible along the entire product life cycle. Semperit develops innovative and sustainable solutions using targeted efforts in research and development as well as close cooperation with manufacturers, suppliers and customers.



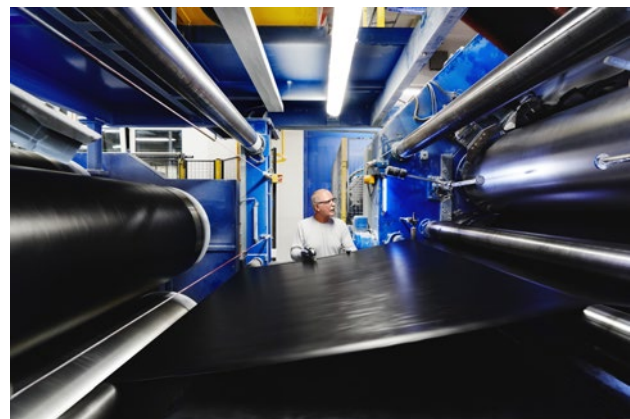
### MATERIAL USE IN THE SEMPERIT GROUP (t) (RAW MATERIALS AND REINFORCING MATERIALS)

	2022	2021	2020
Non-renewable materials	194,190	221,394	218,324
Renewable materials	18,858	16,464	16,024
<b>Total</b>	<b>213,048</b>	<b>237,858</b>	<b>234,348</b>

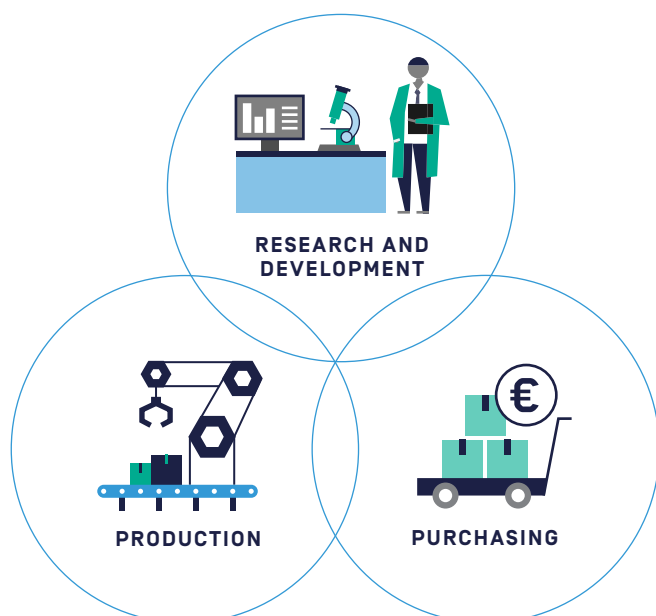
Semperit uses various raw materials to manufacture its elastomer products such as belts, hoses, gloves, and seals. The main components are natural and synthetic rubber, latex, fillers (e.g., carbon blacks), chemicals, and various materials to increase strength (steel, textile, etc.). Many of the products 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-coloured fillers) account for the largest share in terms of volume.

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 essential in procuring and testing new raw materials and integrating 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.



CLOSE COOPERATION BETWEEN THE PURCHASING, RESEARCH AND DEVELOPMENT AND PRODUCTION DEPARTMENTS IS ESSENTIAL IN PROCURING AND TESTING NEW RAW MATERIALS AND INTEGRATING THEM INTO PRODUCTION.



Semperit processes a large amount of non-renewable, predominantly petroleum-based materials every year. These materials must increasingly be recycled or 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 carbon black and the recycling of chemicals or reinforcement materials are at the forefront of current discussions at Semperit. Semperit also uses recycled materials in the plastics sector. In 2022, 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.

The extraction of natural rubber can in turn lead to negative environmental impacts, such as the promotion of monocultures or a loss of biodiversity by using synthetic chemical pesticides. When purchasing these raw materials, Semperit ensures that the concerned suppliers follow the highest ecological and social standards. Thus, the largest share 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 standardisation. 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, parameters such as temperature and pressure, as well as machine settings) must be brought into line with the respective material properties. Thus, the use of secondary raw materials is still limited.



### OVERVIEW OF SECONDARY RAW MATERIALS

- Recovered carbon black (from pyrolysis of tyres)
- Reclaimed rubber (obtained by de-vulcanisation from old tyres)
- Reprocessed rubber (processed waste from synthetic rubber production)
- Rubber powder
- Zinc oxide from zinc waste
- Recycled polyamide
- Hose wire made of steel scrap

### OVERVIEW OF SECONDARY RAW MATERIALS

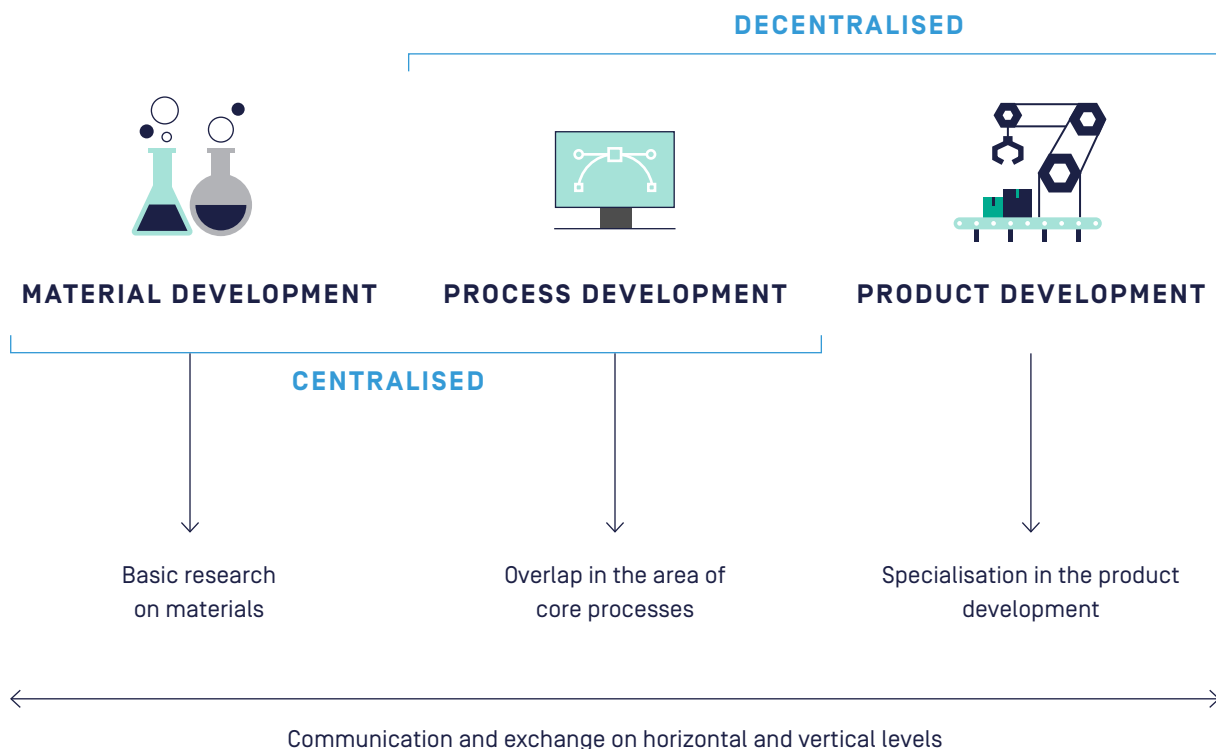
Another challenge is the availability of secondary raw materials. Although the market for recycled carbon black has developed in recent years, it is still manageable and consists largely of start-ups. Another important aspect to consider when using secondary raw materials is whether their use is in fact more environmentally and climate friendly. Often, the processes for extracting the materials in question are energy-intensive and additionally involve using high levels of chemicals. However, it is to be expected that the processes and technologies will become significantly more efficient in the coming years and that the eco-balance of these materials will thus also improve. The Semperit Group monitors these developments, regularly tests newly available recyclates and tries to build a stable supplier network as well as improve the technical possibilities through research and development together with cooperation partners.

## 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 appropriate 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 decentralised units. The central unit, which is partly located in the R&D centre 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 decentralised part at the segment level works specifically on product and process optimisations – often in close cooperation with customers – and is formed by the product and process development teams of the various business units. In addition to the headquarters in 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.

## ORGANISATION 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](#)"<sup>6</sup>, which is publicly available on the Semperit website.

In addition to optimising 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 2022. In addition to intensive work on the product carbon footprint model, the R&D team initiated a cross-departmental workshop to systematically develop ideas for more effective and efficient use of resources and to test them for their feasibility. The most promising approaches proposed and discussed at the workshop will be further elaborated and implemented.

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.

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.

## EMPLOYEES IN R&D (FULL-TIME EQUIVALENTS)

2022	2021	2020
> 225	> 230	> 220

## OVERVIEW OF MAJOR KEY FACTORS

	2022	2021	2020
R&D expenses (EUR million)*	> 17.7	> 15.7	> 14.7
Total volume participation basic research projects (EUR million)	> 1.5	> 1.0	> 1.6

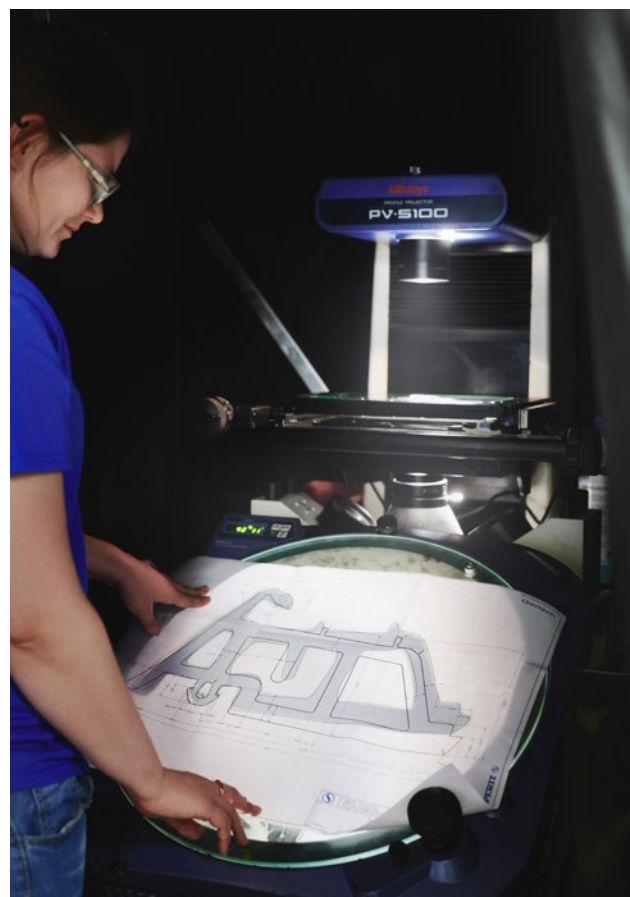
\* The value of R&D expenses in 2021 was corrected from >16.1 to >15.7 million in 2022.



The Group is also pushing developments in the field of bio-based elastomers. The use of classic natural rubber and an artificially produced bio-based polymer as a substitute for the petroleum-based raw material is worth highlighting in this regard. But the avoidance or replacement of ecologically questionable or harmful additives is also an area of research for the Semperit Group. For two years, 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.

However, not only the safety and health considerations of the products play a role in their use, but also the ecological effects that may arise during the use phase can be reduced to some extent. These are not as serious with Semperit products, for example, because there is no significant abrasion during use, as with vehicle tyres. Nevertheless, as a manufacturer, Semperit can also adjust the environmentally friendly use of its products. For example, certain material properties, such as low weight, low rolling resistance, or high strength, can contribute to environmentally friendly operation or low impact in the use phase of the products. 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. Product durability is another decisive factor, which is also determined by material properties. Semperit relies on technologies to extend the life cycle. Thus, by using integrated sensors, specific data can be collected and used for operational optimisation.



Extending the life cycle of medical gloves is often a challenge due to hygiene requirements. The product is classified as a disposable product, and in the scope of product use the focus is primarily on health aspects. The patients and wearers of the gloves should be protected from infections. But allergens (proteins from the natural rubber latex or fragments of classical accelerators) also play an important role. The new cross-linking system for the “Green Glove” does not contain any allergens and achieves similar results in alcohol resistance as a standard glove. Ensuring product safety along all processes is essential, from product development to production and distribution to the customer. Semperit is mindful in keeping the ecological impact of its products as low as possible. For this reason, environmentally relevant aspects are increasingly incorporated into research and development work.



## CORPORATE INNOVATION

In addition to traditional research and development work, Semperit increasingly focuses on implementing standardised Group-wide innovation processes and tools for producing ideas. The Group-wide innovation platform launched in 2021 was continued in 2022, filled with suggestions and improved. With the platform, ideas can be reported in the initial phase and their development can be monitored further down the line. This ensures that ideas are systematically recorded and, conversely, their potential is analysed and evaluated in a structured manner. The ideas are then evaluated and prioritised 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 those responsible in the preparation for the internal presentation before the Innovation Council. In this way, future activities of the Semperit Group can be explored in a targeted manner and the innovative strength of the company systematically strengthened.

## SEMPERIT PRODUCT AND PROCESS HIGHLIGHTS

PRODUCT	ECOLOGICAL OR SOCIAL VALUE ADDED	SEGMENT
<b>Lead oxide reduction</b> Reduction of the lead oxide content in special heat-resistant belts by 50%. The long-term goal is to reduce the proportion of lead oxide to zero.	Circular economy → Material efficiency and material health	
<b>Sempercord belts with increased tensile strength</b> Development of a special core rubber compound, characterised by increased resistance to mechanical tearing to extend product life in areas with extreme mechanical requirements.	Circular economy → Service life extension	
<b>Flame retardant AS-S belts [Australian standard]</b> Optimisation of conveyor belts for Australian underground mines in terms of weight and rolling resistance. Using this combination, the energy requirement in the application – when transporting material – can be significantly reduced.	Decarbonisation → Energy saving during operation	
<b>New generation of chemical hoses [industry]</b> The new generation of chemical hoses is designed for higher performance and impresses with a longer service life and increased robustness and flexibility. The hoses with braided inserts also meet high performance and safety standards as well as the step towards digitalisation (link to the Hose Wiki app via QR code).	Circular economy → Service life extension → Digitalisation	
<b>Pore stability sponge rubber</b> By developing new production methods, pore stability of sponge rubber profiles can be decisively improved.	Optimisation of product properties	
<b>Climate-neutral glove for trade</b> The Semperit Green Glove has also been available as a "climate-neutral" glove for end consumers since 2021. With ClimatePartner the CO2 footprint of the gloves was calculated with the aim of offsetting it through selected projects. The Semperit Green Glove was chosen for this project because this type of glove is produced with reduced water consumption, lower CO2 emissions, and entirely without chlorine due to the production technology used.	Decarbonisation	
<b>Digital distribution</b> Distribution of digital delivery information to our customers upon delivery. This fully automated solution transmits all relevant product, order, and delivery data to the respective customer before Semperit products arrive. This provides a better overview with a higher level of detail information about the deliveries, which enables a quicker receiving process and improved process capability and traceability of all Semperit data. In addition, the automated transfer of information reduces process costs along the supply chain. 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.	Digitalisation → Material efficiency	

PRODUCT	ECOLOGICAL OR SOCIAL VALUE ADDED	SEGMENT
<b>EDI – Electronic Data Interface</b> Digital connection from the ERP of large customers to Semperit. This results in significantly simplified processes and reduced paperwork.	Digitalisation → Material efficiency	
<b>Paperless manufacturing</b> 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 segments consistently continued to pursue this goal. By digitalising 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.	Digitalisation → Quality assurance and conservation of resources	
<b>Recycling</b> In-house production of hose marking tape from waste used PP mandrels instead of buying from third party suppliers.	Circular economy → Material efficiency	
<b>Photovoltaic plant</b> Installation of a 400 kWp photovoltaic system at the Semperit production site in Shanghai, China.	Decarbonisation	
<b>Optimisation of profile extrusion</b> 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	
<b>Board thickness stability</b> 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	
<b>3D printers and 3D printer technology</b> The use of 3D printer technology has improved the flow design of the manufacturing tools, allowing new material combinations to be used efficiently.	Circular economy → Material efficiency	
<b>Handrail automation</b> By automating the handrail assembly machines, a significant contribution could be made in resource efficiency.	Circular economy → Material efficiency	
<b>Semperit Engineering Solutions digitalisation</b> By using digitalisation in the manufacturing process, energy efficiency was improved around shaping processes in product manufacturing.	Decarbonisation → Energy efficiency	
<b>Efficient waste management</b> By using waste compactors, the transport routes for waste disposal and recycling could be significantly reduced.	Decarbonisation → Reduction of transport routes	

In addition, Semperit implements administrative "quick win" improvements, such as the electronic signature of internal, external and inter-company contracts introduced throughout the Group. By using an electronic instead of a physical signature, it has been possible to

reduce not only paper consumption, but also the printing and mailing costs of 814 documents have been reduced since January 2022. The process was made significantly more efficient without losing security and legal abidingness.

# MATERIAL USE 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 production. In the scope of the circular economy, it is important to optimise 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”.



IN THE SCOPE OF THE CIRCULAR ECONOMY, IT IS IMPORTANT TO OPTIMISE MATERIAL FLOWS INSIDE AND OUTSIDE THE COMPANY AND TO RECYCLE MATERIALS AND PRODUCTS WHERE POSSIBLE AND SENSIBLE.

Site managers, technical segment managers, and the Chief Operating Officer are responsible for the control of various production parameters. Various programmes and activities are used to optimise the use of materials and to 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 can be met. For years, Semperit has worked successively on optimising its product design with the aim of using less material while maintaining the same functionality. It is important to push the manufacturing processes technologically to such an extent that as little scrap and waste as possible are produced, with upright manufacturing process stability being the basis of product quality.

## (INTERNAL) RECYCLING AND PRODUCT RECYCLING

Materials that are produced as waste or scrap during production are internally recycled as far as technically possible. In the field of rubber, reuse is possible when no vulcanisation has taken place yet. The proportion of recycled volume depends on the various internal processes and varies accordingly. On the other hand, vulcanised materials are difficult to reuse due to their material properties. This fact distinguishes rubber from other materials such as steel, glass, paper, or cardboard, for which recycling rates are already significantly higher.

From a sustainability point of view, recycling rubber is desirable. Semperit therefore uses so-called reclaimed rubber whenever possible. The recycling of unvulcanised sections into the basic compound – i.e., internal recycling – has been established and is presented in more detail than in previous years in the waste reporting.

The research and development work of the Semperit Group with regard to circular economy focuses not only on production waste, but also on the recyclability of products after the use phase. Current challenges include the business-to-business model without direct contact to end consumers, product-return logistics, and product design and further processing of products. The structural deck of conveyor belts, for example, can be retreated in a similar way to tyres thus extending their service life. This is usually done on site and by customers themselves, as dismantling and transporting the product back to the manufacturer would often be too costly and not environmentally friendly.



Regarding the possible recycling of products, product design also 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. Separating these fractions after product use is desirable but challenging. In principle, it is also necessary to consider the logistical challenges for the environment in recirculating discarded rubber products. Semperit considers it necessary to develop new recycling service models in order to meet the requirements of the circular economy.

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

2022	2021	2020
2.5	3.1	2.9



## WASTE MANAGEMENT

Waste management is part of the Group-wide environmental management system, which is certified according to ISO 14001 and is an important element of the issue-specific due diligence process. All relevant waste and scrap key figures are continuously collected and are reflected in monthly production reports. The decision-makers analyse the data and derive improvement measures. This also includes 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. The waste reporting system existing since 2021 has been detailed, and the frequency of data collection has been increased. Now monthly collection and filing of waste data are the norm. In 2022, another focus was on ensuring data quality and the systematic exchange of information with the production sites. This made it possible to identify trends in the waste data and derive optimisation measures.

The production sites Rivalit (Germany), Sempertrans Maintenance France Nord (France), Newnan (USA) and M+R Dichtungstechnik (Germany), which are not yet fully integrated into the environmental data management scope, will gradually be integrated into waste reporting starting in 2023 (for further information on the consolidation framework in the area of environment, see page 53 ff. and Appendix).

## TOTAL VOLUME OF WASTE (t) \*

	2022	2021	2020
Chemicals	310	77	-
Hazardous rubber waste	301	394	-
Other hazardous waste (oil, liquids, etc.)	3,609	3,240	-
<b>Total hazardous waste</b>	<b>4,220</b>	<b>3,711</b>	<b>4,227</b>
Non-hazardous rubber waste – disposed	7,422	7,010	-
Non-hazardous rubber waste – recycled	3,951	3,852	-
Paper and cardboard – disposed	85	147	-
Paper and cardboard – recycled	892	747	-
Plastics and foils – disposed	595	783	-
Plastic and foils – recycled	1,105	980	-
Metal – disposed	39	31	-
Metal – recycled	1,189	962	-
Wood – disposed	26	38	-
Wood – recycled	1,206	1,238	-
Residual waste – disposed	767	1,364	-
Residual waste – recycled	473	90	-
Other non-hazardous waste – disposed	2,198	2,697	-
Other non-hazardous waste – recycled	142	32	-
<b>Total non-hazardous waste</b>	<b>20,090</b>	<b>19,971</b>	<b>19,146</b>
<b>Waste due to one-off incidents</b>	<b>231</b>	<b>15</b>	<b>1,024</b>
<b>Total hazardous waste – recycled</b>	<b>0</b> <b>0%</b>	<b>0</b> <b>0%</b>	<b>-</b>
<b>Total hazardous waste – disposed</b>	<b>4,220</b> <b>100%</b>	<b>3,711</b> <b>100%</b>	<b>-</b>
<b>Total non-hazardous waste – recycled</b>	<b>8,958</b> <b>45%</b>	<b>7,901</b> <b>40%</b>	<b>-</b>
<b>Total non-hazardous waste – disposed</b>	<b>11,132</b> <b>55%</b>	<b>12,085</b> <b>60%</b>	<b>-</b>

\* No data is available for the Nilai, Malaysia site for 2020. Data collection first started in 2021 and only includes residual waste for the time being. In 2022, all waste categories were reported.

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 the 2022 reporting year, a first pilot project was launched to systematically exchange best practices regarding waste management between sites. Practical results included the switch from containers to waste compactors or the new waste separation in two departments at the Belchatów site. The pilot project will continue in 2023 and serve as a best practice example within the production network.

Semperit also tries to find new solutions for product and transport packaging together with its customers. Customers' 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.



**1%**  
IN 2022  
OF 30% BY 2030  
[t/production unit]

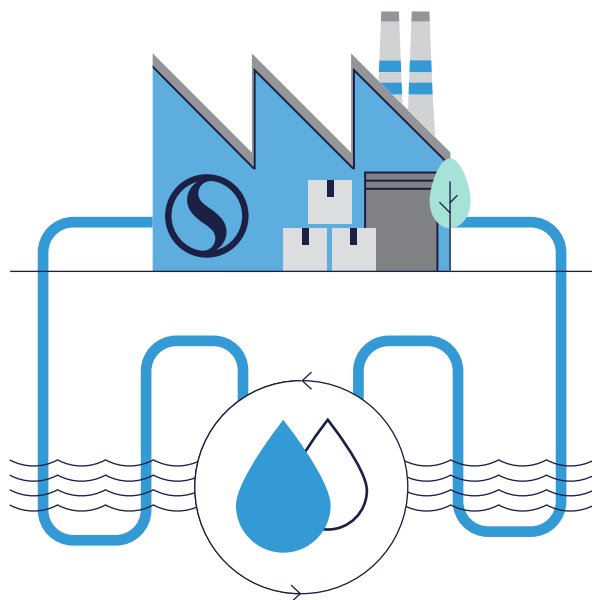
**30 by  
2030**

### „30 BY 2030“ – WASTE

By 2030, the Group aims to save 30% of waste per production volume. In the 2022 reporting year, the Semperit Group was not able to achieve the annual objective of 3% savings with regard to waste. Although savings of 4.7% were achieved in the first half of the year, the annual objective was missed by 3.9% in 2022 due to decreasing production output in the second half of the year, which was caused by the sharp decline in demand in the Sempermed segment. As production output decreases, the volume of waste usually increases. The measures that are taken to achieve the goals vary from segment to segment and are accompanied by process adjustments and quality criteria as well as a corresponding innovation performance. The monitoring of waste reduction targets will be further developed in the 2023 reporting year, with a focus on establishing the reporting and information system.

## WATER

In view of the importance of water for life on earth, Semperit is committed to the careful use of this valuable resource. 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 fresh-water 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. In 2022, this important future topic was classified as material for Semperit, and the first preparatory steps for the expansion of reporting according to GRI 303 were taken.



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, attention is paid to efficient and economical water use. Water procurement is in line with the respective local legal requirements. Most of Semperit's production processes use comparatively 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 segment is recorded by Sempermed (discontinued operations). Glove production uses water to flush out proteins and chemicals to prevent allergic reactions among other things. The waste water produced during glove production is treated in Semperit's own waste water treatment plants according to local regulations while the relevant limit values are consistently checked using laboratory analyses.

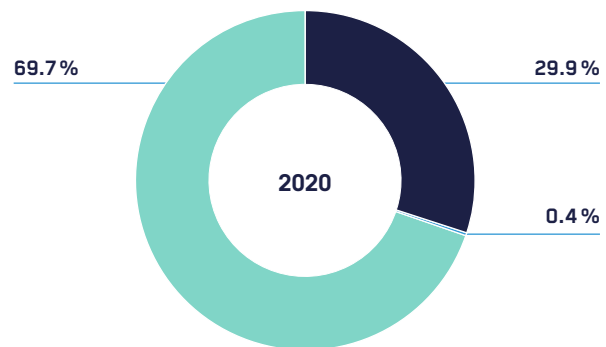
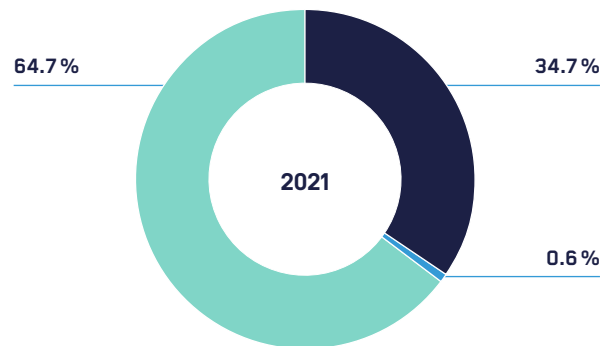
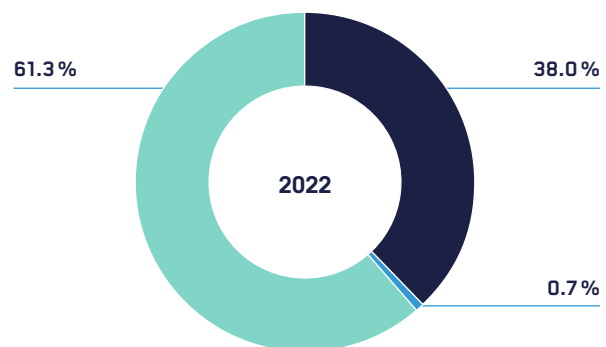
Waste water generated at Semperit sites is treated in accordance with local legal requirements or discharged directly into the public sewer system. Semperit has developed Group-wide action plans to prevent and remedy incidents that could lead to exceeding limit value in the wastewater sector. The action plans take into account local legal requirements for waste water management and monitoring. In addition, a Group-wide internal reporting system is used to also report and document water- and waste water-related environmental incidents. Within the framework of HSE 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 minimise 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 characterised by water stress are currently affected by water withdrawal. In connection with climate change, this could change in the medium to long term and the water supply from surface waters and groundwater could become more difficult. This makes it all the more important for Semperit to take further measures to save water and use it most efficiently.

## WATER WITHDRAWAL BY SOURCE [%]

	2022	2021	2020
● Ground water	2.9 38.0 %	3.0 34.7 %	3.0 29.9 %
● Surface water	0.1 0.7 %	0.1 0.6 %	0.0 0.4 %
● Water from third-party providers	4.7 61.3 %	5.5 64.7 %	6.9 69.7 %
<b>Total water withdrawal [m³ million]</b>	<b>7.7</b>	<b>8.6</b>	<b>9.9</b>



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 sustainability criteria and a high degree of automation. Optimised flows of goods will enable shorter throughput times. Total water consumption in Odry will fall by around 30% after the new hall goes into operation in 2025 – regardless of the capacity expansion – and will contribute to the achievement of the Semperit Group's water target.

**30 by  
2030**

### „30 BY 2030“ – WATER

In the 2022 reporting year, the Semperit Group was able to achieve a reduction of 8% in water withdrawal per production volume, thus exceeding the annual savings target of 3% (base year 2019).

The measures taken to achieve the goals vary from segment to segment and are accompanied by process adjustments as well as corresponding innovation performance. The largest water withdrawal in the Semperit Group in 2022 took place at the largest production sites (Kamunting in Malaysia 59%, Wimpasing in Austria 32%, Odry in the Czech Republic 3%, Bełchatów in Poland 1%), with the Medical Sector being the most water-intensive area. The remaining sites accounted for the remaining 5% of Semperit-wide water withdrawal.



**8%**

IN 2022

OF 30% BY 2030

[m<sup>3</sup>/production unit]



Currently, not enough information is available on water discharge and thus on the calculation of the actual water consumption. Water consumption is the amount of water withdrawn minus the water returned. Water withdrawal is the amount of water withdrawn by Semperit from various sources. Semperit plans to deepen data management and reporting with regard to actual water consumption in 2023 in order to be able to place a further focus on actual water consumption within production in addition to water withdrawal. An in-depth study of water consumption at the Sempermed site in Kamunting was carried out for the 2022 reporting year, making it possible to break down water consumption and draw up a plan for reduction. Initial projects to reduce water losses are planned for 2023, although these will be revised next year due to the sale of the medical segment.



## SOCIAL

Health protection and occupational safety	100
Diversity and inclusion	110
Human rights and social standards	118



The past years – impacted as they were by the COVID-19 pandemic, global economic policy uncertainties, turmoil in financial markets and supply chains around the world – have shown the importance of social cohesion as well as that of the corresponding structures that support this cohesion. Activities and measures involving issues like inclusion, health protection, securing jobs, and flexible work are creating both individual benefits and social value. Semperit takes care to create a safe environment that fosters respect and sustainable relationships between employees and with stakeholders. This strengthens social capital – an important intangible asset for any company.

Semperit looks back on a long corporate history and employs more than 6,500 people. With each new employee who begins working at Semperit, the responsibility of Semperit as an employer grows. The company must ensure that employees can do their jobs in a healthy and safe way at all times during the workday. This includes consistent accident prevention, providing personal protective equipment, and having the option of working from home. Active efforts for diversity in the workforce, inclusion of people with disabilities, and safeguarding high social standards are of value to society and also enhance the attractiveness of Semperit as an employer for existing and future skilled employees. Voluntary social benefits and development opportunities also help to ensure that employees remain loyal to the company and that new employees can be attracted.



Together with the clear targets contained in the Sustainability Strategy 2030, values and binding policies form the basis for fulfilling the company's social and societal responsibility. The Semperit Code of Conduct was updated and newly communicated in 2022 with this in mind. The Code of Conduct is available to the public on the Semperit website and on the intranet and is a part of the onboarding process. The content is also taught in online training courses.

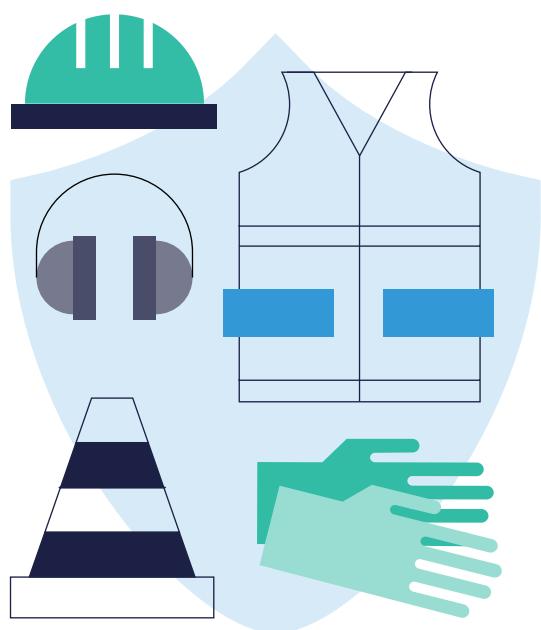


## HEALTH PROTECTION AND OCCUPATIONAL SAFETY

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 fulfil this responsibility, Semperit has implemented a health and safety management system in accordance with ISO 45001 (health and safety at work), which is continuously being further developed. The topics of health protection and occupational safety are consolidated organisationally with environment and quality within HSEQ (Health, Safety, Environment & Quality). The HSEQ Policy, which is publicly available on the Semperit website, sets out the Group-wide expectations and principles related to these topics. Responsibility for health and safety is defined at each location. These persons serve as contacts for local and Group-wide interested parties and make a valu-

able 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 for the reporting year 2022.



In accordance with the Austrian Employee Protection Act [ArbeitnehmerInnenschutzgesetz], there is an occupational health and safety organisation 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 organisations 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 organisations 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 Betchatów. 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 visualising progress and measuring participation rates in the various programmes and activities support high levels of employee involvement.

The COVID-19 pandemic continues to influence the operations of the Semperit Group. In 2022, the third pandemic year, Semperit continued its risk-averse pandemic strategy for the time being in order to avoid infection at the workplace and to maintain operations. In the course of the year, some of our location countries in Europe and the USA significantly relaxed the COVID-19 measures. However, Semperit has maintained preventive measures in these countries as well, such as vaccination campaigns, options for remote work and testing recommendations prior to company events and meetings.

## 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. Only the Newnan (USA), (Germany), Seligenstadt (Germany) and Sempertrans France Maintenance Nord (France) sites are still in the integration phase.

The safety management system 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 organisations. As part of the Group-wide management system, potential hazards and risks are systematically collected and regularly evaluated (due diligence). All Semperit Group locations integrated into the Combined Management System are reviewed to determine whether the standards of the respective implemented management systems are being met and the associated targets and objectives are being achieved.

## OVERVIEW OF EMBEDDING OF HSEQ TOPICS



## HAZARD IDENTIFICATION AND RISK ASSESSMENT

To minimise 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 standardised and regularly performed hazard and risk evaluation, there are many ways to report unsafe conditions or actions. 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 action – 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.

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→ **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.

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→ **Definition of "unsafe action":** An "unsafe action" 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 authorisation, failing to use or improperly using personal protective equipment, or failing to follow defined safe work procedures.

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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 programme. In 2022, the efforts from the previous year were continued and supplemented with a focus on technical machine safety, cut-resistant work clothing and standardisation of knives and gloves.

## 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, PPSA) and plant tours, health and safety aspects relevant to the agreed activities are analysed and checked. If deviations are identified, it is important for Semperit to discuss these in a safety meeting and implement measures to reduce or eliminate the risk. In 2022, a focus was also placed on the 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 failure and 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 various measures for accident and injury prevention, it is important to ensure complete documentation of all incidents (accidents, near-accidents and unsafe actions and conditions). With the help of knowledge transfer, awareness raising, documentation and analysis of accidents as well as the dissemination of the lessons learned, a change in thinking and thus a longer-term change in behaviour can be achieved. Along with general training and instructions for employees relating to equipment, operating specific programmes and machines, and other measures to minimise 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 are performed annually and in addition are supported by direct examinations at the workstation by supervisors. The workstation as such is also evaluated in order to implement targeted technical optimisations and to optimise 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.

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- **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. After the restrictive COVID-19 prevention measures only allowed limited access to personal knowledge transfer and exchange in the previous two years, relaxed regulations made it possible to resume large parts of this transfer in 2022.
- 

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 2022. Custom-tailored campaigns with suitable targets and actions were developed for the largest locations. The increasing recording of near-accidents and unsafe conditions and actions is an indicator that the initiatives are working and that awareness and active participation of employees in preventing accidents has increased.

Optimising accident reporting and disseminating lessons learned requires an adequate infrastructure. The TRACK database introduced in 2018 can be considered established in 2022. 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 organisational 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 & ESG on technical matters. Depending on the local organisation, 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 organisation 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 that the facilities, machines, equipment and tools which its employees use every day are safe. Where personal protective equipment is required, it is made available to employees and they are encouraged to use it.

In 2022, the Wimpassing site focused on ergonomic work in Mixing and piloted the use of exoskeletons. At the Wimpassing and Bełchatów sites, Semperit also gained initial experience with the use of upper body stabilising belts. The experiences were initially disseminated within Mixing and attempts were made to apply similar solutions. Subsequently, the findings were passed on to all sites as part of technical communication.

Technical improvements to machinery, equipment and processes were continued in order to reduce the exposure of employees to harmful emissions.

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.



In recent years, company doctors have primarily dealt with the issue of COVID-19, although the extent is slowly decreasing. For this reason, they are now increasingly focussing on prevention issues again. The results are discussed either in the respective health and safety committee meetings or in their equivalents, to which the employees are invited.

### COVID-19-RELATED RISK MANAGEMENT & SITUATION MONITORING

Semperit continued its “Better safe than sorry” information and vaccination campaign in 2022 to raise awareness for this issue among employees. It can be observed that in many countries infections and illnesses have reached a manageable level even with relaxed or largely lifted measures. Semperit continues to observe this development and, in accordance with the principle of “Better safe than sorry”, continues to take a number of measures that have been introduced to protect employees and maintain operations. Remote work, working from home, psychological counselling and certain health and hygiene measures have established themselves as a sensible standard even in the absence of acute danger.

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. The greatest risk in connection with the COVID-19 pandemic continues to be the officially imposed shutdown of operations, but also the reduction of production capacity due to labour shortages (quarantine or sick leave). As the official requirements for combating the pandemic already varied greatly in the countries where Semperit operates locations, the responsibility for Semperit's operational COVID-19 management was largely transferred to the individual locations. The HSEQ team manages and coordinates the remaining Group-wide measures and the accompanying communication and supports the locations with expert knowledge. Situation monitoring is carried out at Group level. It includes the tracking of medical progress, governmental COVID-19 measures in the site countries as well as quarantine and sickness reports at the sites.

### Work from anywhere/remote work & leave of absence:

Employees whose job duties permit them to work from home still have the option to do so. Employees with cold symptoms or asymptomatic COVID-19 infections are asked to work from home. Employees with a positive COVID-19 test result are asked not to enter Semperit locations. If this makes it impossible for them to perform their work, Semperit voluntarily offers them leave of absence. Employees with a positive COVID-19 test result are asked not to enter the Semperit sites.

**Protective equipment:** Semperit has always focused on the wearing of personal protective equipment depending on the activity and workplace. This requirement remains in place, while FFP2 masks will continue to be provided on request.

**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. In addition, the lock screen of the computers was adapted in Q1 to promote awareness of this initiative. The content of the campaigns was based on regional and thematic urgencies and included topics such as hygiene measures, protective vaccinations, and travel activities.

**Shutdowns:** In 2022, plant operations at two Semperit plants in China had to be temporarily shut down due to national requirements.

**Vaccination programme:** To achieve the highest possible COVID-19 vaccination rate in the workforce, Semperit continued to carry out educational efforts and create a low-barrier offer of protective vaccinations in 2022.

**Psychological counselling service:** The COVID-19 crisis has also been a psychological strain for many people. Employees of Semperit in Austria can anonymously contact an external psychological counselling service when needed. The costs are paid by the company.

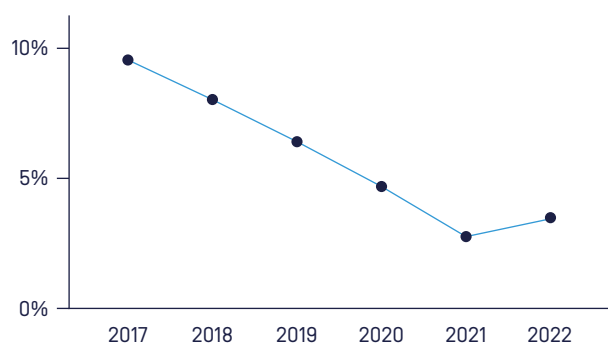
## FIRE PROTECTION

The work tasks of the fire protection department are divided between the Maintenance & Engineering department, which is responsible for fire prevention at plants and buildings, and the Operational Risk Management department, which takes care of the contact with the insurance companies. The topic of fire protection is of high importance for occupational health and safety and for other areas with which there are points of contact, where the HSEQ department supports with its expertise.

## 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. In addition, there have been no fatal occupational accidents for several years. In 2022, there was one serious accident. The accident investigation was carried out properly and the result was published within the Group. The accident is related to the operation of a testing machine. The Group HSEQ team, together with the machine manufacturer, the in-house technician and the local HSE team, analysed the circumstances and cause of the accident in detail and developed a systemic solution to minimise the risk of another such accident.

### DEVELOPMENT OF THE ACCIDENT RATE [ % ]



### TOTAL OCCUPATIONAL ACCIDENT RATE [EMPLOYEES AND CONTINGENT WORKERS IN%]

	2022	2021	2020
Rate of work-related accidents	3.3	2.7	4.6

The rate of occupational accidents includes serious accidents, lost time accidents, accidents with medical treatment and refers to 1,000,000 working hours. Based on 200,000 hours, the occupational accident rate is: 2022: 0.7, 2021: 0.5, 2020: 0.9.



## OVERVIEW OF KEY FIGURES

	2022	2021	2020
Total number of accidents	58	50	83
Number of fatal accidents	0	0	0
Number of serious accidents	1	2	0
Number of accidents with sick leave	16	23	26
Number of medical treatments	41	25	57
Total working days lost**	655	1,261	818
Number of near accidents	501	511	469
Unsafe conditions	17,170	18,709	16,254
Unsafe actions	26,877	26,486	25,251

## OVERVIEW OF KEY FIGURES FOR EMPLOYEES

	2022	2021	2020
Number of fatalities due to occupational accidents	0	0	0
Number of serious work-related Injuries (without deaths)	1	1	0
Number of accidents with sick leave	14	20	23

## OVERVIEW OF KEY FIGURES FOR CONTINGENT WORKERS

	2022	2021	2020
Number of fatalities due to occupational accidents	0	0	0
Number of serious work-related Injuries (without deaths)	0	1	0
Number of accidents with sick leave	2	1	2

## OVERVIEW OF KEY FIGURES FOR THIRD-PARTY PROVIDERS AND SIMILAR

	2022	2021	2020
Number of fatalities due to occupational accidents	0	0	0
Number of serious work-related Injuries (without deaths)	0	0	0
Number of accidents with sick leave	0	2	1

## TOTAL OCCUPATIONAL ACCIDENT RATE (EMPLOYEES AND CONTINGENT WORKERS)

	2022	2021	2020
Rate of accidents at work with severe work-related injuries (without fatalities)	0.2	0.1	0
Number of working hours (million hours)	16.8	17.5	17.9
Rate of the recorded work-related injuries (based on million hours)	3.3	2.7	4.6

## RATES OF WORK-RELATED ACCIDENTS BY EMPLOYEE CATEGORY

	2022	2021	2020
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### EMPLOYEES

Rate of accidents at work with severe work-related injuries (without fatalities)	0.1	0.1	0
Number of working hours (million hours)	15.1	16.8	17.2
Rate of the recorded work-related injuries (based on million hours)	3.2	2.6	4.4

### CONTINGENT WORKERS

Rate of accidents at work with severe work-related injuries (without fatalities)	0	1.2	0
Number of working hours (million hours)***	1.7	0.9	0.7
Rate of the recorded work-related injuries (based on million hours)	4.7	5.8	10.0

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 action.

## "HEALTH AND SAFETY" TARGET 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 2022, the agreed targets were achieved. In the 2022 reporting year, the occupational accident rate deteriorated by 22% due to the increase in accidents with medical treatment. Semperit will gradually increase its focus on the zero-accident policy and preventive measures in 2023 in order to improve workplace safety again.

## CAREER PLANNING

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. 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.

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 programmes 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.



# 22%

Deterioration of the incident rate

**People Days:** During the People Days, performance appraisals are calibrated across divisions and departments, and possible development measures and career steps for employees are discussed and agreed upon. 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 programme 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 Programme:** In this programme, 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.

**Talent Academy:** The Talent Academy programme, 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 Talent 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 Talent Academy work on practical projects that are of benefit to the company and address current issues from various areas, including sustainability. The next Talent Academy is planned for 2023.

## TRAINING AND DEVELOPMENT

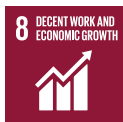
Semperit offers its employees a wide range of training opportunities that include both personal and professional development. This ranges from languages and compliance issues to project management and facilitating as well as to specialist areas such as health and safety and is always geared to the respective 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.

- 
- 85% of all white-collar employees (85% of all female white-collar workers and 84% of all male white-collar workers) participated in standardised performance and career development reviews in 2022. There is no Group-wide performance review for blue-collar employees.
- 
- 60% of all employees received career- or skill-related training in 2022. Globally, 75% of all female employees and employees and 55% of all male employees were trained, which is a total of 100% of all white-collar workers and 44% of all blue-collar workers.
- 

**Executive mentoring:** This programme is aimed at managers with five to ten years of professional experience and serves to prepare them for future management positions with the help of mentors at the management or Executive Board level. The programme 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 run 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 programme 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 bar camps are also held as part of the Leadership Journey. This format is used for personal reflection and collegial dialogue among managers. The programme is designed as an agile development format so that the content and formats can be adapted as needed.

**Leadership Essentials:** In 2022, Semperit introduced a development programme for new managers to support them in their new role and strengthen their leadership skills. This programme 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.



## DIVERSITY AND INCLUSION

Diversity and equal opportunity are preconditions for a workplace atmosphere that is productive and based on respect, and therefore are important components of successful employee management. The high importance Semperit places on having a diverse and inclusive workforce is reflected in the values of the Group. By creating appropriate framework conditions such as flexible structures and working hours or remote work, employees are given space to adapt their work to their respective life situations. This enables the company to make an active contribution to inclusion.

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 programme of training and development and attractive career opportunities, for example. The Mobile Working Policy introduced in 2021 includes a framework for more flexible work organisation and – where possible – working from home. Semperit also voluntarily offers its employees numerous social benefits such as a range of exercise options and additional medical services.

PEOPLE FROM 64 NATIONS CURRENTLY WORK AT SEMPERIT. THIS SHOWS THAT DIVERSITY IS NOT ONLY A NORMATIVE REQUIREMENT, BUT REALITY THAT SEMPERIT ALSO ADDRESSES AT THE STRATEGIC LEVEL.





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. 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, ethnic origin, gender, education, and background of experience are included.

People from 64 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 2024 is the diversity and inclusion strategy developed in 2022, which, like the Semperit Sustainability Strategy 2030, provides for the following four diversity categories:

→ **Gender**

→ **Age**

→ **People with disabilities**

→ **Culture**



## ADVANCEMENT OF WOMEN

A diversity concept of the Supervisory Board of Semperit AG Holding was concluded in writing on 1 February 2018 and updated in 2021. The Supervisory Board of Semperit AG Holding has been meeting the women's quota of 30%, which became a legal requirement in 2018, since May 2017. At the Executive Board level, the proportion of women has increased over the last two years. In spring 2020, a female Chief Financial Officer took over the position for the first time, which was filled by a male successor in 2022.

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 help continuously increase the percentage of women.

## DEVELOPMENT OF THE PERCENTAGE OF WOMEN AT SEMPERIT IN YEAR-ON-YEAR COMPARISON (%)

	2022	2021	2020
Austria	19%	19%	20%
Europe	27%	26%	26%
Semperit Group	23%	23%	22%



## IMPLEMENTATION OF DIVERSITY AND INCLUSION AT SEMPERIT: 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 and intercultural competence. Based on this, so-called "D&I Councils" were established for each dimension at the beginning of 2022, to which a number of colleagues from various corporate divisions, different locations, age groups and hierarchy 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 analyse collected data, share ideas and design initiatives to drive diversity and inclusion in the workforce together with the Executive Board and HR.

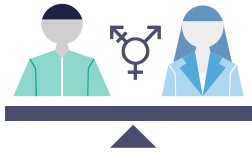
### The focal points of the D&I Councils are:

- Act as a change agent for the organisation, 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

In 2022, one of the tasks of the D&I Councils was to define a qualitative or quantitative improvement target for each area for the next few years, based on industry benchmarks and Semperit-specific requirements. These improvement targets were formulated at the end of 2022 and approved by the Executive Board:



**Age:** 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 5 defined initiatives with a focus on removing systematic barriers and prejudices against all age groups.



**Gender:** In a step-by-step process, Semperit will take the following path towards gender balance at all hierarchical levels of the Group as of 2023. Starting in 2023, each Semperit location will implement a local action plan with at least 2 defined initiatives to eliminate relevant local gender barriers. In addition, Group HR will report on the current gender ratio in senior Semperit management on an ongoing basis starting in 2023. Subsequently, the Executive Board members commit to develop and track a progress plan for gender balance in senior management in the second half of 2023.



**People with disabilities:** By the end of 2023, initiatives will be implemented at all Semperit locations based on the model of the pilot project carried out in Austria in 2022; these initiatives will more closely identify and analyse the needs of employees with disabilities and implement improvements. The approach is based on the identification of local system barriers at the site and their targeted elimination (examples from the pilot project: introduction of barrier-free parking spaces and toilets, awareness-raising measures).



**Intercultural competence:** By the end of 2025, Semperit will have strengthened the intercultural competence of all employees with continuous awareness-raising communication measures and will ensure that all white- and blue-collar workers complete awareness training to eliminate prejudices in the areas of culture, origin and inclusion.

The development of the defined measures and their contribution to achieving the goals are regularly reported both internally at Semperit and to the Supervisory Board. Working on these goals will help achieve the vision for diversity and inclusion 2040.

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

## CHARITY MILES

In 2021, Semperit decided to launch Charity Miles, a Group-wide charity programme that supports charitable projects while also promoting the health and fitness of employees as well as team-building across all office and national borders. In the first nine months of 2022, every step and every kilometre actively travelled by Semperit employees contributed to a charitable cause. All activities are recorded using the Charity Miles app. Based on the collectively achieved result, a monthly donation amount was raised to support various projects worldwide. The initiatives and projects were selected in consultation with the decision-makers at the Semperit locations along the "Move hearts and minds" roadmap. This allowed specific social problems in the respective regions to be addressed and enhanced the motivation of employees to participate in Charity Miles. A total of over 207,000 kilometres was collected in the twelve months and donations were made to the following initiatives in the areas of biodiversity, environmental protection, reforestation of rainforests, access to clean water in third countries, protection of human rights, equal rights, combating the causes and consequences of hunger, children's education and humanitarian aid for Ukraine:



## KEY FIGURES FOR EMPLOYEES

### EMPLOYEES BY CONTRACT TYPE (FTE)

	2022	2021	2020
<b>CONTRACT EMPLOYEES</b>			
<b>Europe</b>	<b>48</b>	<b>47</b>	<b>25</b>
of which female	22	25	12
of which male	26	21	13
<b>Asia</b>	<b>29</b>	<b>31</b>	<b>34</b>
of which female	1	1	3
of which male	28	30	31
<b>Americas (incl. rest of the world)</b>	<b>0</b>	<b>0</b>	<b>0</b>
of which female	0	0	0
of which male	0	0	0
<b>Total</b>	<b>77</b>	<b>78</b>	<b>59</b>
<b>PERMANENT EMPLOYEES</b>			
<b>Europe</b>	<b>3,337</b>	<b>3,319</b>	<b>3,042</b>
of which female	886	870	783
of which male	2,450	2,449	2,259
<b>Asia</b>	<b>3,005</b>	<b>3,466</b>	<b>3,778</b>
of which female	549	635	682
of which male	2,456	2,831	3,096
<b>Americas (incl. rest of the world)</b>	<b>97</b>	<b>87</b>	<b>64</b>
of which female	37	33	25
of which male	60	54	39
<b>Total</b>	<b>6,439</b>	<b>6,872</b>	<b>6,884</b>

### EMPLOYEES BY EMPLOYMENT RELATIONSHIP (FTE)

	2022	2021	2020
<b>FULL-TIME</b>			
Female	1,418	1,490	1,435
Male	4,992	5,360	5,408
<b>Europe</b>	<b>3,282</b>	<b>3,268</b>	<b>2,971</b>
of which female	832	822	726
of which male	2,450	2,446	2,245
<b>Asia</b>	<b>3,031</b>	<b>3,495</b>	<b>3,808</b>
of which female	549	635	684
of which male	2,482	2,860	3,124
<b>Americas (incl. rest of the world)</b>	<b>97</b>	<b>87</b>	<b>64</b>
of which female	37	33	25
of which male	60	54	39
<b>Total</b>	<b>6,410</b>	<b>6,850</b>	<b>6,843</b>
<b>PART-TIME</b>			
Female	77	74	70
Male	28	25	29
<b>Europe</b>	<b>102</b>	<b>97</b>	<b>96</b>
of which female	76	73	69
of which male	26	24	27
<b>Asia</b>	<b>3</b>	<b>2</b>	<b>4</b>
of which female	1	1	1
of which male	2	1	3
<b>Americas (incl. rest of the world)</b>	<b>0</b>	<b>0</b>	<b>0</b>
of which female	0	0	0
of which male	0	0	0
<b>Total</b>	<b>105</b>	<b>99</b>	<b>100</b>



**NEW EMPLOYEES (HC AND %)**

	2022	2021	2020
Female	391   24%	453   28%	515   33%
Male	764   15%	1,006   18%	910   17%
Europe	510   15%	560   17%	320   8%
Asia	605   18%	865   24%	1,102   35%
Americas	40   42%	34   43%	3   5%
< 30	625   32%	901   39%	999   41%
30-50	458   12%	479   42%	382   11%
> 50	72   6%	79   2%	44   4%
<b>Total</b>	<b>1,155   17%</b>	<b>1,459   21%</b>	<b>1,425   20%</b>

**TURNOVER RATE (HC AND %)**

	2022	2021	2020
< 30	881   45%	890   38%	700   29%
30-50	561   15%	441   39%	457   13%
> 50	126   10%	112   3%	143   13%
Female Europe	147   15%	95   10%	133   16%
Male Europe	262   10%	200   8%	257   11%
Female Asia	278   45%	306   46%	251   37%
Male Asia	840   31%	830   28%	655   21%
Female Americas (incl. rest of the world)	12   33%	2   7%	2   8%
Male Americas (incl. rest of the world)	29   50%	10   20%	2   5%
Female	437   27%	403   25%	386   25%
Male	1,131   22%	1,040   19%	914   17%
<b>Total of turnover</b>	<b>1,568   23%</b>	<b>1,443   20%</b>	<b>1,300   19%</b>

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

**CONTINGENT WORKERS (FTE AND %)**

	2022	2021	2020
<b>Europe</b>	<b>235   94%</b>	<b>288   71%</b>	<b>184   92%</b>
of which female	57   24%	84   29%	64   35%
of which male	178   76%	204   71%	120   65%
<b>Asia</b>	<b>3   1%</b>	<b>114   28%</b>	<b>4   2%</b>
of which female	0   0%	25   22%	1   25%
of which male	3   100%	89   78%	3   75%
<b>Americas (incl. rest of the world)</b>	<b>12   5%</b>	<b>2   1%</b>	<b>13   6%</b>
of which female	2   17%	0   0%	1   8%
of which male	10   83%	2   100%	12   92%
<b>Total</b>	<b>250</b>	<b>404</b>	<b>201</b>

**DIVERSITY [%]**

	<b>2022</b>	<b>2021</b>	<b>2020</b>
Percentage of female members in the management bodies (Executive Board and Forum)	6%	15%	15%
Percentage of male members in the management bodies (Executive Board and Forum)	94%	85%	85%
Percentage of female members in the management bodies < 30 (Executive Board and Forum)	0%	0%	0%
Percentage of female members in the management bodies 30-50 (Executive Board and Forum)	47%	50%	59%
Percentage of female members in the management bodies > 50 (Executive Board and Forum)	53%	50%	41%
Percentage of male blue-collar employees	82%	82%	83%
Percentage of male white-collar employees	64%	62%	64%
Percentage of female blue-collar employees	18%	18%	17%
Percentage of female white-collar employees	36%	38%	36%
Percentage of blue-collar employees < 30	31%	34%	40%
Percentage of white-collar employees < 30	12%	15%	18%
Percentage of blue-collar employees 30-50	52%	48%	46%
Percentage of white-collar employees 30-50	66%	63%	63%
Percentage of blue-collar employees > 50	18%	18%	14%
Percentage of white-collar employees > 50	21%	21%	19%
<b>Nationalities (total)</b>	<b>64</b>	<b>65</b>	<b>57</b>
<b>People with disabilities (in %)</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>
<b>Employees covered by collective pay-scale agreements [%]</b>	<b>44%</b>	<b>40%</b>	<b>35%</b>

Note: Rounding differences in the totalling of rounded amounts and percentages may arise from the use of automatic data processing.

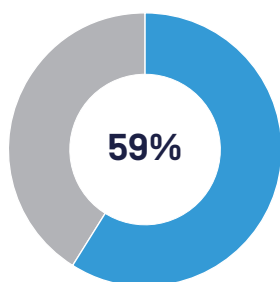
FTE = full-time equivalent; HC = headcount

The key figures for 2020 to 2021 include all employees from the fully consolidated companies of the Semperit Group. The employee data is collected directly at the individual locations.

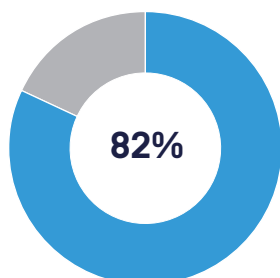
Definition of "contract employees": employees with a limited contract period including apprentices and trainees. There are no other significant categories in the area of diversity within the Semperit Group (GRI 405-1).

The key figures for the number of employees at year-end, the employees by region, and the percentage of employees by gender include all employees from the fully consolidated companies of the Semperit Group.

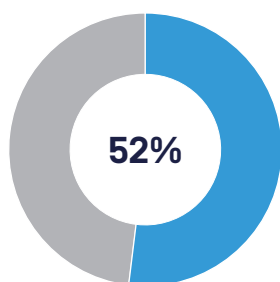
## TOTAL RESPONSE RATE



## ONLINE RESPONSE RATE (WHITE-COLLAR)



## PAPER & KIOSK RESPONSE RATE (BLUE COLLAR)



## "MYVOICE 2022" EMPLOYEE SURVEY

The "myVoice" employee survey, which takes place at regular intervals, is an important tool for Semperit's human resources management to interactively exchange information 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.

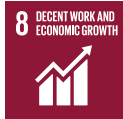
In 2022, 59% of employees across the Group took part in the survey and gave their views on various topics. The survey was made available to employees online and to workers in paper form or via a "kiosk" application. In order to maintain anonymity and confidentiality of the survey, the results are only visible to the respective manager if at least five people from the respective team have answered quantitative questions and at least 15 people from the respective team have answered qualitative questions.

## MYVOICE BECOMES WEACT

After evaluating the results at different management, location, segment and functional levels, it was time to take action. Managers and team leaders, together with their teams, defined one or two relevant measures per department that should lead to visible improvements in the organisation. The implementation of actions and their impact on employee satisfaction will be assessed in the next employee survey in 2024.







## HUMAN RIGHTS AND SOCIAL STANDARDS

Without exception, Semperit opposes child and forced labour 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 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.

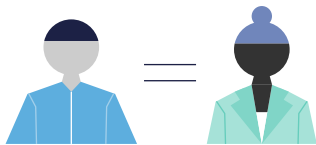
The principles and internal guidelines of the Semperit Group for respecting human rights and for interacting with one another as well as the applicable social standards are defined in the Code of Conduct as well as in the People Policy and the Supplier Policy, which are publicly available on the Semperit website<sup>7</sup>. 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 Semperit Group has published an annual Modern Slavery Act Statement since 2019 in accordance with the UK Modern Slavery Act. The UK Modern Slavery Act, which came into force on 29 October 2015, aims to support laws and policies against modern slavery and human trafficking, while calling on all major companies to publish an annual statement on their contribution to preventing modern slavery and human trafficking. This statement includes the most important principles as well as the company's activities in the relevant financial year and can be found on the [Semperit website](#)<sup>9</sup>.



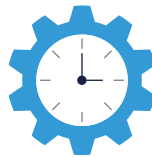
The principles and guidelines of the Semperit Group apply not only to employees but also to suppliers and other business partners. They are a precondition for establishing and continuing business relationships. All business activities must be conducted in accordance with the UN Guiding Principles on Business and Human Rights and the core labour standards of the International Labour Organisation (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<sup>10</sup>](#).



## 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

A systematic approach is required to fulfil the corporate duty of due diligence to respect and uphold human rights. The OECD Due Diligence Guidance for Responsible Business Conduct<sup>1)</sup> recommends the following six steps. In line with this recommendation, the Semperit Group is taking measures to prevent violations and is developing appropriate activities to raise awareness and transfer information. The specific measures taken by Semperit in connection with the individual steps are listed in bold.

### 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 UNGC Principles, etc.**) and the management systems

### 2. IDENTIFICATION AND ASSESSMENT

Actual or potential negative impacts from direct or indirect business activities are identified and assessed (**part of the annual ESG risk process as well as traditional risk management**).

### 3. INTEGRATION, ELIMINATION, AVOIDANCE OR MITIGATION

The findings of impact assessments are incorporated into all relevant business processes and appropriate action is taken according to involvement in the impacts (**provision of information, training, whistleblower hotline, etc.**).

### 4. MONITORING

Effectiveness of measures and procedures to address negative impacts is tracked (**internal and external audits [BSCI], rating by EcoVadis, etc.**)

### 5. COMMUNICATION

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

### 6. TAKING RESPONSIBILITY

Development or participation in remedial actions where needed (**cooperating with relevant organisations and initiatives such as Together for Sustainability**)



## 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. This primarily relates to the Kamunting and Sopron sites from the medical segment, to which the largest plant of the Semperit Group belongs. The focus of the BSCI audits is on promoting fair working conditions and respect for human rights.

- The Sopron site achieved the top "A" rating again in 2021, which extended the validity of the certification to two years.
- 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.

With the external audit, about 31% of the Semperit employees were externally audited in accordance with the requirements of the amfori BSCI in 2022.

## SOCIAL STANDARDS

Semperit stands for the protection of human rights and for compliance with the highest social standards. This is not only the core of the corporate culture but also an important component when it comes to retaining existing employees and attracting new ones. Everything is subject to change – including the requirements of employees. 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:** There is a trade union at the Chinese sites, which 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 town halls, which are aimed at all employees and serve to disseminate information widely and answer questions from the workforce.

**Germany:** All major sites in Germany have elected works councils that represent the rights of employees in daily operations in accordance with local labour law. The Hückelhoven and Deggendorf sites have a works council and an external collective agreement.

**France:** Employees in France are covered and represented by a local collective agreement and – due to the small size – by an advisory employee committee.

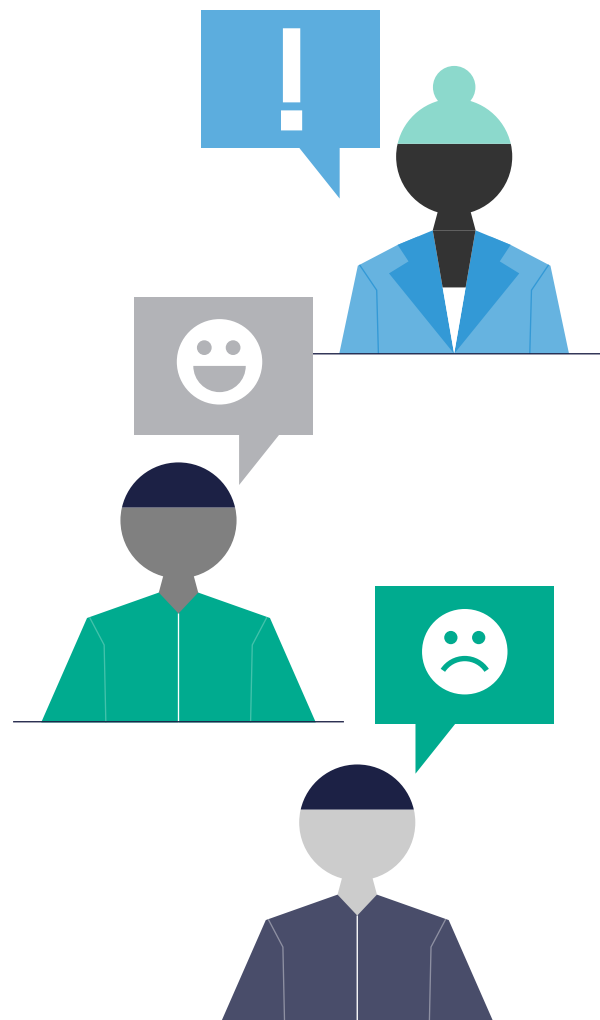
**India:** In accordance with the provisions of the Trade Union Act, employees are represented by a trade union (internal union) which interacts with management through monthly meetings.

**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. This contact has been intensified since the outbreak of the COVID-19 pandemic and converted into weekly meetings, which are valued by all parties. In addition, 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.

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

**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:** 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 ensure being a responsible and attractive employer.

Social dialogue and human rights due diligence are also exercised outside the company. For example, Semperit suppliers who are subject to EcoVadis certification must also be examined for risks to the right to freedom of association or collective bargaining at their own operating sites and audited by EcoVadis.

### 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/collective agreements at some locations (Austria, Germany, Czech Republic, Poland, France, and India). Approximately 44% 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 standardised 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 programme linked to company criteria (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. The length of service with the company is intended to foster and reward employee loyalty. 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 to support employees who fall behind through a wide range of training programmes.

### 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 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  
Verstärkte Aufklärung und Bewusstseinsbildung intern durch die Bereiche Compliance und ESG
- Increased internal information and awareness-raising by the Compliance and ESG departments
- Implementation of a Group-wide "Sustainable Procurement" online training programme with a focus on human rights and social standards along the supply chain
- 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 minimise violations in the future

## 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 should be regularly audited by external experts. This is intended to ensure and demonstrate that Semperit upholds human rights and other high social standards. 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. Especially in supply chains, it is advantageous to join forces in order to create a sustainable impact.



0

violations

98%

employees trained\*

100%

sites audited\*

\* Target achievement applies to all employees and sites characterised by a corresponding risk.





## GOVERNANCE

Compliance and anti-corruption  
Sustainability in the supply chain

127  
135

In order to safeguard the interests of all stakeholders, a company must create a regulatory framework that defines which rules, regulations, values and principles apply and how their compliance is organised and monitored by the company. This system, also known as corporate governance, should reflect the risks and opportunities associated with the company's business activities on the one hand and those that arise for the company as a result of global developments on the other. It is important here to consider not only the interests of stakeholders, but also the ecological limits of the planet.

Semperit contributes to sustainable development by developing appropriate guidelines, integrating them into the process landscape and adopting them in its daily activities. This allows opportunities to be realised, positive effects to be strengthened, and risks and negative effects to be minimised.

Good and sustainable management of an international company requires managers who fulfil their function as role models, and clear guidelines for 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 make all employees aware of opportunities to contribute to the sustainability goals. By incorporating the 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 deviations from laws, guidelines or unacceptable behaviour within the company, there is the possibility to report this 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.



## 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 low-threshold access to reporting systems in the event of violations. The general corporate values and in particular the compliance principles form the normative framework.

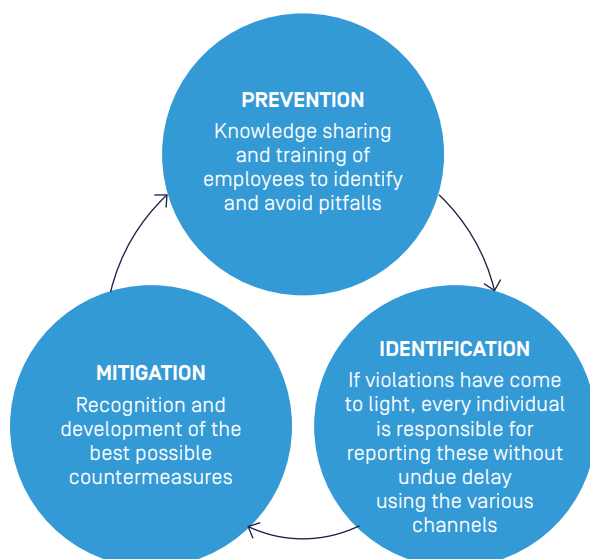
The corporate values of the Semperit Group are an integral part of the corporate culture and are based on the following principles: **"We trust, we create, we own and we deliver."**

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

### THE SIX GROUP-WIDE COMPLIANCE PRINCIPLES



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 officers at the individual sites act as the first point of contact for compliance issues on site. They communicate directly with the Group Senior Group Compliance Manager, who works centrally and reports to the Group Compliance Officer. The local Compliance Coordinators meet several times a year to discuss key topics and issues at Group and regional level. These meetings primarily serve the purpose of further training, the determination of future focal points and the joint exchange of information.



## COMPANY POLICIES AND CODE OF CONDUCT

In close cooperation with the respective departments of the divisions, the Compliance Department is responsible for creating and updating certain Group-wide policies. The most important corporate guidelines in the area of sustainability include the HSEQ Policy, People Policy, Supplier Policy and the Modern Slavery Act Statement, which together with the Group-wide Code of Conduct reflect Semperit's values and guidelines. In these policies, Semperit refers to and commits to the relevant international frameworks, such as the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the SDGs, the UNGC and the Paris climate protection goals.

The Code of Conduct was revised and expanded in 2022 and 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. In the 2022 update, the topics of responsibility and accountability of employees, managers and business partners were defined more precisely. Human rights and sustainability issues were added, and IT and privacy statements expanded. The importance and promotion of whistleblowing are also described in more detail and emphasised more strongly than before.

The Code of Conduct is available in 13 languages. Communication and promotional materials developed to bring the Code of Conduct closer to the various target groups in 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 or posters. The materials and the topics and content 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 local Compliance Coordinators 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.

## ISSUER COMPLIANCE DIRECTIVE

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.



## COMPLIANCE TRAINING FOR EMPLOYEES

In 2022, Group Compliance continued to update and improve the training offered in cooperation with several specialist departments and the locally responsible employees. Some existing courses were updated, while others such as “business in high-risk countries” were developed from scratch again. The trainings were rolled out and implemented according to need and frequency. 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 specific situations and problems. The training courses can be held either 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 courses that employees are obliged to complete depends on their field of tasks and responsibilities. Basic training courses are mandatory for all employees and are assigned to them via the Semperit training platform as soon as they join the company. 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. Subsequently, the employees are assigned extended training and e-learning courses according to their activities. These must be completed within a certain period of time. The training programme focuses on the following main areas and subjects:

## OVERVIEW OF EMPLOYEES TRAINED BY TOPIC AREA

TRAINING FOCUS	TRAINED EMPLOYEES PER FOCUS AREA		
	2022	2021	2020
Corruption and bribery	402 (♂ 238   ♀ 164)	50	581
Competition law	269 (♂ 152   ♀ 117)	42	404
Identification and prevention of fraud	1,215 (♂ 728   ♀ 487)	316	1,279
Export control and due diligence of third parties	172 (♂ 82   ♀ 90)	–	145
Conflicts of interest	974 (♂ 580   ♀ 394)	1,398	148
Harassment and misconduct	1,576 (♂ 942   ♀ 634)	1,388	60
General compliance training	170 (♂ 108   ♀ 62)	227	243
Gifts, travel and entertainment	30 (♂ 20   ♀ 10)	56	510
Code of Conduct	1,147 (♂ 696   ♀ 451)	1,167	41
Data protection	456 (♂ 272   ♀ 184)	1,136	4
Sustainable procurement (sustainability in the supply chain)	149 (♂ 95   ♀ 54)	14	–
Data security (cybersecurity)	637 (♂ 375   ♀ 262)	923	40
Protection of whistleblowers	784 (♂ 461   ♀ 323)	–	–
Integrity	765 (♂ 456   ♀ 309)	–	–
<b>Total number of trained employees</b>	<b>1,418 (♂ 864   ♀ 554)</b>	<b>1,448</b>	<b>1,398</b>
<b>% of trained employees</b>	<b>81 (♂ 84   ♀ 79)</b>	<b>–</b>	<b>–</b>

- Anti-corruption and bribery
- Harassment and misconduct
- Sustainability in the supply chain
- Antitrust law
- Money laundering and fraud
- Export controls
- Confidential information and data protection
- Insider rules and protection of company assets

The training provided will be continuously expanded in terms of topics, but also in terms of 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. This is the only way to subsequently ensure compliance with the guidelines and values and achieve broad involvement.

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 local compliance coordinators and can be arranged individually and according to need. Classroom training offers space for mutual interaction and questions and enables collaborative learning.

### BUSINESS PARTNER CHECKS

These checks are used to screen and control business partners and are mandatory for companies located in risk countries. 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 and allow risk mitigating measures to be taken where necessary. The measures



may lead to the termination of the business relationship. In recent years, work has been carried out successfully to decentralise these checks and extend them to the competent departments, such as the purchasing and customer service departments. This should ensure comprehensive screening and control. Due to recent export restrictions and economic sanctions, additional measures have been taken to prevent the related risks.

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

The risk survey is a regular or event-driven evaluation of operational, legal, strategic and reputational risks for the Semperit locations by the Group Risk Management & Assurance department. These are internal and external risks, including the topic of ESG.

In 2022, 14 reviews were carried out. The risk workshops required for this were primarily conducted online due to the COVID-19 pandemic.



## SEMPERLINE WHISTLEBLOWER HOTLINE

SemperLine offers all internal and external stakeholders a facility to report violations and incidents anonymously. The Compliance Board is obliged to review each report received and determine appropriate measures. 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 allegedly incorrect behaviour. The central instrument for this is SemperLine, a communication platform operated by an external partner, which serves the secure and confidential transmission, recording and processing of reports regarding violations of the regulations applicable at Semperit. The reports can be submitted anonymously, and the whistleblowers are protected from retaliation. The Compliance Board is obliged to review each report received and determine appropriate measures. In 2022, two reports were received via SemperLine and duly investigated. Based on the SemperLine reports, no compliance violations were identified.

## DATA PROTECTION

The Semperit Data Protection Regulation was revised and updated in 2022. It informs stakeholders about data processing activities and the exchange of personal data in peer-to-peer and business communication. The Data Protection Regulation provides the cornerstone for the systematic recording of complaint requests from individuals affected by data misuse, which is followed up in a proper and timely manner. To this end, the Senior Group Compliance Manager and the Chief Information Security Officer raised awareness on the topic and developed the policy and procedures to support employees and their data security. In 2022, various e-learning and on-site consultations were conducted by data protection coordinators to support employees in maintaining adequate data protection. In addition, local data protection coordinators meet regularly to discuss data protection issues at Group and regional 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 unauthorised persons)
- Integrity (protection against unauthorised 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 (e.g., equipment of server rooms) and to increase the confidentiality (e.g., awareness training for employees) and integrity (e.g., back-ups) of data. In addition to the technical safeguards, the Group's Chief Information Security Officer (CISO) is responsible for the uniform control and monitoring (security governance) of information security throughout the Group.

In 2022, the CISO was spun off from the IT organisation 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 sensitise its employees to cybersecurity and to establish a proactive error culture. To this end, a comprehensive and uniform Group-wide awareness concept with several components has been developed. The first components were rolled out across the Group in the course of 2022. These include, for example, e-learning, training with interactive components, mock e-mails and dynamic screensavers.

## COMPLIANCE IN THE SEMPERIT GROUP

TOPIC AREA	STATUS 2022	MEASURES AND TOOLS
<b>Anti-corruption and bribery</b>	No confirmed violations	Code of Conduct, online training and individual training according to position and field of work, SemperLine, Supplier Policy
<b>Anti-trust compliance</b>	No confirmed violations	Expansion of the Compliance Management System, establishment of a Compliance Board, business partner checks, risk assessment
<b>Human rights</b>	No confirmed violations	SemperLine, Code of Conduct, People Policy, Supplier Policy
<b>Discrimination</b>	No confirmed violations	SemperLine, Code of Conduct
<b>Anti-competitive behaviour</b>	2 current violations*	SemperLine, Code of Conduct, online training
<b>Environmental compliance</b>	No confirmed violations	Compliance with national limits and restrictions, HSEQ Policy
<b>Compliance in the supply chain</b>	No confirmed violations	Supplier Policy, supplier evaluation, Code of Conduct
<b>Data protection</b>	No confirmed violations	Process development, expansion and IT systems
<b>Compliance cases</b>	2 compliance cases**	SemperLine, Compliance Board, increased communication measures

\* One Group company 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.

\*\* 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.

## 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 programme
- Offering a comprehensive range of training courses
- Promoting a culture of trust through communication and awareness raising
- Zero violations

With regard to compliance, the above-mentioned focus points were undertaken in recent years to **build up the compliance programme**, which will also gradually be continued in the coming years. Essentially, the aim is to define and flesh out the topic areas relevant to Semperit in terms of integrity and compliance, and to develop, implement and establish the corresponding tools to manage these areas. Activities in this regard include the drafting of appropriate guidelines, policies and processes, the provision of an adequate range of training courses, far-reaching communication measures and the expansion of reporting mechanisms.

As part of the **systematic maintenance of the compliance programme**, a new Group-wide Code of Conduct was published at the beginning of 2021. In 2022, human rights and sustainability topics were added and new information and requirements on whistleblowing, cyber security and data protection were included. 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.



> 80%  
employees trained

11  
core areas of communication

0  
violations

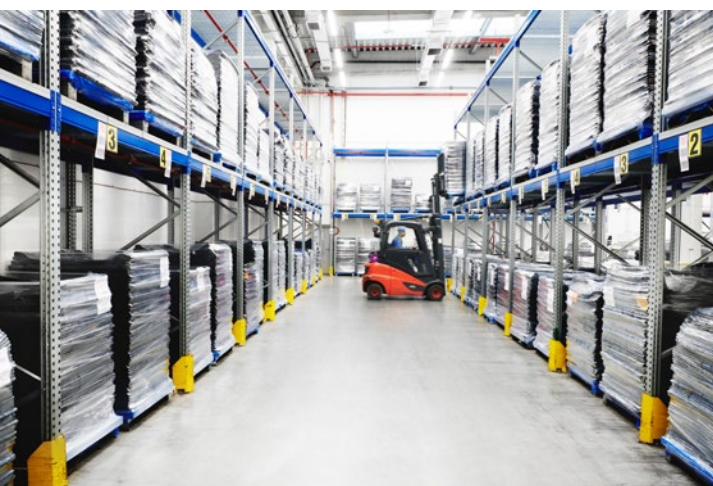
Ongoing **employee training** is an important focus, which not only enables the sharing of content, but also serves to raise awareness. The range of training courses is constantly reviewed and expanded in terms of topicality of content and potential new topics. Each employee is assigned relevant training content that they must complete depending on their position and activity. In 2022, an integrity declaration was presented to all employees for electronic signature and, where relevant, a declaration of compliance with management rules. Some courses are mandatory for all employees. In addition, there are plans to focus on the internal training of the relevant experts (“Train the Trainers”) in 2023. This initiative is aimed primarily at local compliance and data protection (GDPR) coordinators and is intended to help them manage and communicate their focus in a targeted manner.

In addition to the overarching goal of “**zero violations**”, Semperit is working hard to create a culture of trust, which aims to facilitate the reporting of weaknesses or potential misconduct without fear of sanctions. Similar to health and safety, there must also be a possibility to openly address weaknesses or problems in the area of compliance in order to avoid “genuine” misconduct and at the same time expand the corresponding infrastructure in a targeted manner.



## SUSTAINABILITY IN THE SUPPLY CHAIN

Supply chains have branched out around the world as a result of globalisation and the increasing division of labour. This has given rise to a responsibility on the part of companies to ensure social and environmental standards in their supply chain as well. The discussion surrounding an EU-wide supply chain act clearly shows that the subject is growing in importance and is increasingly subject to regulation. In recent years, Semperit has developed management tools such as the Supplier Policy, the Code of Conduct and the Business Partner Checks that contribute to sustainability in the supply chain. Operating successfully in this area requires a good network, close cooperation with suppliers, and a great deal of skill and feel for the market and culture in the countries where Semperit operates.



IN RECENT YEARS, SEMPERIT HAS DEVELOPED GUIDELINES SUCH AS THE SUPPLIER POLICY, THE SEMPERIT CODE OF CONDUCT AND BUSINESS PARTNER CHECKS AND HAS TAKEN MEASURES THAT CONTRIBUTE TO SUSTAINABILITY IN THE SUPPLY CHAIN.

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<sup>12</sup>](#) and form the basis for long-standing trusted partnerships to which Semperit attaches great importance in its supply chain management.

## SUPPLY CHAIN MANAGEMENT

Purchasing is the remit of the COO (Chief Operating Officer) and is managed by the Director Group Supply Chain Management & Procurement. The purchasing team comprises 63 employees, 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.

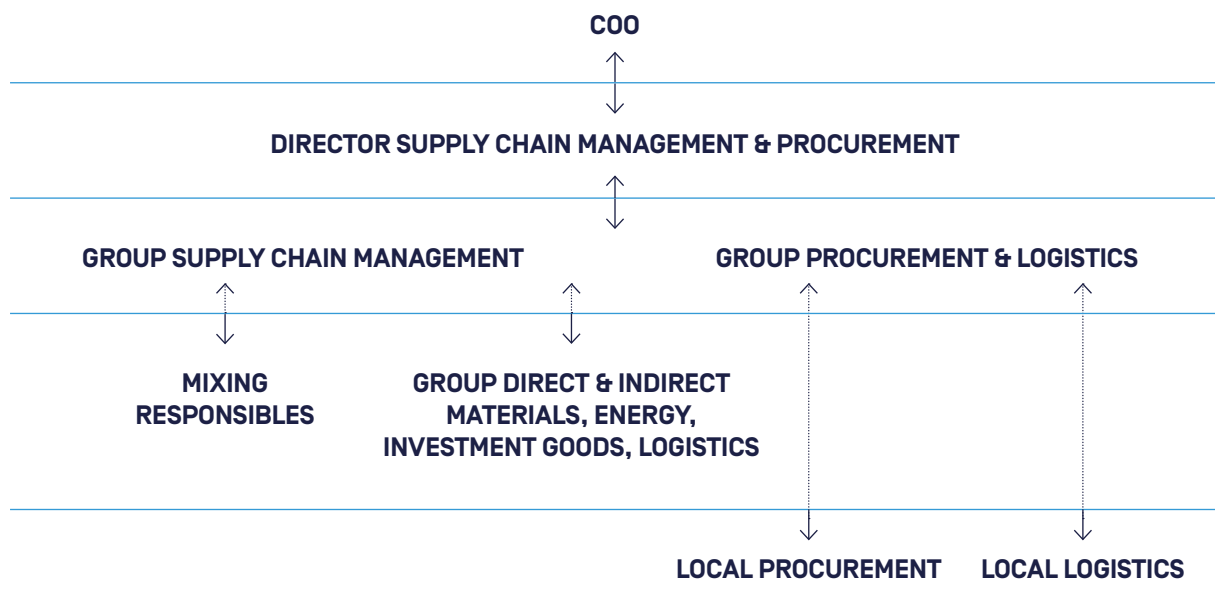
Central purchasing is divided into five thematic groups:

- **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

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, Authorisation 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.

Following the principle of double materiality, 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 2022, the cost of materials was around EUR 402 million and thus around 52% of revenue. This includes chemical raw materials, reinforcing materials, packaging materials, and purchased gloves.



The tense economic situation in 2022 caused a dynamic change in energy costs, from EUR 91 million in 2021 to EUR 89 million in 2022. Sea freight costs, and thus logistics costs in general, rose considerably in connection with the so-called container crisis, but were already almost back to the long-term average level by the end of 2022. Land freight prices rose continuously in 2022 due to significantly higher diesel costs, increased wages and improved social benefits. Similar to Semperit, the suppliers predominantly have cost structures that are essentially determined by raw materials and energy, less so by labour costs.

Semperit typically avoids intermediaries and seeks direct contact with suppliers. Thanks to close cooperation with existing suppliers and the know-how of experienced purchasers, the Semperit Group's supplier network has been largely stable for years and is subject to only minor fluctuations. Semperit strives to have one supplier in the European region and another in the non-European region in its portfolio for all material groups in order to be able to react to regional developments with an alternative from another region. This reduces the risk of delivery failures or other problems in procurement, such as those occurring in the course of the COVID 19 crisis or more recently as a result of the Russia-Ukraine war and the associated geopolitical tensions and economic sanctions.

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

Region	2022	2021	2020
Europe	198	191	166
Asia	120	113	112
America (incl. rest of the world)	2	1	1

#### MONETARY VALUE OF EXPENSES PAID TO SUPPLIERS (EUR MILLION)

2022	2021	2020
652.8	530.3	431.4

#### SUPPLIERS SCREENED AGAINST SOCIAL, ECOLOGICAL AND ETHICAL CRITERIA (WITH PURCHASING VOLUME >EUR 50,000 PER ANNUM)

	2022	2021	2020
Percentage of new suppliers screened against social, ecological, and ethical criteria	100%	No new suppliers	100%

\* Semperit focuses on strategic suppliers in evaluating these criteria. Spot and C suppliers are not taken into account in this assessment.

#### 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 CSR risks in connection with the supply chains are identified as part of the annual ESG risk process, which is primarily aimed at upstream processes as part of supplier management. 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. 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 cognisance of the Supplier Policy, self-disclosure, or an evaluation by EcoVadis to conducting audits.

In 2022, there were no new strategic suppliers that had to be reviewed with regard to their environmental and social performance, but Semperit did part ways with suppliers from the Russian and Belarusian regions, partly due to sanctions and partly voluntarily without binding sanctions. The evaluation of suppliers is generally carried out in the form of self-assessments based on Semperit's Supplier Policy and on the basis of EcoVadis ratings. EcoVadis is an external platform for assessing sustainability. Due to the aftermath of the Covid 19 pandemic, Semperit will not start rolling out on-site supplier audits again until 2023.

## SUPPLIER POLICY AND BUSINESS PARTNER CHECK

The guidelines and standards regarding social, ethical, and ecological criteria are described in the Group-wide Supplier Policy and follow international guidelines such as the principles of the UN Global Compact, the International Chamber of Commerce (ICC) Charter for Long-term Sustainable Development and the relevant Conventions of the United Nations International Labour Organisation (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 routinely sent to suppliers with a purchasing volume of over EUR 100,000 with a request for signature. In 2022, 48% of the Category A suppliers had signed the Supplier Policy. Category A suppliers are those suppliers who, ranked by size, together account for 80% of the Semperit Group's purchasing volume. In addition, new and some existing suppliers are subjected to a Business Partner Check (see page 131) 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 30 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, the results of which are made available to all members. The TfS initiative follows the principles of the UN Global Compact and Responsible Care and, in addition, seeks to continuously improve the ecological, social, and ethical orientation of suppliers. TfS is a global organisation supported by regional working groups in Asia and North and South America. As a unique, member-driven organisation, the TfS member companies are shaping the future of the chemical industry together. More information is available at [www.tfs-initiative.com](http://www.tfs-initiative.com).

In order to proceed in the most structured and efficient manner possible, 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 works with recognised auditing firms to conduct audits based on an audit standard developed especially 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 safeguarding human rights, 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 that go way beyond the usual approaches and methods. 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. Semperit's commitment to improving every year is also essential here, as impressively demonstrated by achieving Platinum Status in EcoVadis in 2022.





Since 2021, a member of the purchasing team has been established as the interface between sustainability and purchasing, who also worked closely with the ESG team on rolling out the TfS assessments and preparing suppliers for audits in 2022. This person also serves as a contact point and representative for TfS in order to establish the product carbon footprint (PCF) in accordance with the new TfS PCF process from 2023. In addition, this employee is a point of contact for questions regarding existing and future regulatory requirements in supply chain management.

In 2022, 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 2022, the purchasing team was trained through various internally and externally led events. The training focused on how to handle the EcoVadis platform, but also trained them in the understanding of social and environmental issues as well as the ability to identify and avoid risks.

### SUPPLIER COOPERATION

Semperit has set itself the goal of carrying out more supplier evaluations and working with suppliers in order to promote sustainability in the supply chain. By 2030, the company aims to generate 80% of its procurement volume from suppliers that have been screened against ESG criteria and meet Semperit's high standards.

### 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 can be evaluated using an online self-disclosure tool developed by Semperit. Each supplier receives the same questionnaire and is rated according to the results. 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 SENSITISATION

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. In 2022, the e-learning course was 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 organised by the German Rubber Manufacturers Association (Wirtschaftsverband der Deutschen Kautschukindustrie, WDK – [www.wdk.de](http://www.wdk.de)) or the International Rubber Study Group, Singapore ([www.rubberstudy.com](http://www.rubberstudy.com)). 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.



## 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. In 2022, Semperit purchased 59% of its global purchasing volume for “direct materials” (raw materials, packaging materials and trade goods) from those 166 suppliers that already have an EcoVadis rating. Plans are to gradually increase this percentage over the next few years. Due to the pandemic, no audits could be conducted in 2022. Semperit will conduct its first TfS audits of suppliers in 2023.

The improvement rate in 2022 was 65%. This means that 65% 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.



# 59 %

of expenditures for direct materials certified by EcoVadis

# 65 %

improvement rate in the EcoVadis performance of direct material suppliers year-on-year

Another important aspect considered in the evaluation system is the achievement of a predefined threshold to ensure that suppliers meet certain criteria. Suppliers who have not yet been able to achieve this minimum point score are designated for more intensive development work going forward. In 2022, 34 Semperit suppliers were rated with a score below 45. The company encourages these suppliers to take steps to improve their scores so that they can achieve a ranking above this threshold next time.

Semperit continues to focus on the implementation of a circular economy and the increased use of recycled materials and is in constant contact with the few suppliers of recovered carbon black and reclaimed rubber. However, both of these 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 successfully increase the use of recycled raw materials in Semperit products.



## APPENDIX

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# ABOUT THIS REPORT

This is the Group-wide Sustainability Report of the Semperit Group. The reporting organisation 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 recognised 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, labour 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 regarding the EU taxonomy included in the report complies with the Taxonomy Regulation (EU) 2020/852 and the requirements published as an amendment to the Regulation on 4 June 2021 (technical criteria) and on 6 July 2021 (Article 8) as well as the announcement on the application of the Taxonomy Regulation on 19 December 2022.

## REPORTING PERIOD AND CYCLE

The reporting period covers the 2022 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 2022.

## 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. The 2022 review and validation of the topics by the Sustainability Council lead to Waste and Water being classified as material topics.

## 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. There is a restriction of 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 (consolidation planned for 2023) and the German M+R Dichtungstechnik GmbH. 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. The site consists of two small production facilities which are evaluated as a single site due to their close proximity. A temporary deviation may occur, for example, if Semperit acquires a company or establishes a new location.

## CHANGES IN THE ORGANISATION AND REPORTING

In accordance with IFRS 5, the earnings and balance sheet indicators as well as KPIs of the EU taxonomy in this report relate only to continuing operations; all other data and information continue to represent continuing and discontinued operations. There were no significant changes in the size, structure or ownership of the organisation during the reporting period. Minor changes resulted from the commissioning of the production site Newnan in the USA. The environmental data does not yet encompass the German company M+R Dichtungs-technik, which was newly included in the scope of consolidation, or the newly constructed American site in Newnan, which started operations in 2022.

## DATABASE

Compared to the previous Sustainability Report, the depth of key non-financial figures has been improved, the data collection process has been optimised, 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 2022 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 standardisation of definitions and recording methods, which was completed in 2020, a consolidated presentation of all data is only possible as of 2020.
- Data on employment structure is primarily based on the personnel data system SuccessFactors; additional data has been collected manually. Due to a standardisation of definitions and recording methods, which was completed in 2020, a consolidated presentation of all data is only possible as of 2020.
- In the 2022 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 2022 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.

- Data on greenhouse gas emissions has been determined for direct and indirect greenhouse gas emissions (Scope 1 and Scope 2) 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<sub>2</sub>)
  - Methane (CH<sub>4</sub>)
  - Nitrous oxide (N<sub>2</sub>O)
  - Hydrofluorocarbons (HFCs)
  - Perfluorocarbons (PFCs)
  - Sulphurhexafluoride (SF<sub>6</sub>)
  - Nitrogen trifluoride (NF<sub>3</sub>).

Scope 3 emissions presented since the 2020 report include the indirect shares of energy use (natural gas, heating oil, etc.), the purchased logistics services, and business trips. The calculation is based on the Greenhouse Gas Protocol Corporate Standard and includes the presentation of Scope 1 emissions (direct emissions) and Scope 2 emissions (indirect emissions) due to energy purchases as well as Scope 3 emissions. The allocation of the emissions of the energy sources (natural gas, oil, fuels, etc.) to the Scopes 1 and 3 originates from the Austrian Federal Environment Agency, 2022. The conversion factors from MJ, kWh, and litres to greenhouse gas emissions are derived for the direct emission sources (natural gas, LPG, heating oil, and the fuels diesel and petrol) and their indirect shares (Scope 3) from data from the Austrian Federal Environment Agency (as of November 2022) and are applied for all countries considered. The greenhouse gas emissions of the purchased electricity are taken from the ecoinvent database in the current version 3.9 (2022). The location-based emission factors are included in the database for all countries with Semperit production. The conversion factors for business trips correspond to the data of the Austrian Federal Environment Agency; those for logistics services are taken from the ecoinvent 3.9 database. Emissions from logistics services were divided into upstream and downstream as well as intra-company 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 “produced unit”. The values for the Semperflex, Semperform, and Sempertrans segments refer to the tonnes 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 (see page 110 ff.). A comprehensive risk report can be found in the Group Management Report of the Semperit Group for 2022.

# 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 2022

## Used GRI 1

GRI 1:  
Grundlagen 2021

## 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

### PAGE REFERENCE

### STATUS/ REASON FOR OMISSION

### EXPLANATION ON OMISSION/OTHER INFORMATION

## General Disclosures

### 1. The Organisation and Its Reporting Practices

GRI 2: General Disclosures 2021	2-1 Organisational details	7-10		
	2-2 Entities included in the organisation's sustainability reporting	142-143; AR		
	2-3 Reporting period, frequency and contact point	142, 152		
	2-4 Restatements of information	143		
	2-5 External assurance	144, 154-155		

### 2. Activities and Workers

GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	9, 11-13, 16-17, 136-137, 143		
	2-7 Employees	14-15, 114	4	The gender of the staff members has been collected according to the traditional categories so far. The data in the report is therefore only broken down by female and male employees. In 2022, Semperit carried out preparatory work for the system recording of non-binary and non-disclosed gender. The release and communication of this HR system setting to employees is planned for 2023.
	2-8 Workers who are not employees	115		

### 3. Governance

GRI 2: General Disclosures 2021	2-9 Governance structure and composition	29-34		
	2-10 Nomination and selection of the highest governance body	33-34		
	2-11 Chair of the highest governance body	32		
	2-12 Role of the highest governance body in overseeing the management of impacts	35-36, 101, 128, 136		
	2-13 Delegation of responsibility for managing impacts	35-36, 101, 128, 136		



GRI STANDARD OR OTHER SOURCE	SPECIFICATION	PAGE REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
	2-14 Role of the highest governance body in sustainability reporting	19		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	29-34; <a href="#">CoC</a>		The regulations of the Austrian Corporate Governance Code are applied. Further information can also be found in the Semperit Code of Conduct starting on page 14.
	2-16 Communication of critical concerns	132; <a href="#">CoC</a>		
	2-17 Collective knowledge of the highest governance body	29-31		
	2-18 Evaluation of the performance of the highest governance body	33	4	The Supervisory Board conducts a self-evaluation once a year to assess its own organisation and working methods.
	2-19 Remuneration policies	35; <a href="#">RP</a>		
	2-20 Process to determine remuneration	35; <a href="#">RP</a>		
	2-21 Annual total compensation ratio	35		

#### 4. Strategy, Policies and Practices

GRI 2: General Disclosures 2016	2-22 Statement on sustainable development strategy	4-5		
	2-23 Policy commitments	27, 52, 100-101, 118-119, 127-129; <a href="#">CoC</a> ; <a href="#">RP</a> ; <a href="#">PP</a> ; <a href="#">HSEQ</a> ; <a href="#">MoR</a> ; <a href="#">GSP</a> ; <a href="#">SIP</a> ; <a href="#">MSA</a>		
	2-24 Embedding policy commitments	52, 103, 118-121, 126-133		
	2-25 Processes to remediate negative impacts	4-5, 82, 96, 102, 104, 120, 128, 132		
	2-26 Mechanisms for seeking advice and raising concerns	132; <a href="#">CoC</a>		Code of Conduct pages 8, 23
	2-27 Compliance with laws and regulations	133		
	2-28 Membership associations	28		

#### 5. Stakeholder Engagement

GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	22-23, 121		
	2-30 Collective bargaining agreements	123		

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	PAGE REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
<b>Material Topics</b>				
GRI 2: General Disclosures 2016	102-46 Defining report content and topic boundaries	18-19, 21		
	102-47 List of material topics	20		
<b>Environment and Climate Protection</b>				
<b>Raw Materials and Material Use</b>				
GRI 3: Material Topics 2016	3-3 Management of material topics	21, 37-42, 50-52, 83-85, 91-92		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	83, >>		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	92		
<b>Energy</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 50-52, 72-77		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	75		
<b>Water</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 50-52, 95-97		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	95-97		
	303-2 Management of water discharge-related impacts	95-97		
	303-3 Water withdrawal	96		
<b>Emissions</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 50-52, 80-82		

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	PAGE REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	80-82, 143		
	305-2 Indirect (Scope 2) GHG emissions	80-82, 143		
	305-3 Other indirect (Scope 3) GHG emissions	80-82, 143	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.
<b>Waste</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 50-52, 91-94		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	91-94		
	306-2 Management of significant waste-related impacts	91-94		
	306-3 Waste generated	91-94		
	306-4 Waste diverted from disposal	91-94		
	306-5 Waste directed to disposal	91-94		
<b>Social</b>				
<b>Health and Safety</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 99, 100-109		
GRI 401: Employment 2016	403-1 Occupational health and safety management system	52, 101		
	403-2 Hazard identification, risk assessment, and incident investigation	102		
	403-3 Occupational health services	101-102, 104-105		
	403-4 Worker participation, consultation, and communication on occupational health and safety	100-105		
	403-5 Worker training on occupational health and safety	103-104		
	403-6 Promotion of worker health	104-105		
	403-8 Workers covered by an occupational health and safety management system	101		
	403-9 Work-related injuries	106-107		

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	PAGE REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
<b>Training and Education</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 99, 110-113; <a href="#">PP</a>		
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	108-109		
	404-3 Percentage of employees receiving regular performance and career development reviews	109		
<b>Diversity and Inclusion</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 99, 110-113; <a href="#">PP</a> ; <a href="#">CoC</a> ; <a href="#">MSA</a>		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	115		Semperit does not record any seasonal fluctuations within the annual fluctuation rate.
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	32-33, 116		
<b>Human Rights and Social Standards</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 99, 118-124; <a href="#">MSA</a>		
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	121		
	412-2 Training for white-collar employees on human rights policies and procedures	123, 130		
<b>Governance</b>				
<b>Compliance and Anti-corruption</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 126, 127-134		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	131		
	205-3 Confirmed incidents of corruption and actions taken	133		
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	133		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	133		

GRI STANDARD OR OTHER SOURCE	SPECIFICATION	PAGE REFERENCE	STATUS/ REASON FOR OMISSION	EXPLANATION ON OMISSION/OTHER INFORMATION
<b>Sustainability in the Supply Chain</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	21, 37-42, 43-48, 99, 135-140		
GRI 308: Environmental assessment of suppliers	308-1 New suppliers that were screened using environmental criteria	137		
GRI 414: Social assessment of suppliers	414-1 New suppliers that were screened using social criteria	137		

**Legend**

<b>AR</b>	Annual Report 2022: <a href="https://www.semperitgroup.com/investor-relations/reports-presentations/">https://www.semperitgroup.com/investor-relations/reports-presentations/</a>
<b>CoC</b>	Code of Conduct: <a href="https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Compliance/CoC_EN_January2023.pdf">https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Compliance/CoC_EN_January2023.pdf</a>
<b>RP</b>	Remuneration Policy 2022: <a href="https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Investor_relations/Presentations/Verguetungspolitik_Semperit_2022_EN.pdf">https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Investor_relations/Presentations/Verguetungspolitik_Semperit_2022_EN.pdf</a>
<b>PP</b>	People Policy: <a href="https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/mitarbeiter/People_policy_EN_v03_2022.pdf">https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/mitarbeiter/People_policy_EN_v03_2022.pdf</a>
<b>HSEQ</b>	Health, Safety, Environment & Quality Policy <a href="https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/HSEQ/HSEQ_Policy_ENGLISH.pdf">https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/HSEQ/HSEQ_Policy_ENGLISH.pdf</a>
<b>MoR</b>	Management of Resources, Processes, and Work Attitude Policy: <a href="https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/HSEQ/Semperit_MoR_Policy_EN_v03_2022.pdf">https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/HSEQ/Semperit_MoR_Policy_EN_v03_2022.pdf</a>
<b>GSP</b>	Group Supplier Policy: <a href="https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Lieferanten/Supplier_Policy_English_20220525.pdf">https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Lieferanten/Supplier_Policy_English_20220525.pdf</a>
<b>SIP</b>	Sustainable Innovation Policy: <a href="https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Innovation/Semperit_Innovation_Policy_EN_v03_2022.pdf">https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Innovation/Semperit_Innovation_Policy_EN_v03_2022.pdf</a>
<b>MSA</b>	Modern Slavery Act Statement: <a href="https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Compliance/Semperit_Modern_Slavery_Act_Statement_FY_2021.pdf">https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Compliance/Semperit_Modern_Slavery_Act_Statement_FY_2021.pdf</a>

EU TAXONOMIE  
REPORTING TEMPLATE

Economic activity	Absolute turnover	Proportion of turnover	Substantial contribution criteria						DNSH criteria (Do No Significant Harm)						Minimum safeguards	Taxonomy-aligned proportion of turnover year n	Taxonomy-aligned proportion of turnover year n-1	Category (enabling activity) E	Category (transitional activity) T
			Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems					
	EUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%		
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
3.6.Manufacture of other low carbon technologies	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
4.1. Electricity generation using solar photovoltaic technology	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
5.2. Renewal of water collection, treatment and supply systems	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.1 Construction of new buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.2. Renovation of existing buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.3. Installation, maintenance and repair of energy efficiency equipment	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.7. Acquisition and ownership of buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
Turnover of environmentally sustainable activities (Taxonomy-aligned (A.1))	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
3.6.Manufacture of other low carbon technologies	142,106,718.59	18.22%																	
4.1. Electricity generation using solar photovoltaic technology	0.00	0.00%																	
5.2. Renewal of water collection, treatment and supply systems	0.00	0.00%																	
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	0.00	0.00%																	
7.1 Construction of new buildings	0.00	0.00%																	
7.2. Renovation of existing buildings	0.00	0.00%																	
7.3. Installation, maintenance and repair of energy efficiency equipment	0.00	0.00%																	
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	0.00	0.00%																	
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	0.00	0.00%																	
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	0.00	0.00%																	
7.7. Acquisition and ownership of buildings	0.00	0.00%																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities (A.2))	142,106,718.59	18.22%																	
Total (A.1 + A.2)	142,106,718.59	18.22%																	
B. Non-eligible activities																			
Turnover of Taxonomy-non-eligible activities	637,741,774.56	81.78%																	
Total A+B	779,848,493.15	100.00%																	

Economic activity	Absolute CapEx EUR	Proportion of CapEx %	Substantial contribution criteria						DNSH criteria (Do No Significant Harm)						Minimum safeguards Y/N	Taxonomy- aligned proportion of CapEx year n %	Taxonomy- aligned proportion of CapEx year n-1 %	Category (enabling activity) E	Category (transitional activity) T
			Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N					
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
3.6.Manufacture of other low carbon technologies	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
4.1. Electricity generation using solar photovoltaic technology	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
5.2. Renewal of water collection, treatment and supply systems	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.1 Construction of new buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.2. Renovation of existing buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.3. Installation, maintenance and repair of energy efficiency equipment	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.7. Acquisition and ownership of buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
CapEx of environmentally sustainable activities (Taxonomy-aligned (A.1))	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
3.6.Manufacture of other low carbon technologies	2,680,527.84	6.54%																	
4.1. Electricity generation using solar photovoltaic technology	721,376.09	1.76%																	
5.2. Renewal of water collection, treatment and supply systems	0.00	0.00%																	
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	1,473,246.25	3.59%																	
7.1 Construction of new buildings	10,044.64	0.02%																	
7.2. Renovation of existing buildings	381,972.74	0.93%																	
7.3. Installation, maintenance and repair of energy efficiency equipment	2,181,092.96	5.32%																	
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	0.00	0.00%																	
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	51,808.40	0.13%																	
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	77,273.93	0.19%																	
7.7. Acquisition and ownership of buildings	0.00	0.00%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	7,577,342.85	18.49%																	
<b>Total (A.1 + A.2)</b>	7,577,342.85	18.49%																	
<b>B. Non-eligible activities</b>																			
CapEx of Taxonomy-non-eligible activities	33,411,579.02	81.51%																	
<b>Total A+B</b>	40,988,921.87	100.00%																	



Economic activity	Absolute OpEx EUR	Proportion of OpEx %	Substantial contribution criteria						DNSH criteria (Do No Significant Harm)						Minimum safeguards Y/N	Taxonomy- aligned proportion of OpEx year n %	Taxonomy- aligned proportion of OpEx year n-1 %	Category (enabling activity) E	Category (transitional activity) T
			Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N					
			%	%	%	%	%	%											
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
3.6.Manufacture of other low carbon technologies	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
4.1. Electricity generation using solar photovoltaic technology	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
5.2. Renewal of water collection, treatment and supply systems	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.1 Construction of new buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.2. Renovation of existing buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.3. Installation, maintenance and repair of energy efficiency equipment	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.6. Installation, maintenance and repair of renewable energy technologies, on-site	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
7.7. Acquisition and ownership of buildings	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
<b>OpEx of environmentally sustainable activities (Taxonomy-aligned (A.1))</b>	0.00	0.00%	0.00%	0.00%					N	N	N	N	N	N	N	0.00%	0.00%		
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
3.6.Manufacture of other low carbon technologies*	1,737,018.07	5.41%																	
4.1. Electricity generation using solar photovoltaic technology**	31,865.24	0.10%																	
5.2. Renewal of water collection, treatment and supply systems	0.00	0.00%																	
6.5. Transport by motorbikes, passenger cars and light commercial vehicles**	425,269.45	1.32%																	
7.1 Construction of new buildings**	0.00	0.00%																	
7.2. Renovation of existing buildings**	16,872.83	0.05%																	
7.3. Installation, maintenance and repair of energy efficiency equipment**	168,322.43	0.52%																	
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)**	0.00	0.00%																	
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings**	2,288.53	0.01%																	
7.6. Installation, maintenance and repair of renewable energy technologies, on-site**	3,413.41	0.01%																	
7.7. Acquisition and ownership of buildings	0.00	0.00%																	
<b>OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>	2,385,049.95	7.43%																	
<b>Total (A.1 + A.2)</b>	2,385,049.95	7.43%																	
<b>B. Non-eligible activities</b>																			
<b>OpEx of Taxonomy-non-eligible activities</b>	29,721,631.45	92.57%																	
<b>Total A+B</b>	32,106,681.40	100.00%																	

\* including Semperseal expenses for purchased services & Maintenance personnel costs

\*\*\* including anteilige maintenance personnel costs on CAPEX

# FOOTNOTES

- 1 On December 16, 2022, the contract for the sale of the medical business was signed with HARPS GLOBAL PTE. LTD. Therefore, financial figures in this chapter are reported on continuing operations only as of Dec. 31, 2022, unless stated otherwise. All other KPI in the Sustainability Report 2022 relate to the entire Semperit Group, i.e. in total the continuing and discontinued operations.
  - 2 [https://www.semperitgroup.com/fileadmin/img/holding/pdf\\_dateien/Sustainability/people\\_policy/People\\_Policy\\_1801217\\_DE.PDF](https://www.semperitgroup.com/fileadmin/img/holding/pdf_dateien/Sustainability/people_policy/People_Policy_1801217_DE.PDF)
  - 3 The turnover rate includes employee turnover (voluntary terminations) as well as terminations by the company, expirations of fixed-term contracts, and retirements.
  - 4 The year 2019 was used as the reference year for the "30 by 2030" targets. Exceptions:
    - Sempertrans site in Roha, India, with the reference year 2018
    - Semperform site in Shanghai, China, with the reference year 2020
    - Sempermed site in Nilai, Malaysia, which is not part of the "30 by 2030" targets
  - 5 In addition to the emissions from direct and indirect energy consumption, other emission sources with the corresponding greenhouse gas potential must be captured in order to comprehensively map the carbon footprint of a company according to the Greenhouse Gas Protocol or ISO 14064. This includes, among other things, the use of cooling agents that have a greenhouse gas effect or the recording of other process-relevant emissions that do not result from the combustion of fossil fuels. According to the definition of ISO 14064, greenhouse gas sources with contributions not being relevant (<1%) for greenhouse gas emissions may be excluded. Semperit used site-specific surveys and conservative estimates in 2020 to determine the relevance of the corresponding sources, which are also valid in the current reporting year. "Process-relevant emissions" may therefore be neglected. Cooling agents often have a very high global warming potential, however, and are therefore to be viewed as climate-relevant. Although the greenhouse gas emissions of the cooling agent losses generated within the Semperit Group are low compared to the emissions of combustibles and fuels, they are nevertheless of a magnitude that may entail potential for improvement in the area of Scope 1 emissions. For this reason, cooling agent losses were also recorded Group-wide in 2021.
  - 6 [https://www.semperitgroup.com/fileadmin/img/holding/pdf\\_dateien/Sustainability/Semperit\\_Sustainability\\_Innovation\\_Policy.pdf](https://www.semperitgroup.com/fileadmin/img/holding/pdf_dateien/Sustainability/Semperit_Sustainability_Innovation_Policy.pdf)
  - 7 [https://www.semperitgroup.com/fileadmin/img/holding/pdf\\_dateien/HSEQ\\_policy/HSEQ\\_Policy\\_GERMAN.pdf](https://www.semperitgroup.com/fileadmin/img/holding/pdf_dateien/HSEQ_policy/HSEQ_Policy_GERMAN.pdf)
  - 8 [www.semperitgroup.com/nachhaltigkeit/nachhaltigkeitsgrundsaeetze/](http://www.semperitgroup.com/nachhaltigkeit/nachhaltigkeitsgrundsaeetze/)
  - 9 [https://www.semperitgroup.com/fileadmin/user\\_upload/MediaLibrary/SemperitGroup/Company/Compliance/Semperit\\_Modern\\_Slavery\\_Act\\_Statement\\_FY\\_2021.pdf](https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Compliance/Semperit_Modern_Slavery_Act_Statement_FY_2021.pdf)
  - 10 [https://www.semperitgroup.com/fileadmin/user\\_upload/MediaLibrary/SemperitGroup/Company/Compliance/CoC\\_DE\\_January2023.pdf](https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Compliance/CoC_DE_January2023.pdf)
  - 11 <https://www.ohchr.org/EN/Issues/Business/Pages/CorporateHRDDueDiligence.aspx>
  - 12 [https://www.semperitgroup.com/fileadmin/user\\_upload/MediaLibrary/SemperitGroup/Company/Compliance/CoC\\_DE\\_January2023.pdf](https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Compliance/CoC_DE_January2023.pdf)
- [https://www.semperitgroup.com/fileadmin/user\\_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Lieferanten/Supplier\\_Policy\\_English\\_20220525.pdf](https://www.semperitgroup.com/fileadmin/user_upload/MediaLibrary/SemperitGroup/Company/Sustainability/Lieferanten/Supplier_Policy_English_20220525.pdf)

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## GRAPHICS AND LAYOUT

Nadine Werjant  
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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 totalling 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: 22 March 2023]. 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 2023 and has been produced in German and English. In case of doubt, the German version shall take precedence.



Dr. Karl Haider

Dr. Helmut Sorger

Kristian Brok, MSc

# REPORT ON THE INDEPENDENT AUDIT OF THE CONSOLIDATED NON-FINANCIAL REPORT OF 2022

We have audited the consolidated non-financial report 2022 (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 the EU Taxonomy Regulation, and the GRI Standards (update 2021) as a separately prepared consolidated Sustainability Report 2022 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 2022 in accordance with the legal requirements of Art. 267a UGB<sup>1</sup>, the legal requirements of the EU Taxonomy Regulation<sup>2</sup> and the GRI Standards (update 2021)<sup>3</sup>.

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 2022 do not comply in all material respects with Art. 267a UGB, the legal requirements of the EU Taxonomy Regulation and the GRI Standards (update 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 organisation
- 
- 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 further development of processes and monitoring was implemented
- 

<sup>1</sup> <https://www.ris.bka.gv.at/Dokumente/Bundesnormen/NOR40189009/NOR40189009.pdf>

<sup>2</sup> <https://eur-lex.europa.eu/eli/reg/2020/852/>

<sup>3</sup> <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
- 
- Virtual meetings with responsible persons at the sites in Vienna, Wimpassing and Deggendorf as well as a site visit in Kamunting 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 of individual data in consolidated non-financial reporting.
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- 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.
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- 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
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- Evaluation of the materiality analysis within the Group, including sector-specific megatrends and aspects of GRI
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- Assessment as to whether the requirements were addressed appropriately according to Art. 267a UGB
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- Assessment as to whether the requirements of the EU Taxonomy Regulation including all supplementary delegated regulations were addressed appropriately
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- Review on a random basis of statements on the audited report contents in the consolidated non-financial reporting 2022 based on reporting principles of the GRI Standards, and
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- Assessment as to whether the GRI Standards [update 2021] were consistently applied.
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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 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 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"<sup>4</sup> with respect to third parties.

## SUMMARISED 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 2022 does not comply in all material respects with Art. 267a UGB (NaDiVeG) and the EU Taxonomy Regulation as well as the GRI Standards [update 2021].

Vienna, 20 March 2023

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.  
Hans-Erich Sorli                      Susanna Gross

<sup>4</sup> Fassung vom 18. April 2018, herausgegeben von der Kammer der Wirtschaftstreuhänder, Kapitel 7, [http://www.kwt.or.at/PortalData/1/Re-sources/aab/AAB\\_2018\\_de.pdf](http://www.kwt.or.at/PortalData/1/Re-sources/aab/AAB_2018_de.pdf)

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