The SUSTAINABILITY Code

Declaration of conformity 2023

Follmann Chemie

Indicator set	GRI SRS
Contact	Andreas Franke
	Heinrich-Follmann-Str. 1 32423 Minden Germany
	+49 151 12115515 Andreas.Franke@Follmann-Chemie.de

Indicator set

The declaration was drawn up in accordance with the following reporting standards:	GRI SRS

Table of contents

General

General Information

CRITERIA 1–10: SUSTAINABILITY POLICY
Strategy

1. Strategic Analysis and Action
2. Materiality
3. Objectives
4. Depth of the Value Chain

Process Management

5. Responsibility
6. Rules and Processes
7. Control

Key Performance Indicators (5-7)

8. Incentive Systems

Key Performance Indicators (8)

9. Stakeholder Engagement

Key Performance Indicators (9)

10. Innovation and Product Management

Key Performance Indicators (10)

CRITERIA 11–20: SUSTAINABILITY ASPECTS
Environment

11. Usage of Natural Resources
12. Resource Management

Key Performance Indicators (11-12)

13. Climate-Relevant Emissions

Key Performance Indicators (13)

Reporting according to EU taxonomy

Society

14. Employment Rights
15. Equal Opportunities
16. Qualifications

Key Performance Indicators (14-16)

17. Human Rights

Key Performance Indicators (17)

18. Corporate Citizenship

Key Performance Indicators (18)

19. Political Influence

Key Performance Indicators (19)

20. Conduct that Complies with the Law and Policy

Key Performance Indicators (20)

General

General Information

Describe your business model (including type of company, products / services)

The Follmann Chemie Group is an owner-managed, internationally successful group of companies with headquarters in Minden/North Rhine-Westphalia. It is managed by managing director Dr. Henrik Follmann. The production area and key Group functions are focused in Minden, with an export ratio of around 60%. The Follmann Chemie Group includes the Follmann and Triflex business divisions. Follmann is a specialist in aqueous printing inks and coatings, wood adhesives and packaging adhesives, and the microencapsulation of fragrances and active substances.
Triflex is a specialist in liquid plastic waterproofing systems. The material protects the building structure against the ingress of moisture and wetness, thereby protecting the building in the long term and helping to ensure that it retains its value. The waterproofing systems can be found in areas such as flat roofs, balconies, car parks or the foundations of wind turbines. Triflex is a pioneer in another area too. Triflex markings ensure safety and orientation on roads and cycle paths and in halls and multi-storey car parks. And the Triflex maintenance products allow for long-lasting repairs to potholes, cracks or spalling. The key competences of the Follmann Chemie Group are the development, production and distribution of speciality chemicals for the processing industry (printing inks and adhesives) as well as construction chemicals (waterproofing systems, road markings and infrastructure solutions) for trade customers. Thanks to a modern organisational structure and efficient processes, the Group can react to customer requirements quickly and with flexibility, and can identify trends and react to them in a targeted manner. A high level of innovation, excellent product quality and customised solutions and service offerings are key factors for our company success, and make the Follmann Chemie Group an established participant on the European market in the area of speciality chemicals.

Additional remarks:

Locations:

- Germany, United Kingdom and Russia with production, development, sales, administration
- Austria, Switzerland, the Netherlands, Belgium, France, Italy, Poland, China, Singapore, the USA with sales and technology

Number of employees: over 900
Number of trainees and work-study students: 40

Turnover
- Follmann Chemie Group EUR 250 million
- Follmann & Sealock EUR 110 million
- Triflex EUR 140 million

Turnover share in Germany approx. 40%

Location: Minden, North Rhine-Westphalia

CRITERIA 1–10: SUSTAINABILITY POLICY

Criteria 1–4 concerning STRATEGY

1. Strategic Analysis and Action

The company declares whether or not it pursues a sustainability strategy. It explains what concrete measures it is undertaking to operate in compliance with key recognised sector-specific, national and international standards.

Environmental aspects have been an essential part of our company philosophy ever since the founding years of our company. For example, we have developed a number of solvent-free products and have twice been awarded for environmentally conscious company management by the *Arbeitsgemeinschaft Selbständiger Unternehmer* [Working Group of Independent Entrepreneurs]. Furthermore, in 1986 Dr Rainer Follmann was one of the co-founders of the medium-sized business association "future", which even back then - long before it was possible to certify environmental management systems - introduced environmental organisation to its company. Further proof of this focus can be found in our sustainability reporting. In 2023, we published our 25th annual sustainability report.

Link: Follmann Chemie Group sustainability report

Stringent sustainability strategy and clear vision
Together we can make a difference, with solutions that build the future

We use sustainability challenges to drive our innovations and develop new business models. We see the increasing importance and growing awareness of sustainability in society as an opportunity for our transformation process.
We are dealing with the more stringent regulatory and policy-related requirements in a targeted manner, and are looking for opportunities in an ever-changing environment.
In light of the shifting framework conditions, sustainability has become a clear value driver for our company: our active management of sustainability topics is increasing our resilience, allowing us to tap into new market potential, and ensuring competitive advantages on a long-term basis.

Strong commitment to the Chemie^3, Responsible Care and Chemistry4Climate initiatives
Here at the Follmann Chemie Group with our Follmann and Triflex divisions, we are aware of our corporate social responsibility, and always strive for continual improvement in the areas of health, safety and the environment. We disclose our results on a regular basis. We signed up to the Chemie^3 and Responsible Care initiatives of the *Verband der chemischen Industrie* [German chemical industry association] at an early stage, and aim to reach greenhouse gas neutrality by 2045 as part of the Chemistry4Climate initiative!
We have developed a comprehensive sustainability strategy that takes into account both the specific features of our business divisions as well as the Group-wide synergies. Our sustainability strategy has been developed in parallel to the existing corporate strategies of the German companies (Follmann Chemie GmbH, Follmann GmbH & Co KG and Triflex GmbH & Co KG). It can be linked to other strategies/initiatives, and is an integral part of our corporate strategy. The objective of our sustainability strategy is to allow for the focused positioning of the group of companies in dynamically changing markets. The sustainability strategy has been developed based on the three German companies, and has established a framework for the entire Group. It ensures that we meet both legal and regulatory requirements, thereby contributing to the positioning of the Follmann Chemie Group. It also keeps both internal and external stakeholder groups on board and helps raise awareness of sustainability issues within these groups.
We introduced our quality management system in accordance with ISO 9001 in 1997, and our environmental management system has been certified to Eco-Management and Audit Scheme (EMAS) since 1998, and to ISO 14001 since 2001. Our energy management system has been certified to ISO 50001 since 2013.

2. Materiality

The company discloses the aspects of its business operations that have a significant impact on sustainability issues and what material impact sustainability issues have on its operations. It analyses the positive and negative effects and provides information as to how these insights are integrated into the company's processes.

The materiality analysis played a key role in the development of our sustainability strategy, as we needed to narrow down the large number of identified sustainability topics to those that are of priority for our strategy development and reporting. Our goal was, and remains, to cover all key topics in which our actions have social, environmental or economic impacts. The results are based on the concept of double materiality, and we have looked at the following questions in this regard:
1. Impact materiality (inside-out perspective): "What impact do our business operations have on society and the environment?"
2. Financial materiality (outside-in perspective): "To what extent does the topic influence our business success? What financial impacts, risks and opportunities does it create for the company?"
We have also looked at the relevance of the topic for our stakeholders:

"How important is it for our stakeholders that the Follmann Chemie Group (Follmann Chemie, Follmann, Triflex) deals with this topic?"

A total of 15 topics were identified as a result of this process:

- Material compliance
- Sustainability-related product transparency
- Environmentally friendly products
- Environmentally friendly logistics (external)
- Future-proof and innovative range of products and services to support the sustainability requirements of the various customer markets
- Reuse-oriented and resource-efficient service and product design
- Responsible and resilient procurement
- Responsible and attractive employer
- Product and processing reliability
- Occupational safety and promotion of health
- Consideration and support of the local community
- On-site environmental protection
- Use of renewable energies and energy efficiency
- Environmental risks and adapting to climate change (impairment of production processes)
- Fighting corruption & bribery

3. Objectives

The company discloses what qualitative and/or quantitative as well as temporally defined sustainability goals have been set and operationalised and how their level of achievement is monitored.

We have passed through multiple stages on our roadmap to the development of our sustainability strategy, and have developed and verified the **focus topics** from both a top-down and bottom-up perspective:

- **Circularity - recyclability of our products**
- **Environment - environmental responsibility**
- **People - health & well-being**

All of the results of the process are arranged hierarchically, and build on one another: our values, sustainability vision and sustainability mission were used to define the objectives.
There are already a number of measures and projects in place in relation to sustainability within the Follmann Chemie Group, and we have also reviewed whether these measures contribute to our objectives and whether we have set our priorities correctly.

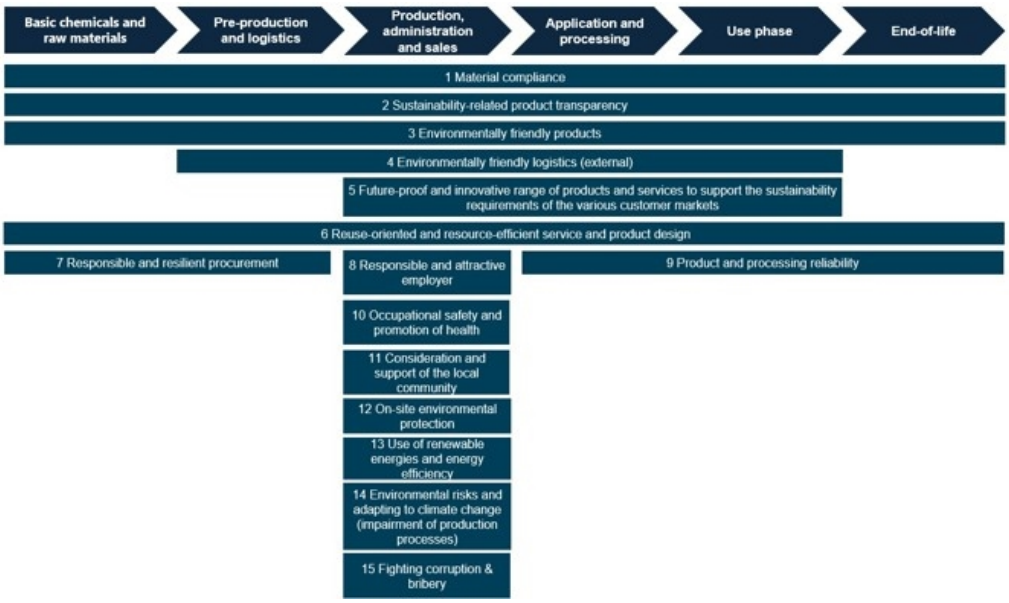
4. Depth of the Value Chain

The company states what significance aspects of sustainability have for added value and how deep in the value chain the sustainability criteria are verified.

Our value chain comprises six key phases:

- **Basic chemicals and raw materials**
- **Pre-production and logistics**
- **Production, administration and sales**
- **Application and processing**
- **Use phase**
- **End-of-life**

As part of our assessment, we analysed both the overall value chain as well as each of the phases within it. We paid particular attention to the location of our key sustainability topics along the value chain.



We were able to allocate all of our 15 topics to one or more phases of the value chain, which allows us to ensure that all points are taken into account as part of our strategy.

Criteria 5–10 concerning PROCESS MANAGEMENT

5. Responsibility

Accountability within the company's management with regard to sustainability is disclosed.

Sustainability has been a central part of our corporate policy for years, and is the responsibility of company management. We have had our environmental management system certified to EMAS since 1998, and to ISO 14001 since 2001. We have had our energy management system certified to ISO 50001 since 2013. Our measures are reviewed during regular internal and external audits, and we have also had our sustainability performance assessed by ECOVADIS since 2015. The quality of our sustainability management received a silver award in 2023, meaning that we are in the top 13% of our sector!

6. Rules and Processes

The company discloses how the sustainability strategy is implemented in the operational business by way of rules and processes.

Sustainability organisation is in place in the Follmann Chemie Group. Our owners and the other managers act as sustainability promoters within the organisation. There is an interdisciplinary "sustainability competence team" in each of the business units (Follmann Chemie, Follmann and Triflex), each of which is headed up by a sustainability manager. Coordination between the sustainability managers takes place during the "Sustainability@FCG" fixed weekly meetings. The monthly "sustainability steering committee" serves as the interface to the company management. All of the processes and rules are

described in the management system handbook.

7. Control

The company states how and what performance indicators related to sustainability are used in its regular internal planning and control processes. It discloses how suitable processes ensure reliability, comparability and consistency of the data used for internal management and external communication.

We use an integrated management system within our company in order to ensure compliance with the legal regulations as well as any official and other requirements regarding plant and product safety. We set binding targets for ourselves as part of a process of continual improvement. Once a year, we check whether we are on course to meet these targets, and arrange any necessary corrections. The results are published in the annual management system report.
With regard to the environment, we look at the use of toxic/CMR raw materials, for example, and make sure that hazardous substances in particular are only used in exceptional cases. Our aim is to avoid the use of acutely toxic substances or substances with CMR properties (i.e. carcinogenic, mutagenic or toxic for reproduction) as far as possible.
We also have indicators for our water consumption, our waste production, our energy use and our emissions (see performance indicators 11-13).
In the area of occupational health and safety, there are also indicators for accidents, safety-relevant incidents and health management (see performance indicators 14-16).

Key Performance Indicators to criteria 5 to 7

Key Performance Indicator GRI SRS-102-16: Values
The reporting organization shall report the following information:

a. A description of the organization's values, principles, standards, and norms of behavior.

Our overriding values in the Follmann Chemie Group are:
Innovation | Appreciation | Sustainability

We have created a sustainability policy and published this on the internet. The policy defines our values, principles, standards and norms of behaviour:

Our business operations

We understand sustainability to mean reconciling our economic activities with our economic, environmental and social responsibility. For us, we have an obligation to both current and future generations to act in a sustainable manner. As a family company, we take a far-sighted approach when it comes to our business activities and make long-term investments rather than focusing on maximising profits in the short term. Economic success allows us to future-proof our business. We work based on the Sustainability Guidelines for the Chemical Industry in Germany (Chemie^3) and we also follow the guidelines of the *Verband der chemischen Industrie* [German chemical industry association] (VCI) regarding responsible action (Responsible Care). The corporate culture within the Follmann Chemie Group is characterised by our three values of innovation, appreciation and sustainability, which act as guidelines for our employees in their day-to-day actions.

Our environmental responsibility

We are aware of our responsibility to protect the environment, and always strive to minimise our impact on the air, soil and water. Natural resources are becoming ever-scarcer, so we want to use energy, water and materials as efficiently as possible. Our goal is to continually improve on our company's environmental protection within the sense of environmentally responsible business development, and we are therefore committed to reducing our production of waste, emissions and waste water. We take our responsibility with regard to climate protection very seriously, and make sure to use energy resources in an efficient manner. In terms of our products, we always endeavour to develop them such that they cause as little environmental damage as possible over their service lives. We have set out more specific information regarding our endeavours in the area of environmental and climate protection in our environmental policy.

Our social responsibility

Our competent and motivated employees who produce outstanding work on a daily basis are the key to our success. We invest a lot into the further education and training of our employees so that they can develop their personal skills and potential, take on responsibility and contribute their ideas. We take responsibility for the health and safety of our employees, and take comprehensive preventive measures to protect them against accidents and work-related illnesses. This allows us to provide safe workplaces and a working environment where an employee's work life and private life are compatible. We take social responsibility and participate in a wide range of initiatives in our region, such as by supporting social and cultural projects and promoting the education of children and young adults.

We are convinced that complying with the legal regulations and standards that apply to us is a key essential element in our business activities. Our employees are regularly informed of the legal regulations that apply to them, and undertake to act in a lawful and responsible manner. As an internationally

operating company, we take responsibility for observing human rights within our sphere of influence on a global level and making sure that our business activities does not violate these rights. Complying with human rights is vital for us and completely non-negotiable – which is why we also expect our business partners to guarantee compliance with human rights. We have set out more specific details regarding our approach to social responsibility in our ethics policy and our code of conduct.

8. Incentive Systems

The company discloses how target agreements and remuneration schemes for executives and employees are also geared towards the achievement of sustainability goals and how they are aligned with long-term value creation. It discloses the extent to which the achievement of these goals forms part of the evaluation of the top managerial level (board/managing directors) conducted by the monitoring body (supervisory board/advisory board).

The sustainability targets are defined as part of our strategic company planning. As part of the annual employee meetings, targets are agreed for the individual areas and employees, and the targets from the previous year are reviewed. For our senior executives, the achievement of targets is linked to their bonus.

The Follmann Chemie Group agrees that a transparent and modern remuneration system that also offers incentives for further qualification constitutes an important contribution to long-term staff retention and to increased employee satisfaction. The "remuneration system" works agreement applies to all employees with the exception of management personnel within the meaning of Section 5 III of the German Works Constitution Act (BetrVG). It also does not apply to employees in the 1st and 2nd management levels (department and Group managers) or to employees according to Section 5, Para. 2 of this works agreement. This works agreement also does not apply to trainees, apprentices, student trainees, postgraduate students or students completing their thesis work.
To work out the monthly remuneration, every employee is individually assigned to one of the remuneration levels in the relevant remuneration group that has been allocated to their particular work task/job description. By meeting fixed defined criteria and carrying out the associated tasks, employees also have the opportunity to reach an additional level. In the future, sustainability activities may also qualify an employee for an additional level and therefore for monetary compensation.

Suggestion scheme

Employees of the Follmann Chemie Group also have the opportunity to submit improvement suggestions relating to the topic of energy management. These suggestions are then assessed by our energy team. If a suggestion is implemented, the employee is remunerated.

Key Performance Indicators to criteria 8

Key Performance Indicator GRI SRS-102-35: Renumeration policies
The reporting organization shall report the following information:

a. Remuneration policies for the highest governance body and senior executives for the following types of remuneration:
i. Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;
ii. Sign-on bonuses or recruitment incentive payments;
iii. Termination payments;
iv. Clawbacks;
v. Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.

b. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.

Detailed information on the remuneration policy is not disclosed for reasons of data protection.

- Senior executives receive a basic salary and variable remuneration in the form of target agreements.
- There are no sign-on bonuses or recruitment incentive payments.
- There are no clawbacks.
- The company retirement benefits are offered in the form of direct insurance. Employees have the opportunity to receive a subsidy for deferred compensation to the amount of 20% (the legally prescribed amount is 15%).

Key Performance Indicator GRI SRS-102-38: Annual total compensation ratio
The reporting organization shall report the following information:

a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.

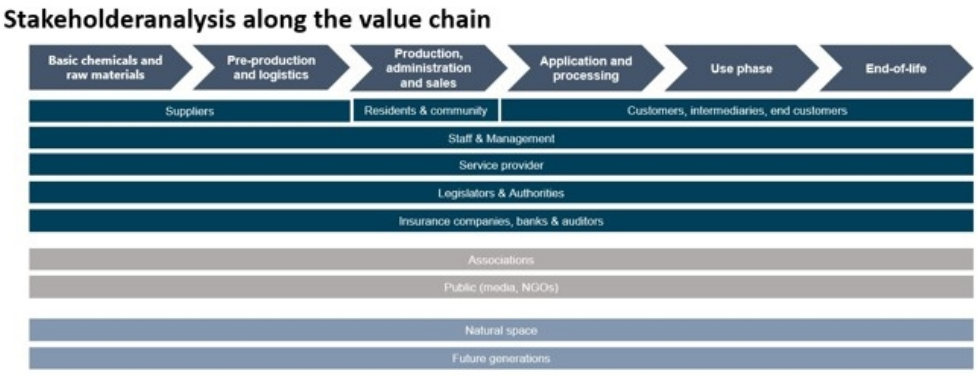
The ratio of the annual total compensation of the highest-paid individual to the median annual total compensation for all employees is not collected and is not disclosed for reasons of data protection.

9. Stakeholder Engagement

The company discloses how the socially and economically relevant stakeholders are identified and integrated into the sustainability process. It states whether and how an ongoing dialogue takes place with them and how the results are integrated into the sustainability process.

As part of our strategy process, we have carried out a detailed stakeholder analysis and allocated our stakeholder groups along the value chain.
We make it clear that our stakeholders view the Follmann Chemie Group from different perspectives. Dialogue with our stakeholders is very important to us, as it gives us the potential to better understand the different perspectives and to critically scrutinise our own positions.
This allows us to develop a better understanding of current and future social challenges, which makes it possible to live up to our corporate responsibility in a more targeted manner.
Some examples of stakeholder dialogue include:

- Internal: regular/fixed meetings
- External: Official site inspections, third-party audits, neighbourhood dialogue, participation in associations



The stakeholder analysis is updated every year and reviewed as part of our internal and external audits.

Key Performance Indicators to criteria 9

Key Performance Indicator GRI SRS-102-44: Key topics and concerns
The reporting organization shall report the following information:

a. Key topics and concerns that have been raised through stakeholder engagement, including:
i. how the organization has responded to those key topics and concerns, including through its reporting;
ii. the stakeholder groups that raised each of the key topics and concerns.

In our **stakeholder analysis**, we describe the requirements that each stakeholder group has for our company, and we examine the opportunities and risks. The analysis is carried out based on indicators for

- Materiality from the perspective of the stakeholders (indicator 1 "immaterial" to 4 "critical")
- Strategic importance for the Follmann Chemie Group (indicator 1 "immaterial" to 4 "critical")
- Current status of initiated measures (indicator 1 "measure established" to 4 "not yet implemented")

The materiality is multiplied by the strategic importance to give the **relevance** for the Follmann Chemie Group.
This is multiplied by the current status of the measures to give the **overall rating**: For figures of 1-16, potential measures have a low priority. For figures of 17-35, the implementation of measures has a medium priority, and for figures of 36 and over, it has a high priority.

Our 2023 stakeholder analysis generated the following key topics, among

others:

- **Establishment of a sustainability strategy** for the Follmann Chemie Group, the individual parts of the company and merging with the corporate strategy
  => Project started for the establishment of a sustainability strategy with external support (project completion mid-2024)
- **Ensuring sustainability across the entire value chain**
  => Establishing a risk management process, expansion of our supplier assessment, establishing a code of conduct for employees and suppliers
- **Security of supply and energy management**
  => Establishment of an energy transformation concept
  => Use of alternative energy sources to maintain production

Development of the "product range of the future"
=> Alignment of our product range and projects with the company's future focus

10. Innovation and Product Management

The company discloses how innovations in products and services are enhanced through suitable processes which improve sustainability with respect to the company's utilisation of resources and with regard to users. Likewise, a further statement is made with regard to if and how the current and future impact of the key products and services in the value chain and in the product life cycle are assessed.

Our company group is confronting various challenges and the associated necessary transformation processes, including those relating to sustainability, digitisation and internationalisation. We value our employees and partners, an atmosphere of appreciation, and the associated corporate culture. Our powerful response to the need to address these topics can be seen in the Group-wide initiative ***Passion4Performance***. We have created a separate ***Business Excellence*** organisational unit, which deals with the further development and structuring of our processes, among other things.

Working together to continually improve products and processes
Ensuring continual innovation within our products is one of our core competences. We have set up an Innovation Center, which is designed to take into account sustainability aspects and correctly prioritise our various projects. Some of the initiatives that have been put into practice as a result include the Product Responsibility List, which aims to avoid hazardous raw materials in our formulations, or our Green Adhesives Portfolio containing products with a reduced CO_2 footprint.

TOP innovator 2023

Last year, we took part in the TOP100 competition, which involved looking at a company's innovation record in addition to the jury evaluation. The innovation record covered a strength/weakness analysis of our innovation management system, and was intended to serve as motivation for further improvements to our innovation activities. The jury evaluation was as follows:

"The Follmann Chemie Group is one of the TOP 100 in 2023, making it one of the most innovative medium-sized companies in Germany."

- The Follmann Chemie Group's innovation management system is awarded an overall rating of "A" (TOP100 average: "A"). The "A" rating is awarded to companies with an exceptionally professional innovation management system - including at an international level. Companies with this rating are setting the standards. The likelihood of future innovative successes is very high.

The following ratings were awarded for the four potential categories within innovation management:

- Innovation-promoting top management: A+ (TOP 100 average: A)
- Climate of innovation: A (TOP 100 average: A)
- Innovative processes and organisation: A (TOP 100 average: A)
- External orientation/open innovation: A- (TOP 100 average: A-)

We see this positive evaluation as motivation not to ease up in our activities!

Key Performance Indicators to criteria 10

Key Performance Indicator G4-FS11
(report also in accordance with GRI SRS): Percentage of assets subject to positive and negative environmental or social screening. (Note: the indicator should also be reported when reporting to GRI SRS)

The Follmann Chemie Group does not currently have any assets that require this type of screening.

Criteria 11–20: Sustainability Aspects

Criteria 11–13 concerning ENVIRONMENTAL MATTERS

11. Usage of Natural Resources

The company discloses the extent to which natural resources are used for the company's business activities. Possible options here are materials, the input and output of water, soil, waste, energy, land and biodiversity as well as emissions for the life cycles of products and services.

We are aware of our responsibility to protect the environment, and minimise our impact on the air, soil and water. We have recorded this commitment in our sustainability policy. Natural resources are becoming ever-scarcer, so we want to use energy, water and materials as efficiently as possible. Our goal is to continually improve on our company's environmental protection within the sense of environmentally responsible business development, and we are therefore committed to reducing our production of waste, emissions and waste water. We take our responsibility with regard to climate protection very seriously, and make sure to use energy resources in an efficient manner.

Raw material management

The majority of our raw materials are organic chemicals, which we procure from other manufacturers. We use water-based products, e.g. printing inks or dispersion adhesives, where water is the key raw material. In our Green Adhesives Portfolio, we have started to increase the share of recycled and bio-based raw materials.

As part of our sample request process, we ensure that all regulatory and technically relevant information about a raw material is requested and documented in a central database. The request is made by means of a comprehensive product questionnaire that covers aspects such as REACH and allergens but that also has a section relating to bio-based substances.

The release and therefore the procurement of a raw material does not take place until the regulations have been reviewed by the department.

When it comes to our use of raw materials, our aim is to minimise the volumes of particularly hazardous materials. The development departments ensure that particularly hazardous materials are only used in exceptional cases. Our aim is to avoid the use of acutely toxic substances or substances with CMR properties (i.e. carcinogenic, mutagenic or toxic for reproduction) as far as possible. We

do this to minimise the handling of these substances by our employees and our customers. In 2023, the percentage share of our used raw materials that are classed as acutely toxic or CMR is significantly below 1%, meaning that we have undoubtedly met our target regarding the purchasing quota for toxic or CMR substances once again.

Overarching target	Quantified target	2021	2022	2023
We want to keep the share of raw materials classed as toxic or CMR substances **< 1%** of the total quantity of raw materials used.	Purchasing quota of toxic/CMR substances [quantity of purchased "toxic/CMR" raw materials] / [total quantity of purchased raw materials] **< 1%**	0.29	0.27	0.32

A sustainable supplier management system also serves as a valuable foundation for resilient raw material management. Preference is given to responsible partners during the procurement process, and measures are taken to actively reduce risks. Our long-term trusting collaboration with our business partners encourages information transparency, which is necessary for the detailed assessment and selection of resources.

The consumption and reduction of raw materials and natural resources, a list of unwanted substances and the ban on conflict materials are also set out in the supplier code of conduct.

Water and waste water

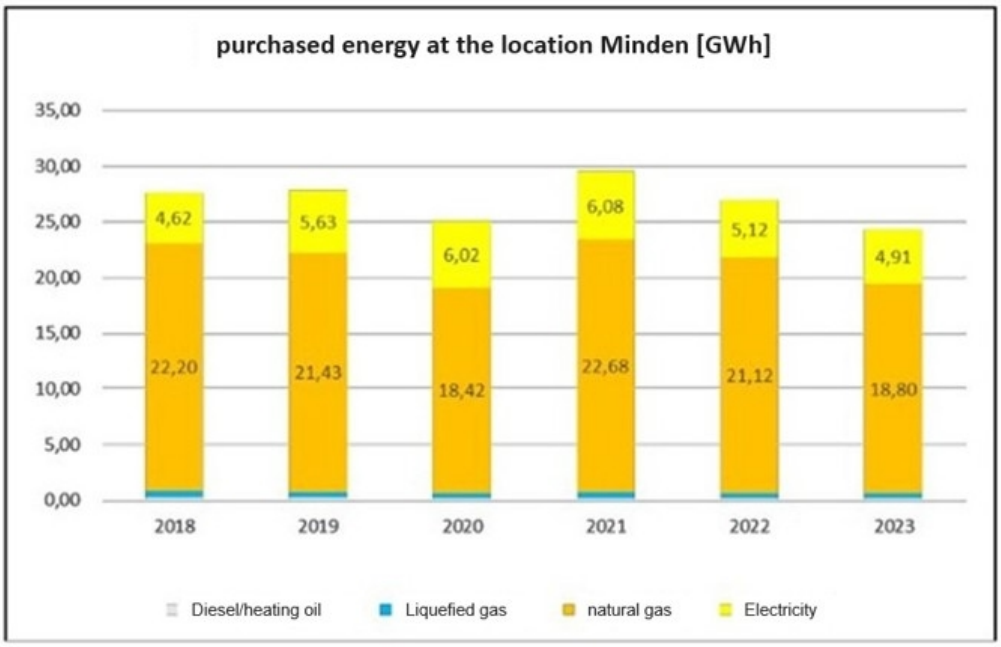
As a chemical company, water is essential for the production of our products. Sustainable water management is an essential component of our company's environmental protection. It goes without saying that complying with the requirements for the discharge of our waste water, volume minimisation and the protection of soil and groundwater are key principles that guide how we work (see environmental policy).

We mainly cover our water consumption requirements with drinking water from the supply network of the city of Minden. Water is used as a raw material in production, for cleaning purposes within the business, as a cooling medium, as boiler feed water for steam generation and as sanitary water (toilets, showers, kitchens). We also partly use well water to operate the cooling system in our energy station.

Our aim is to use as little fresh water as possible for process purposes. Our water figures take into account the total amount of fresh water used for process purposes per metric tonne of product produced. We see the fresh water used for cleaning, cooling and steam generation as water for process purposes. We take various measures (use of well water, minimisation of fresh water use for cooling purposes etc.) in order to minimise our water usage. Our fresh water usage for process purposes dropped by 13% in 2023, meaning that we have once again undoubtedly met our target in this regard. After

significantly reducing the use of fresh water in our energy station in 2021 and 2022, we were able to continue this trend in 2023. The fresh water consumption in the energy station dropped by 25% in 2023 compared to 2022. This was due to an optimisation of the boiler operating mode and the ongoing maintenance and servicing of the system components. One the one hand, approx. 25% less cooling energy was required due to a lower production quantity, which meant that less well water was required for cooling purposes, and on the other hand, the surfaces of the hybrid cooler were cleaned, which also contributed to a reduction in well water consumption (approx. -49%). For the "soft water energy factor", we have set ourselves a quantitative intra-year target. We are initially continuing to monitor the other factors and will also be setting quantitative targets at a later date. The ratio of fresh water in relation to the total cooling water volume was approx. 35% in 2023, meaning that we have sourced around 65% of our cooling water volume from well water once again.

Energy



• Natural gas: the modification and optimisation of our heating systems has led to savings. • Electricity: we purchase 60% of our electricity as green electricity. We cover 40% of our needs with our own electricity (2022: 40%, 2021: 34%, 2020: 31%) from our combined heat and power plant in the energy station and our PV installations. • The optimised compressed air control and the rectification of compressed air leakages have led to significant electricity savings.

Waste

Over 60 different types of waste resulted in a total waste volume of 2280 metric tonnes in our company in 2023. We review their disposal channels on a regular basis and prioritise recycling (where economically reasonable). Our

total waste volume has increased by 12% compared to the previous year, and we have further reduced the volume of raw materials disposed of (approx. 30% less than in 2022). The volume of disposed finished products, however, has risen again (increase > 40%), which is due in particular to an increase in the disposal volume of plastisols. We had previously reviewed a recycling option for these substances, and had been collecting the items over the subsequent period. Once this option turned out to be infeasible, the entire quantity was disposed of. The increased waste volume in 2023 is primarily due to a two-fold increase in the volume of pit sludge: around 80% of the additional volume of pit sludge can be attributed to the fact that the precipitation of waste water in the in-house wastewater pre-treatment plant was not possible, meaning that the waste water had to be fed to the external disposal facility. Waste water also had to be drained when the capacity of our buffer tank was no longer adequate, such as when checking the sewage channels.
In 2023, just 48% of our waste was sent for recycling or thermal processing. The corresponding disposal amount of 52% means that we have clearly failed to meet our target of 40%. The marked increase in the disposal ratio compared to the previous year is due to the fact that the waste types that increased heavily in 2023 (see above) all had to be sent for disposal.

12. Resource Management

The company discloses what qualitative and quantitative goals it has set itself with regard to its resource efficiency, in particular its use of renewables, the increase in raw material productivity and the reduction in the usage of ecosystem services, which measures and strategies it is pursuing to this end, how these are or will be achieved, and where it sees there to be risks.

We have also set ourselves sustainability-related targets as part of our strategy development. These targets will in future be incorporated into our policies and published.

Energy management - review of our energy-related performance
The total use of purchased energy at the site has dropped by 9.7% in 2023 (24.3 GWh) compared to the previous year (2022: 26.9 GWh). The purchased energy (electricity, gas, diesel and liquefied gas) comprises the energy use in all companies of the Follmann Chemie Group at the Minden site. More information can be found under the performance indicators.

Key Performance Indicators to criteria 11 to 12

Key Performance Indicator GRI SRS-301-1: Materials used
The reporting organization shall report the following information:

a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:
i. non-renewable materials used;
ii. renewable materials used.

As a general rule, a distinction must be made between purchased volumes and used volumes. We balance out the time difference between short provisioning times for our customers and long delivery times for raw material procurement through our stock. If planned requirements do not materialise, production plans are modified and raw material purchases postponed. We can distinguish between materials for the manufacturing and packaging of our products, but not currently between renewable and non-renewable materials. This information must be provided in the master data in the Purchasing department, and is currently being clarified. Our aim is to be able to provide these details in the future so as to provide informative value in this area too.

Key Performance Indicator GRI SRS-302-1: Energy consumption
The reporting organization shall report the following information:

a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.

b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.

c. In joules, watt-hours or multiples, the total:
i. electricity consumption
ii. heating consumption
iii. cooling consumption
iv. steam consumption

d. In joules, watt-hours or multiples, the total:
i. electricity sold
ii. heating sold
iii. cooling sold
iv. steam sold

e. Total energy consumption within the organization, in joules or multiples.

f. Standards, methodologies, assumptions, and/or calculation tools used.

g. Source of the conversion factors used.

Gas consumption
At 18.8 GWh, our gas consumption in 2023 was 2.3 GWh (approx. 12%) lower than in 2022. The majority of the natural gas was used in the energy station for the operation of the combined heat and power plant modules (10.2 GWh), for the heating systems (3.9 GWh) and for the operation of the two steam boilers (2.9 GWh).
In total, the natural gas volume in 2023 was reduced by 12% compared to the previous year as a result of the modification or reduction of production times. This decline is apparent in the area of regenerative thermal oxidation (RTO) and production heating, where the gas volume was 1.6 GWh below the previous year 2022, which corresponds to approx. 8.5% of the total gas procurement.

Vehicle fleet
In 2023, we had 146 vehicles in our vehicle fleet. Many of these vehicles currently still have combustion engines. The diesel consumption of our vehicle

fleet was approx. 2.6 GWh in 2023. We did not record this value in previous years.
In this assessment, we looked at all of the vehicles in our vehicle fleet in Germany. An assessment of the consumption from our employees' commutes to work using their own private vehicles (combustion engine/electric vehicles) is not included.
We are currently converting our vehicle fleet to electric vehicles. We are currently using five electric vehicles. Charging stations are available on the factory premises.

Electricity requirements
A total of 8.2 GWh of electricity was used at the site, of which approx. 40% (3.2 GWh) was generated in our energy station by the heat-driven high-efficiency combined heat and power plants and the PV installations on the roofs of H40 and Factory II.
We use the self-generated electricity from our PV installations and our combined heat and power plant for our in-house production and in the technology and knowledge centre (Factory II). We supply any surplus electricity (0.07 GWh in total) into the grid, for which we receive feed-in remuneration.

The amount of purchased electricity in 2023 was 4.9 GWh, which constitutes an approx. 4% reduction compared to 2022. The purchased electricity in 2023 was purchased as green electricity with a certificate. We have acted with foresight to prioritise the procurement of certified green electricity for 2024 as well.
We have established a definition whereby systems and buildings with an electricity consumption of > 5% of the total electricity consumption should be seen as significant (SEU: significant energy use). According to this, we currently have five SEUs (construction chemical and hotmelt adhesive production, R&D building H10, refrigeration and compressed air systems).

We use our energy in house, and do not sell any heating energy, cooling energy or steam.

Energy source, purchased [GWh]	2020	2021	2022	2023
Natural gas	18.30	22.50	21.10	18.80
Diesel/heating oil	0.15	0.19	0.16	0.15
Liquefied gas	0.50	0.58	0.51	0.46
Electricity	6.04	6.09	5.12	4.91
Total	**24.99**	**29.36**	**26.89**	**24.32**
Energy source, generated [GWh]				
Electricity from combined heat and power plants	2.80	3.16	3.42	3.23
Electricity from H40 PV installation	0.02	0.02	0.02	0.02
Electricity from Factory II PV installation	-	-	0.06	0.09
Metric tonnes of generated CO2 per metric tonne of product [t/t]				
Figure	0.124	0.127	0.072	0.072
Figure (climate-adjusted)	0.128	0.125	0.080	0.080

Key Performance Indicator GRI SRS-302-4: Reduction of energy consumption
The reporting organization shall report the following information:

a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.

b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.

c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.

d. Standards, methodologies, assumptions, and/or calculation tools used.

Definition and achievement of operational and strategic energy targets

The individual steps toward the achievement of targets are tracked in our management system, and the degree of achievement assessed on a regular basis. As described above, we have identified five **SEUs**:

1. **SEU: Compressed air system**
   The energy performance indicator was complied with through the introduction of a new, higher-level compressed air control system and the permanent repair and maintenance of the compressed air network. In the future, we would like to stick to the target for the energy performance indicator of 10 kWh/t-product for compressed air despite an expansion of the systems engineering. The year 2022 serves as the basis for the compressed air indicators, based on the commissioning of a system for construction chemical production. The system has a large number of compressed air diaphragm pumps for the delivery of pigment pastes. To stop them from hardening, the pastes are kept in motion by circulation lines.
2. **SEU: Hotmelt adhesive production**
   There has been no significant change to the indicator.
3. **SEU: R&D building**
   Due to the consolidation of quality assurance and control, the buffer area on the ground floor has been equipped with additional laboratory technology and an air-conditioning system for ventilation. Quality control uses the premises over the entire production period. This means that the entire building technology (ventilation and heating) is used in three-shift operation. This change has a significant impact on electricity and gas consumption, which means a new energy baseline.
4. **SEU: Process cooling systems**
   Due to an additional process cooling measurement point on the plasticiser cooling system (underground tank depot), the new energy baseline has been set to 2023.
5. **SEU: Construction chemical production**
   Baseline adjustment due to the system described above. This indicator is also influenced by the migration of quality control, and must therefore be re-assessed. The energy baseline has moved to 2023.

The following energy conservation measures were implemented in 2023:

Measures in 2023	Type of energy	Saving
Compressed air leakages	Electricity	26.8 MWh
Airleader 10/2023 higher-level compressed air control system	Electricity	10.0 MWh
Lighting replacement, maintenance	Electricity	10.2 MWh
Adaptation of control systems; temperature adaptation/optimisation of row 2	Gas	Not measurable
Heating line isolation, row 2	Gas	Not measurable
Renovation of exhaust air purification system (RTO)	Gas	In review
Product migration to clears and coatings	Electricity	In review
Total		47.0 MWh

Key Performance Indicator GRI SRS-303-3: Water withdrawal
The reporting organization shall report the following information:

a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:
i. Surface water;
ii. Groundwater;
iii. Seawater;
iv. Produced water;
v. Third-party water.

b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable:
i. Surface water;
ii. Groundwater;
iii. Seawater;
iv. Produced water;
v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv.

c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories:
i. Freshwater (≤1,000 mg/L Total Dissolved Solids);
ii. Other water (>1,000 mg/L Total Dissolved Solids).

d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

Water volumes

	2021	2022	2023
Total process water [megalitres*]	18.67	15.84	13.05
Total purchased water [megalitres*]	26.14	23.95	22.45

*1 m^3 = 0.001 megalitres

Fresh water usage
The usage of fresh water (as a raw material) correlates to our production volume of water-based products, where we have not set ourselves any targets with the aim of minimisation. With regard to the usage of fresh water for process purposes, we aim to use as little fresh water as possible. We see the fresh water used for cleaning, cooling and steam generation as water for process purposes. Our water figures take into account the total amount of fresh water used for process purposes per metric tonne of product produced.

We take various measures (use of well water, minimisation of fresh water use for cooling purposes etc.) in order to minimise our water usage. In 2023, the volume of purchased fresh water dropped by 8%. Our fresh water usage for process purposes dropped by 13% in 2023, meaning that we once again undoubtedly met our target in this regard. After significantly reducing the use of fresh water in our energy station in 2021 and 2022, we were able to continue this trend in 2023.
The share of fresh water consumption for the energy station fell to 25%. This was primarily due to the optimisation of the boiler operating mode and the ongoing maintenance and servicing of the system components. The energy station represents the largest fresh water consumption after consumption for cleaning purposes.

Use of well water
We only use well water for cooling purposes, so it does not need to undergo any complex purification processes.

	Overarching target	**Quantified target**	**Result 2021**	**Result 2022**	**Result 2023**
Water consumption	We want to keep our fresh water usage volume for production processes as low as possible.	Water indicator [fresh water consumption for process purposes (m^3) / production volume (t)] **≤ 0.30 m^3/t**	0.26 m^3/t	0.25 m^3/t	0.24 m^3/t

Waste water
The waste water volumes that we discharge into the municipal sewage system correlate to our water usage. There are three components of the waste water: firstly, process effluent, which is mainly generated from cleaning processes in production and from batch vessel and container cleaning; secondly, sanitary waste water from toilets, showers and kitchens; and thirdly, waste water from the steam system.
The process effluent initially goes to the in-house waste water pre-treatment plant via a separate sewage system. Once there, it is pre-cleaned by means of precipitation and flocculation, and we then feed it into the municipal sewage system as indirect waste water for forwarding onto the wastewater treatment plant of the Minden water authorities. For the process effluent that we feed into the municipal sewage system, we have indirect discharge approval that specifies the limit values for certain hazardous materials, compliance with which is externally monitored. In 2023, compliance with all limit values was proven in all relevant analyses.

	2021	2022	2023
Waste water [megalitres*]	18.36	17.07	14.95

*1 m³ = 0.001 megalitres

Key Performance Indicator GRI SRS-306-3: Waste generated
The reporting organization shall report the following information:

a. Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste.

b. Contextual information necessary to understand the data and how the data has been compiled.

Environmentally friendly disposal of the generated waste

We make a distinction between waste with and without proof of disposal. The proof of disposal is used for the prior vetting of the disposal of hazardous waste. Anyone who generates, collects, transports and/or disposes of hazardous waste is obligated to obtain the proof of disposal.

Waste type	with proof of disposal	without proof of disposal
Main types	• Collected waste from production areas • Waste from container cleaning • Raw materials/finished products	• Sludge • Pit sludge • Plastic waste (IBC) • Pallet wood • Commercial waste (residual waste)
Quantity	1/3	2/3
Cost	2/3	1/3

	2021	2022	2023
Total waste [t]	2595	2041	2280

Over 60 different types of waste resulted in a total waste volume of 2280 metric tonnes in our company in 2023. We review their disposal channels on a regular basis and prioritise recycling (where economically reasonable).
We aim to reduce our waste production and to keep the total waste volume below 3.5% in relation to our production volume. With a value of 4.6%, we clearly missed our waste-related target in 2023. Our total waste volume has increased by 12% compared to the previous year.

	Overarching target	Quantified target	Result 2021	Result 2022	Result 2023
Waste	We want to keep our waste volume as low as possible on a long-term basis. For the waste indicator [t waste/t produced product], our aim is to keep this as far below 3.5% as possible.	Waste indicator [total waste (t) / production volume (t)] **< 3.5%**	4.2%	3.7%	4.6%
	By prioritising the reuse of generated waste to the maximum extent possible, we want to keep the disposal ratio as low as possible.	Disposal ratio [volume of waste that is disposed of / total volume of waste] **≤ 40%**	27%	44%	52%

13. Climate-Relevant Emissions

The company discloses the GHG emissions in accordance with the Greenhouse Gas (GHG) Protocol or standards based on it and states the goals it has set itself to reduce emissions, as well as its results thus far.

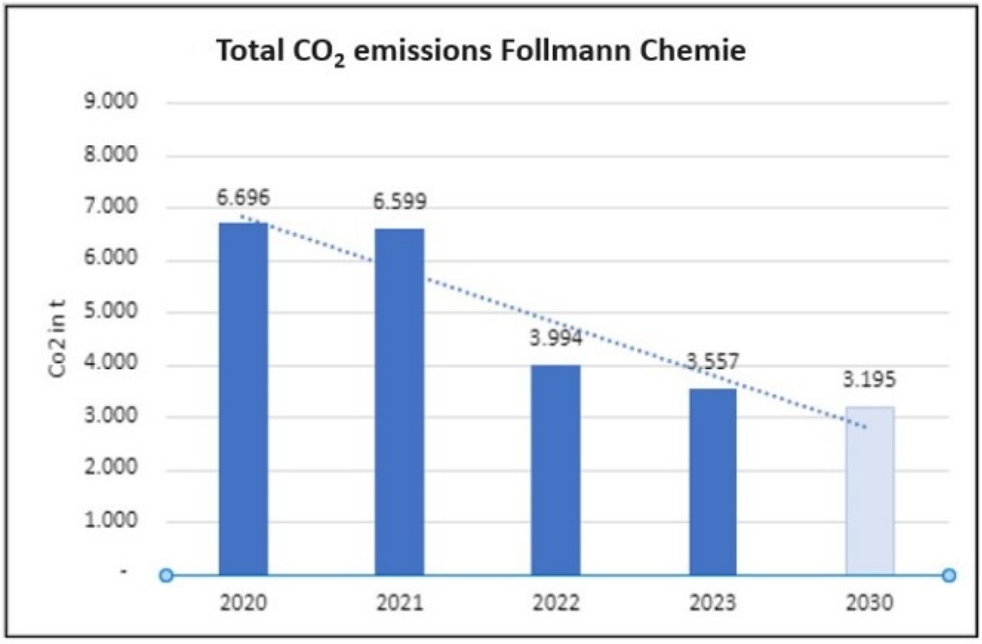
We have signed up to the Chemistry4Climate initiative and are committed to the target of reaching greenhouse gas neutrality by 2045. Due to our production activities, we produce emissions in the form of CO_2, dust and volatile organic compounds (VOCs).
Volatile organic compounds are created by the use of carbon-based raw materials in our production processes. The exhaust air from the relevant production areas is fed through a regenerative thermal oxidiser (RTO) in order to minimise VOC emissions and odours. This system thermally oxidises the organic compounds to create carbon dioxide and water.

VOC emissions
In 2023, we were able to significantly reduce our VOC emissions. This was mainly due to the approx. 60% reduction in the emissions volume from the regenerative thermal oxidiser (RTO), where the maintenance work and extensive technical (optimisation) measures were very successful! Shorter production times, and therefore emission times, also lead to a reduction in the VOC emissions. We undoubtedly complied with the relevant limit values.

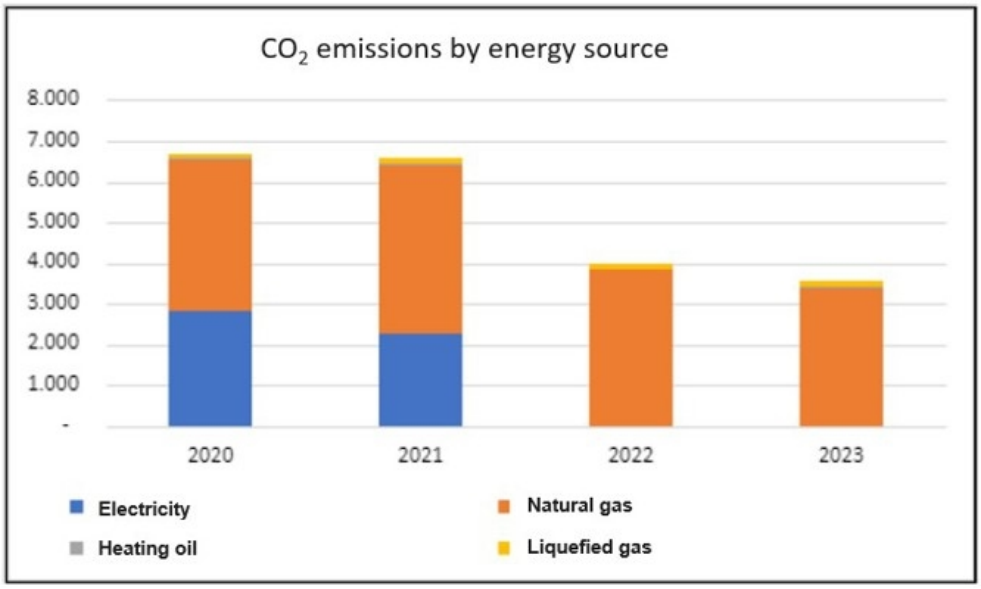
	2019	2020	2021	2022	2023
VOC emissions [t]	5.8	5.1	5.1	4.9	3.2

CO_2 emissions

When it comes to setting ourselves strategic and quantified targets for CO_2 reduction at the Minden site, we base our endeavours on climate protection law, which stipulates a reduction in CO_2 emissions of approximately 37% for the industry from 2020 to 2030. In 2022, we fully transitioned to certified green electricity. This allowed us to significantly reduce our CO_2 emissions in 2022 compared to 2020 (approx. 34%), and would have roughly met the stipulations of climate protection law. We have also set ourselves additional targets, however: we set the goal of reducing our CO_2 emissions at the Minden site by a further 20% in relation to the base year 2022 by 2030. We used the CO_2 factors from the Federal Office for Economic Affairs and Export Control for our CO_2 balance.



As a result of the intention to reduce our CO_2 emissions by an additional 20% between 2022 and 2030, we are planning to almost halve our CO_2 emissions in the period between 2020 and 2030 (reduction of approx. 48%).



Our CO_2 emissions in 2023 can be broken down as follows: 3407 t from the combustion of natural gas, an additional 111 t liquefied gas from the operation of floor conveyor systems, and 39 t from diesel/heating oil.

Key Performance Indicators to criteria 13

Key Performance Indicator GRI SRS-305-1: Direct (Scope 1) GHG emissions
The reporting organization shall report the following information:

a. Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent.

b. Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3 or all.

c. Biogenic CO2 emissions in metric tons of CO2 equivalent.

d. Base year for the calculation, if applicable, including:
i. the rationale for choosing it;
ii. emissions in the base year;
iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

f. Consolidation approach for emissions; whether equity share, financial control, or operational control.

g. Standards, methodologies, assumptions, and/or calculation tools used.

CO_2 emissions from primary energy sources (Scope 1) [t]

	2020	2021	2022	2023
Natural gas	3721	4581	4266	3407
Diesel/heating oil	38	52	42	39
Liquefied gas	120	136	119	111

We have set ourselves the target of reducing our CO_2 emissions at the Minden site by a further 20% in relation to the base year 2022 by 2030. To this end, we have created an energy transformation concept that specifies efficiency measures and waste heat utilisation, among other things.
As part of the Chemistry4Climate initiative, we have also set ourselves the target of being greenhouse gas neutral by 2045.

Key Performance Indicator GRI SRS-305-2: Energy indirect (Scope 2) GHG emissions
The reporting organization shall report the following information:

a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent.

b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent.

c. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all.

d. Base year for the calculation, if applicable, including:
i. the rationale for choosing it;
ii. emissions in the base year;
iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

f. Consolidation approach for emissions; whether equity share, financial control, or operational control.

g. Standards, methodologies, assumptions, and/or calculation tools used.

CO_2 emissions from secondary energy sources (Scope 2) [t]

	2020	2021	2022	2023
Electricity	2817	2276	0	0

We have been using green electricity since 2022.

Key Performance Indicator GRI SRS-305-3: Other indirect (Scope 3) GHG emissions
The reporting organization shall report the following information:

a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent.

b. If available, the gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all.

c. Biogenic CO2 emissions in metric tons of CO2 equivalent.

d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.

e. Base year for the calculation, if applicable, including:
i. the rationale for choosing it;
ii. emissions in the base year;
iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

g. Standards, methodologies, assumptions, and/or calculation tools used.

Our purchased raw materials and their footprints play a particularly important role here.
We tackle this issue by carrying out Lifecycle Assessments (LCAs) for specific products. To date, we still do not pursue a central collection of this information, and we do not submit a general enquiry to suppliers regarding their Product Carbon Footprint (PCF). We review the market to locate providers who support us with this task for around 1300 raw materials.
As of today, we are not able to provide any data.

Key Performance Indicator GRI SRS-305-5: Reduction of GHG emissions
The reporting organization shall report the following information:

a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO2 equivalent.

b. Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all.

c. Base year or baseline, including the rationale for choosing it.

d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).

e. Standards, methodologies, assumptions, and/or calculation tools used.

Indicators	Unit	2019	2020	2021	2022	2023
Global indicator CO_2 equivalent	t CO_2/ t product	0.128	0.124	0.127	0.072	0.072
Global indicator CO_2 equivalent (climate-adjusted)	t CO_2/ t product	0.130	0.128	0.125	0.080	0.080

EU taxonomy

1.) Key performance indicators (KPIs)

Report the environment-related key performance indicators (KPIs) that your undertaking is required to publish pursuant to Art. 8 of the EU Taxonomy Regulation in conjunction with the delegated acts.

[In the case of non-financial undertakings with a reporting obligation, the current position under Art. 8 of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Art. 10 (1) of the Delegated Regulation (C (2021) 4987) and Annex I is that disclosures about the proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with environmentally sustainable economic activities are required. Conversely, Art. 8 of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Art. 10 (2) of the Delegated Regulation (C (2021) 4987) and its applicable appendices currently requires financial undertakings with a reporting obligation to make asset-orientated disclosures. Here a distinction needs to be made between the respective type of the financial undertaking. The scope of the mandatory disclosures for all undertakings with a reporting obligation will increase in the coming reporting years pursuant to Art. 8 of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with the Delegated Regulation (C (2021) 4987). For that reason, further statements concerning the key performance indicators (KPIs) may also be presented under aspect 3.).]

Our liquid waterproofing products are setting standards in the areas of quality and durability. With our innovative solutions, we offer protection against wetness and the ingress of moisture, ensure long-lasting waterproofing for the conservation and value retention of buildings, and extend renovation intervals. Our liquid waterproofing systems are characterised by their versatility, and are the perfect choice for flat roofs, balconies, car parks and other areas of application. Their seamless processing means that they can adapt to any surface structure and provide reliable protection against weather, UV radiation and mechanical stress. Thanks to their high level of elasticity, our product systems can provide reliable waterproofing even for complex constructions. These products account for the majority of the turnover in the Triflex business division.
Acting in a sustainable and responsible way is crucial in ensuring the secure and successful future of our Follmann printing ink business division, and demand for our water-based printing inks for various applications is growing accordingly. They are very environmentally friendly while also ensuring excellent colour quality and colour brilliance and providing a high product performance combined with high cost efficiency.

The use of water-based printing inks means that there is no need for exhaust air purification, e.g. the incineration of solvents, and there are also lower VOC emissions. There is also no need for complex fire protection or occupational safety measures, or safety measures during printing, transport and storage. Our water-based printing inks have no negative impact on the air at the workplace. Our printing inks and green adhesives guarantee a high degree of occupational safety and are less harmful to the environment and to the health of users.
The aforementioned products generate around EUR 150 million in turnover. Investments in this area totalled approx. EUR 2 million.

2.) Concept / process description

Describe your undertaking's concept for the EU taxonomy and processes for establishing the undertaking-specific KPIs.

[At this point, undertakings subject to a reporting obligation are required in particular to make the respective qualitative disclosures pursuant to Art. 8 of the EU Taxonomy Regulation in conjunction with the Delegated Regulation (C (2021) 4987) and its annexes (e.g. description of the determination of revenue, capital and operating expenditure for non-financial undertakings pursuant to Art. 8 of the EU Taxonomy Regulation in conjunction with the Delegated Regulation (C (2021) 4987), Annex I, section 1.2, no. 1.2.1 part a)). Here, too, the option under aspect 3.) may be additionally used to upload any further statements required.]

When creating our sustainability strategy, we also focus on the environmental objectives of the taxonomy:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use of water and marine resources
4. Transition to a circular economy
5. Pollution prevention
6. Protection of biodiversity and ecosystems

We use the initiatives of the *Verband der Chemischen Industrie* [German chemical industry association] (VCI) to expand our knowledge, and work closely with our auditors.

3.) Annexes

No attachments submitted.

Criteria 14–20 concerning SOCIETY

Criteria 14–16 concerning EMPLOYEE-RELATED MATTERS

14. Employment Rights

The company reports on how it complies with nationally and internationally recognised standards relating to employee rights as well as on how it fosters staff involvement in the company and in sustainability management, what goals it has set itself in this regard, what results it has achieved thus far and where it sees risks.

Employees of the Follmann Chemie Group are the most important factor for the Group's success, and their rights must be protected and respected. The Follmann Chemie Group mainly operates in Germany and Europe, and is committed to complying with national and European laws regarding employee rights, anti-discrimination and occupational health and safety. The areas of human rights, equal opportunities, discrimination and compliance are regulated at a very high level by comprehensive legal provisions in Germany and Europe (see Item 17. Human rights).

Our works council is involved in almost all company processes. The works council represents the interests of the employees of Follmann Chemie GmbH, Triflex GmbH & Co. KG, and Follmann GmbH & Co. KG.

As of 2014, we have also had a specific representation of interests in place at the Minden site for all young people and trainees. Together with the works council, the youth and trainee council (JAV) supports young employees and represents their interests.

Our disability council (SBV) also promotes the participation of people with disabilities in our workplace and represents the interests of our employees with disabilities.

As a manufacturing company in the chemicals sector, we have a designated "Environment & Safety" department, which deals with the aspects of occupational safety and risk assessments, among other things.

15. Equal Opportunities

The company discloses in what way it has implemented national and international processes and what goals it has for the promotion of equal opportunities and diversity, occupational health and safety, participation rights, the integration of migrants and people with disabilities, fair pay as well as a work-life balance and how it will achieve these.

Appreciation and respect among our employees are key components of our corporate culture. We value diversity and promote the equal treatment of all employees as well as equal opportunities during the recruitment process. We have formulated an ethics policy for the Group in order to communicate the importance of these topics, while our code of conduct sets out more specific details and explains how these topics should be incorporated into our various day-to-day operations.

Our employees and the diversity of our workforce are key competitive factors for us, which is why we have an open corporate culture and make sure to value the individual performance of our employees and support them in their development. We promote the compatibility of work and family, and the inclusion of people with disabilities.

One concrete measure that we have put in place in the name of equal opportunities is the availability of a wide range of part-time working models within the company. We do not stipulate any pre-defined part-time working models, but instead agree on these models with our employees on an individual basis. The share of part-time employees has also risen by 1.9% to 10.6% between 2019 and 2023. In addition to the option of part-time working, all employees are also given the option to work remotely if their job profile allows. With this initiative, we are aiming to promote life phase-oriented career and life planning, the compatibility of career and family, and workplace flexibility in the case of health impairments. In the area of inclusion, our share of employees with disabilities has grown steadily from 20 to 24 employees between 2019 and 2023. The Follmann Chemie Group in Germany currently employs people from 17 different countries.

16. Qualifications

The company discloses what goals it has set and what measures it has taken to promote the employability of all employees, i.e. the ability of all employees to participate in the working and professional world, and in view of adapting to demographic change, and where risks are seen.

We invest a lot into the further education and training of our employees so that they can develop their personal skills and potential, take on responsibility and contribute their ideas.

Apprenticeships

The Follmann Chemie Group offers a wide range of training opportunities for school graduates and people seeking apprenticeships. Depending on a person's qualifications and what they require from the training, they can enter the Group either via vocational training on a work-study basis or via the practice-oriented study course. In addition to the classic apprenticeships for the roles of industrial manager, chemical laboratory technician, chemist and warehouse clerk, there are also work-study courses in the areas of business economics, digital technologies, information systems and industrial engineering. 29 young people are currently completing an apprenticeship or work-study course in our company group. These courses are particularly beneficial in that they allow apprentices to participate in exciting and varied tasks across multiple departments, while also providing access to a wide range of training courses, e.g. in MS Office, professional conduct and communication.

	2019	2020	2021	2022	2023
New apprenticeship entrants	10	9	9	9	10
Number of apprentices (incl. work-study students)	27	27	34	34	29
Share of apprentices in relation to employees in Germany [%]	4.6	4.4	5.4	5.2	5.4

Internships and thesis work

In addition to apprenticeships, the Follmann Chemie Group also offers internships to give school and university students an insight into the world of work. These range from short week-long programmes through to internships of several months, where students have the option to complete their thesis at one of our departments. In 2023, we welcomed a total of 20 interns to our company group, and four students have completed their Master's/Bachelor's theses with us.

Apprenticeships go digital

After initially providing business apprenticeships and work-study students with mobile devices, this initiative was then gradually rolled out to apprentices in all other fields. The mobile devices are not only intended for day-to-day business use, but can also be used as part of vocational training or exam preparation. We are also increasingly embracing our digital presence when it comes to the marketing of our apprenticeships. The Instagram channel, which was set up in 2020, has been used intensively in order to give interested parties a more in-depth look behind the scenes and provide them with more information about our apprenticeship opportunities. To the delight of our apprentices, regular posting on our social media channel has paid off, and we have started to see

an increase in our subscriber count. The Follmann Chemie Group has also had a virtual stand at several regional vocational training fairs, where it has provided career guidance to interested parties. The stand features numerous documents, photos and videos designed to introduce the company and the individual apprenticeship options. One of the highlights of our stand was the live chat function, which gave visitors the chance to ask training managers and apprentices questions.

Welcome Week 2023 – onboarding of new apprentices
On 01/08/2023, nine new apprentices and work-study students started their journeys at the Follmann Chemie Group. The Welcome Week, a five-day programme that had been planned by the apprentices in close collaboration with the apprentice management, gave the new apprentices a more relaxed entry into the world of work. Alongside company presentations, product training sessions and site tours, there were also ice-breaker activities and other group team activities. The range of activities on offer helped the young adults to quickly find their feet in a new environment and enabled them to grow together as a team. The organisational team were delighted to see the varied programme in action after months of preparation.

Skilled worker development programme F2P
The skilled worker development programme (F2P) is primarily aimed at skilled workers in the first few years of their careers following an apprenticeship or study course. The aim of the programme is to strengthen their position as skilled workers by identifying motivating factors and encouraging their potential. The two-year programme focuses on reflecting, establishing and expanding upon the participants' professional experience. We first advertised for the programme and opened for applications in 2021. The programme was then launched in March 2022 and was received very well by its initial participants. In 2023, the participants held additional workshops, team-building measures and seminars.

Key Performance Indicators to criteria 14 to 16

Key Performance Indicator GRI SRS-403-9: Work-related injuries
The reporting organization shall report the following information:

a. For all employees:
i. The number and rate of fatalities as a result of work-related injury;
ii. The number and rate of high-consequence work-related injuries (excluding fatalities);
iii. The number and rate of recordable work-related injuries;
iv. The main types of work-related injury;
v. The number of hours worked.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:
i. The number and rate of fatalities as a result of work-related injury;
ii. The number and rate of high-consequence work-related injuries (excluding fatalities);
iii. The number and rate of recordable work-related injuries;
iv. The main types of work-related injury;
v. The number of hours worked.

You will find the remaining numbers c-g of the indicator SRS 403-9 in the GRI standard and may additionally report them here.

Key Performance Indicator GRI SRS-403-10: Work-related ill health
The reporting organization shall report the following information:

a. For all employees:
i. The number of fatalities as a result of work-related ill health;
ii. The number of cases of recordable work-related ill health;
iii. The main types of work-related ill health.
b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:
i. The number of fatalities as a result of work-related ill health;
ii. The number of cases of recordable work-related ill health;
iii. The main types of work-related ill health.

You will find the remaining numbers c-e of the indicator SRS 403-10 in the GRI standard and may additionally report them here.

We take responsibility for the health and safety of our employees, and take

comprehensive preventive measures to protect them against accidents and work-related illnesses. This allows us to provide safe workplaces and a working environment where an employee's work life and private life are compatible. Our aim is to protect the health and well-being of all our employees and to guarantee this on a long-term basis. When it comes to occupational health and safety, we therefore make no distinction between salaried employees and industrial employees.

- There were no fatalities as a result of work-related ill health.
- Within the company group, there were eleven workplace accidents with at least one lost working day in 2023, of which nine accidents were subject to mandatory reporting to the employers' liability insurance association. Of the eleven workplace accidents, ten occurred at the Minden site. There were also four commuting accidents in 2023, two of which were subject to mandatory reporting.
- The majority of the lost days (60%) were due to "tripping accidents".

	2022	2023
Accidents, total (excluding commuting accidents)	8	11
Accidents, subject to mandatory reporting (excluding commuting accidents)	6	9
Commuting accidents, total	2	4
Commuting accidents, subject to mandatory reporting	2	2
Accidents, total	10	15
Accidents, subject to mandatory reporting	8	11

In 2023, we revised our accident and near-miss reporting tool. As well as having a new entry screen, the tool now allows us to analyse the workplace accidents in more detail.

Key Performance Indicator GRI SRS-403-4: Worker participation on occupational health and safety

The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:

a. A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers.

b. Where formal joint management–worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.

SAFETY, HEALTH PROTECTION AND ENVIRONMENTAL PROTECTION (SHE)

In 2023, there were a total of 30 internal site inspections in the areas of production, logistics and technology, as well as the Follmann laboratory and the Triflex laboratory. Employees were involved by means of questionnaires in the internal audits. If improvement potential is identified, the employees are actively involved in implementing the improvements.
The number of site inspections constitutes an increase from 2022 as there were no longer any Covid-related restrictions. All areas within the production areas were inspected. The rectifications and implementation of 164 minor measures was carried out promptly after the identification of issues. Eight major measures as well as the comprehensive improvement potential that was identified during the site inspections have been added to the SHE programme. A total of six SHE measures were implemented in 2023.
In poly-production, for example, pumps were acquired for most of the hazardous substances for easier and safer handling, and in construction chemical production, a technical solution was put in place for the powder line that significantly reduces the vibrations and the resulting noise when filling powders into the dissolver. The printer settings in the print centre were also modified so that the printers can be switched off overnight in future. Not only does this save ink and various flushing solutions, it also prevents the solvent odour that used to occur overnight.
In the production, logistics and technology areas, functional areas and transit areas were introduced in order to guarantee employee safety at the Factory I site through a simplified and consistent code of conduct.

There are also still **OFFICIAL INSPECTIONS**.

The regional government of Detmold carries out regular cross-media environmental inspections of organisations with systems that have been approved in accordance with the Federal Pollution Control Act [*Bundes-Immissionsschutzgesetz* - BImSchG]. These inspections check for compliance with the requirements set out in the legal regulations and approvals. The key results are published on the internet in the form of an environmental report. No environmental inspection took place in 2023. The next environmental inspection is due to take place in May 2024.
In 2023, the recurring on-site inspection according to the German Hazardous Incident Ordinance (incident inspection) was carried out by the regional government. An incident inspection mainly deals with safety-relevant topics. Unlike the environmental inspections, the results of these inspections are not published on the internet. As part of this year's incident inspection, a specific checklist on KAS 51 (focus: cyber security) was completed in addition to the general checklist. There was also a site inspection of various areas. No defects or non-conformances were detected during the inspection.

Key Performance Indicator GRI SRS-404-1: Average hours of training
The reporting organization shall report the following information:

a. Average hours of training that the organization's employees have undertaken during the reporting period, by:
i. gender;
ii. employee category.

Training is very important to us in the Follmann Chemie Group. We make no distinction between salaried employees and industrial employees in our assessment. For the training hours, a distinction is made between in-person sessions and online sessions. No assessment is made with regard to the gender of the training participants or the employee category.

	2019	2020	2021	2022	2023
Seminar hours (in-person)	11711	2543	5406	8413	12294
Training costs [€]	335213	154875	152710	269439	493016
Total PD costs (incl. leave costs) [€]	622890	212064	296536	476975	762864
PD costs per employee DE [€]	1063	343	475	479	832
Number of online training sessions	6873	11566	9604	11022	11355
Hours of online training sessions	1108	1724	1551	1773	1936

Key Performance Indicator GRI SRS-405-1: Diversity
The reporting organization shall report the following information:

a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:
i. Gender;
ii. Age group: under 30 years old, 30-50 years old, over 50 years old;
iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).

b. Percentage of employees per employee category in each of the following diversity categories:
i. Gender;
ii. Age group: under 30 years old, 30-50 years old, over 50 years old;
iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).

Advisory board monitoring body
We have set up a four-person advisory board as a monitoring body within our family company in order to obtain expertise from external advisors. The board

meets several times a year to discuss various important topics. The corporate strategy is also reviewed and adopted by the advisory board. The advisory board is able to uncover new ways of doing things thanks to the external advice it receives, and also helps reduce the risk of poor decisions. The presentation of projects is a good way for board members to justify their ideas in front of others, which is a helpful tool in promoting successful concepts.

Diversity in our workforce

Employees	**2019**	**2020**	**2021**	**2022**	**2023**
Total number	781	838	867	899	911
Number in Germany	586	618	653	659	663
Number at the Minden site	499	520	540	533	551
Number of salaried employees DE	413	439	475	485	503
Number of industrial employees DE	173	179	178	174	160
Total male employees [%]	74.8	74.5	74.2	72.9	73.3
Total female employees [%]	25.2	25.5	25.8	27.1	26.7
Male DE [%]	76.3	76.1	75.8	74.2	74.6
Female DE [%]	23.7	23.9	24.2	25.8	25.4
Number of salaried employees in the Group [%]	77.7	78.1	77.9	80.1	79.6
Number of salaried employees under 30 [%]	17.3	15.7	16.8	16.1	15.5
Number of salaried employees between 30 and 50 [%]	51.3	52.6	50.7	52.1	51.6
Number of salaried employees over 50 [%]	31.4	31.7	32.5	31.8	32.9
Number of industrial employees in the Group [%]	22.3	21.9	22.1	19.9	20.4
Number of industrial employees under 30 [%]	12.6	10.8	9.4	7.1	7.9
Number of industrial employees between 30 and 50 [%]	52.3	53.7	55.5	59.5	58.6
Number of industrial employees over 50 [%]	35.1	35.5	35.1	33.4	33.5
Number abroad	195	220	214	240	248
Percentage abroad [%]	25	26	25	27	27

Diversity

We see diversity as another importance success factor for the Follmann Chemie Group. In Germany alone, we have colleagues from 17 different countries, and signing the "*Charta der Vielfalt*" [Diversity Charter] is something that is on our agenda for 2024.

	2019	2020	2021	2022	2023
Number of female employees in the Group	197	214	224	244	242
Number of female employees DE	140	150	158	169	168
Share of female employees in the Group [%]	25.2	25.5	25.8	27.1	26.6
Share of female employees DE [%]	23.9	24.3	24.2	25.6	25.3
Number of managers DE (disciplinary)	50	58	67	70	72
Number of female managers DE	5	5	6	6	7
Share of female managers DE [%]	10.0	8.6	9.0	8.6	9.7
Number of nationalities in Germany	18	17	18	18	17

Inclusion

Appreciation and well-being are of key importance within a sustainability context. Our aim is to create an attractive and innovative working environment that enables everyone to participate equally.

	2019	2020	2021	2022	2023
Target number of positions for disabled employees DE	29	31	33	33	33
Actual number of positions for disabled employees DE	20	20	23	22	24
Actual positions in relation to total employee number DE [%]	3.4	3.2	3.5	3.3	3.6

Compatibility of career and family

Addressing this topic is of particular importance for a family company. We promote the compatibility of career and family though flexible working-hour models or mobile working. We encourage our employees to be flexible in how they take their parental leave.

	2019	2020	2021	2022	2023
Number of part-time positions DE	51	52	58	69	70
Female	44	43	49	59	58
Male	7	9	9	10	12
Share of part-time employees DE [%]	8.7	8.4	8.9	10.5	10.6

Key Performance Indicator GRI SRS-406-1: Incidents of discrimination
The reporting organization shall report the following information:

a. Total number of incidents of discrimination during the reporting period.

b. Status of the incidents and actions taken with reference to the following:
i. Incident reviewed by the organization;
ii. Remediation plans being implemented;
iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;
iv. Incident no longer subject to action.

Incidents of discrimination can be reported to members of the works council. These are always recorded and dealt with completely anonymously. There were no known incidents of discrimination within the company group during the reporting period.

Criterion 17 concerning RESPECT FOR HUMAN RIGHTS

17. Human Rights

The company discloses what measures it takes, strategies it pursues and targets it sets for itself and for the supply chain for ensuring that human rights are respected globally and that forced and child labour as well as all forms of exploitation are prevented. Information should also be provided on the results of the measures and on any relevant risks.

As a company, we are part of society and take on the associated responsibility and obligations. We have published our principles in various documents:

- Sustainability policy
- Ethics policy
- Environmental policy
- Declaration of principles on human rights
- Code of conduct for employees
- Code of conduct for suppliers

More information can be found on our website: www.follmann-chemie.de/en/home/
With these documents, we have created a clear frame of reference for the day-to-day tasks carried out by our employees and partners. By complying with these principles, we want to protect ourselves and our fellow humans from harm while simultaneously securing our long-term business success.

Ethics policy/code of conduct
Our ethics policy, which was newly drafted in 2022, describes our principles and conduct with regard to topics such as human rights, child labour, equal opportunities and the prevention of discrimination, as well as management and communication. The policy is further substantiated by our declaration of principles on human rights, the internal code of conduct and our code of conduct for suppliers. In our internal code of conduct, we have set out comprehensive and binding rules with regard to the conduct of our employees both within and outside of the company. It covers the legal areas of competition law, corruption, foreign trade, human and labour rights, data protection, conflicts of interest and respecting business secrets.

Reviewing our suppliers with regard to their compliance with CSR standards is an important part of the supplier onboarding process as well as our ongoing supplier and risk management. To do so, we use both the EcoVadis rating platform and our own designated survey.

The corresponding indicator is listed under performance indicator GRI SRS-414-1 (a).

We carry out external risk analyses in accordance with the specifications of the Federal Office for Economic Affairs and Export Control (BAFA). When considering these analyses, we focus in particular on humans and the environment, taking into account country-specific and product-specific circumstances based on various objective indices. Corresponding measures are then defined and pursued based on the identified risk profiles in order to further minimise the risks in a priority-based and targeted manner.
The data collected this year and the associated defined measures will make it possible to monitor improvements in the future. As these have not yet been documented, there were no defined targets and so no target deviation.

Our risk analysis once again showed the countries in which the local circumstances could lead to increased risks of individual risk types. The scope of the defined risk minimisation measures is higher for suppliers in the corresponding risk regions (e.g. India and China). In addition to formal measures such as the rating by EcoVadis, an on-site (human rights) audit was also carried out here in order to ensure that the identified risks do not apply to our business partners. The majority of our purchase volume is also obtained from suppliers from areas with a lower risk:

Locally* obtained purchase volume [%] *Supplier location (not the origin of goods)	2021	2022	2023
Germany	58	61	60
Europe	40	38	39

Key Performance Indicators to criteria 17

Key Performance Indicator GRI SRS-412-3: Investment agreements subject to human rights screenings
The reporting organization shall report the following information:

a. Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.

b. The definition used for 'significant investment agreements'.

Investments are handled via our Technical Purchasing department.
a. In this case too, our collaboration with partners and suppliers is based on our declaration of principles on human rights and our code of conduct These documents regulate topics such as: dealing with employees, ban on child labour and forced labour, health and safety at the workplace, and working hours, wages and social benefits. The Technical Purchasing department mainly features work contracts: 98% of our investments are made with German companies, with the rest in Europe.
b. The investment volume fluctuates year on year. The majority of our projects are below EUR 150,000 - around 90% of our investment volume. We consider substantial investments to be those 10% of investments above EUR 150,000 (with around 1% of these exceeding EUR 1 million).

Key Performance Indicator GRI SRS-412-1: Operations subject to human rights reviews
The reporting organization shall report the following information:

a. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.

Our declaration of principles on human rights applies to all our business locations.

Key Performance Indicator GRI SRS-414-1: New suppliers subject to social screening
The reporting organization shall report the following information:

a. Percentage of new suppliers that were screened using social criteria.

All new suppliers for raw materials, packaging and trade goods are reviewed and screened using social criteria.

Companies screened using environmental criteria and CSR topics	**2020**	**2021**	**2022**	**2023**
Quantity	122	136	136	173
Share of raw material purchasing budget [%]		86	83	95

Key Performance Indicator GRI SRS-414-2: Social impacts in the supply chain
The reporting organization shall report the following information:

a. Number of suppliers assessed for social impacts.

b. Number of suppliers identified as having significant actual and potential negative social impacts.

c. Significant actual and potential negative social impacts identified in the supply chain.

d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.

e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.

Actual negative social impacts are not known, potential risks have been identified and measures defined (and in some cases implemented) in order to reduce the risks. No business relationships have been proactively ended due to potential risks, although business partners with lower risks are given priority in the selection process.

Criterion 18 concerning SOCIAL MATTERS

18. Corporate Citizenship

The company discloses how it contributes to corporate citizenship in the regions in which it conducts its core business activities.

Regional commitment

We have a firm commitment to the Minden-Lübbecke region and the expansion of the local operating site in Minden/North Rhine-Westphalia. We take social responsibility and participate in a wide range of initiatives, such as by supporting social and cultural projects.
Supporting and promoting children and young adults is very important to us. Follmann Chemie GmbH is also involved in Kinderbetreuungsinitiative gGmbH, Minden, with a 10.9% share. We also sponsor local sports clubs and actively support the regional activities of our employees. We give young people the opportunity to do internships, complete their Bachelor's and Master's theses, and take part in work-study programmes with us (see performance indicator 16. Qualification). Taking part in the career discovery day for children and young adults with a balanced programme has been a matter of course for us for many years. We promote communication with our neighbours, interested members of the public and politicians by inviting them to a range of events within our company. Communication with local authorities is also very important to us, and we are open to providing insights into relevant environmental aspects within our company (see performance indicator 9. Stakeholder engagement).

Examples of our social engagement in the region and beyond

- Financial support for the Minden Museum
- Member of the surgical clinic promotion association at the Johannes Wesling Klinikum Minden e.V.
- Support of the parent and child ward at the Johannes Wesling Klinikum Minden
- Annual awarding of a prize for schools with very good performance in chemistry at the Besselgymnasium school in Minden
- Collaboration with the Kurt-Tucholsky comprehensive school in Minden
- Support of the Minden Child Protection Association
- Support of the workshops for the blind, Rehburg-Loccum
- Member of Wissensfabrik - Unternehmen für Deutschland e.V.
- Sponsor of the Sundowner Festival in Bückeburg

For a third-generation family company, the compatibility of career and family is particularly important to us. We therefore support our employees in all aspects of childcare so that they can rest assured that their children are receiving excellent and age-appropriate care. As many companies in the Minden-Lübbecke region are facing the same challenges, we have come

together and collaborated with the Child Protection Association in Minden-Bad Oeynhausen to generate the corresponding capacity through measures such as the construction of the new Marienkäfer daycare centre. We are delighted to have acquired such a competent and reliable partner in the Child Protection Association.

Sponsorship & support

- For sports clubs, such as JSG Landesbergen; JSG Meißen / Röcke
- Support for youth employment & education partnership / sponsorship of GWD Minden handball league
- Participation in various sporting activities, e.g. company and charity runs
- Sponsor partner of the Bessel Rowing Club as part of the focus on the German Rowing League
- Sponsorship of Bielefeld University of Applied Sciences, Minden campus

Support for kindergartens, including DRK Petershagen daycare centre, Häverstädt daycare centre

Key Performance Indicators to criteria 18

Key Performance Indicator GRI SRS-201-1: Direct economic value generated and distributed
The reporting organization shall report the following information:

a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:
i. Direct economic value generated: revenues;
ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;
iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.

b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.

We do not record these performance indicators as according to our materiality analysis, they are not relevant for us as a family company either for our stakeholders or for our company success.

Criteria 19–20 concerning ANTI-CORRUPTION AND BRIBERY MATTERS

19. Political Influence

All significant input relating to legislative procedures, all entries in lobby lists, all significant payments of membership fees, all contributions to governments as well as all donations to political parties and politicians should be disclosed by country in a differentiated way.

The Follmann Chemie Group is politically independent. Outside of the standard industry institutions, we have no influence on political decisions or legislation. We have clear positions and values, and value free democratic order.

Association work and memberships
Our employees take part in around 60 working groups, committees and associations, with the aim of shaping the framework conditions in our industry in a responsible manner as a medium-sized family company.

Key Performance Indicators to criteria 19

Key Performance Indicator GRI SRS-415-1: Political contributions
The reporting organization shall report the following information:

a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.

b. If applicable, how the monetary value of in-kind contributions was estimated.

The Follmann Chemie Group is politically independent.

a. We do not make any monetary contributions to political parties or politicians.
b. We do not make any in-kind contributions to political parties or politicians.

20. Conduct that Complies with the Law and Policy

The company discloses which measures, standards, systems and processes are in place to prevent unlawful conduct and, in particular, corruption, how they are verified, which results have been achieved to date and where it sees there to be risks. The company depicts how corruption and other contraventions in the company are prevented and exposed and what sanctions are imposed.

Compliant conduct and the rejection of any form of corrupt or unethical business conduct is essential for us at the Follmann Chemie Group, and is a key element of our business activities.
Information on how we handle illegal conduct and in particular our zero-tolerance stance against corruption can be found in our ethics policy. In our code of conduct and our numerous procedural and work instructions, we have set out comprehensive and binding rules with regard to the conduct of our managers and employees both within and outside the company. In our code of conduct for suppliers, we define our requirements and expectations for our business partners with regard to compliance with general business principles, fair competition, human rights, work and social standards, environmental protection and product safety. Compliance with these principles has a big influence on supplier selection and evaluation.

The compliance culture within the company group is characterised by ongoing reviews and the continual improvement of our existing processes. We are working on establishing a consistent, company-wide system for the prevention of unlawful conduct in the form of an established compliance management system. There are already firmly established preventive measures against corruption risks in the form of signature regulations in line with the four-eye principle, as well as company-wide work instructions ("anti-corruption") with comprehensive instructions for the receipt, gifting or promising of donations to or from business partners. In the area of invoice control, we are working with a multi-stage auditor and reviewer system. We have maintained a comprehensive schedule of legal provisions for several years now, which monitors the regulations that are relevant for the company group (including regulations on corruption and environmental law) and puts measures in place as required.

We have also implemented a whistleblower system in line with the statutory requirements, which can be used both by our employees and our external stakeholders to anonymously report any breaches of applicable law by the company via a web-based portal.

All employees are familiarised with the topic of compliance/the code of

conduct (and in particular corruption) during an E-training session; this applies both to the existing workforce and to new employees. This guarantees a training degree of almost 100% in this area. There is also the option to provide direct training in particularly sensitive areas as required. The company's Legal & Compliance department is available to assist with questions related to compliance-related topics. In the event of changes/additions to our internal guidelines and documents, employees are informed of these via a workflow-based process, as well as via notifications on our digital platform, email or our existing quarterly company newsletter where applicable. We use regular training and communication measures to convey our company values. Breaches of applicable laws and regulations are not tolerated, and are subject to disciplinary action.

The business activities of the Follmann Chemie Group (e.g. collaboration with intermediaries in the area of sales, purchase of raw materials), which are also performed at an international level, may give rise to potential risks in countries where there are increased corruption risks, such as those on the Corruption Perceptions Index. In these countries too, any breach of laws and company standards is rejected without exception, as are unfair business practices. We work with local law firms on issues relating to foreign law. No incidents have been detected to date, so we will continue to focus on preventive measures in the future.

We will increase our focus on the topic of corruption risk analysis and the compliance risk assessment in the future.

Key Performance Indicators to criteria 20

Key Performance Indicator GRI SRS-205-1: Operations assesed for risks related to corruption
The reporting organization shall report the following information:

a. Total number and percentage of operations assessed for risks related to corruption.

b. Significant risks related to corruption identified through the risk assessment.

- No business locations were assessed with regard to corruption risks.
- No corruption risks were identified.

Key Performance Indicator GRI SRS-205-3: Incidents of corruption
The reporting organization shall report the following information:

a. Total number and nature of confirmed incidents of corruption.

b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.

c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.

d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.

a. There are no confirmed incidents of corruption.
b. There are no confirmed incidents.
c. There are no confirmed incidents.
d. There are no cases.

Key Performance Indicator GRI SRS-419-1: Non-compliance with laws and regulations
The reporting organization shall report the following information:

a. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:
i. total monetary value of significant fines;
ii. total number of non-monetary sanctions;
iii. cases brought through dispute resolution mechanisms.

b. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.

c. The context against which significant fines and non-monetary sanctions were incurred.

No cases of non-compliance with laws and/or regulations are known in the company within the meaning of a. (i), (ii), (iii).

Overview of the GRI indicators in the Sustainable Code declaration

In this Sustainable Code declaration, we have reported according to the "comply or explain" principle on the GRI indicators listed below. This document refers to the GRI Standards 2016, unless otherwise noted in the table.

Areas	Sustainable Code criteria	GRI SRS indicators
STRATEGY	1. Strategic Analysis and Action 2. Materiality 3. Objectives 4. Depth of the Value Chain	
PROCESS MANAGEMENT	5. Responsibility 6. Rules and Processes 7. Control	GRI SRS 102-16
	8. Incentive Systems	GRI SRS 102-35 GRI SRS 102-38
	9. Stakeholder Engagement	GRI SRS 102-44
	10. Innovation and Product Management	G4-FS11
ENVIRONMENT	11. Usage of Natural Resources 12. Resource-Management	GRI SRS 301-1 GRI SRS 302-1 GRI SRS 302-4 GRI SRS 303-3 (2018) GRI SRS 306-2 (2020)*
	13. Climate-Relevant Emissions	GRI SRS 305-1 GRI SRS 305-2 GRI SRS 305-3 GRI SRS 305-5
SOCIETY	14. Employment Rights 15. Equal-Opportunities 16. Qualifications	GRI SRS 403-4 (2018) GRI SRS 403-9 (2018) GRI SRS 403-10 (2018) GRI SRS 404-1 GRI SRS 405-1 GRI SRS 406-1
	17. Human Rights	GRI SRS 412-3 GRI SRS 412-1 GRI SRS 414-1 GRI SRS 414-2
	18. Corporate-Citizenship	GRI SRS 201-1
	19. Political Influence	GRI SRS 415-1
	20. Conduct that Complies with the Law and Policy	GRI SRS 205-1 GRI SRS 205-3 GRI SRS 419-1

*GRI has adapted GRI SRS 306 (Waste). The revised version comes into force on 01.01.2022. In the course of this, the numbering for reporting on waste generated has changed from 306-2 to 306-3.