



WORKING TOGETHER FOR THE FUTURE

SUSTAINABILITY BY

schattdcor

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New structures for greater
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THE ENVIRONMENT

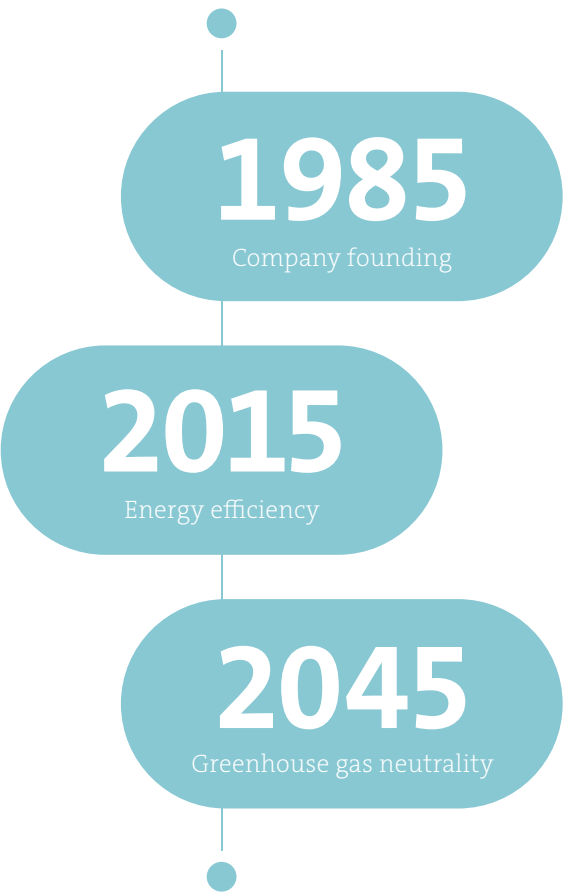
Using resources more
responsibly

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SOCIAL MATTERS

Equal opportunities, qualification,
and regional commitments

PREFACE

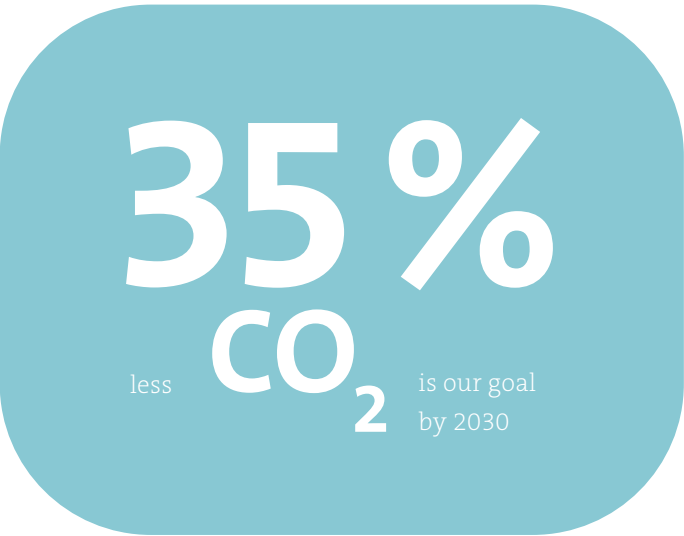


DEAR READERS,

Sustainability has been a core element of our corporate management since the company was founded in 1985. From the start, we relied exclusively on environmentally-friendly, high-tech products made from natural materials, such as water, casein and organic pigments, to produce our décor paper. We have always remained true to ourselves. We regularly find new ways to be economical with materials and implement creative ideas to protect our environment. In addition to the ecological side, we are also very focused on social and economic aspects. That is why we have developed a sustainability concept and set ambitious goals for ourselves over the upcoming years, which we aim to achieve together with our employees and business partners. It is the best way to make a sustainable commitment work for an international industrial company.

Sincerely,

Roland Auer,
CEO



TAKING RESPONSIBILITY

Consequential protection of natural resources and consistent respect for people, nature, and the environment are among our core corporate values.

”
We are making an active contribution to environmental protection thanks to our environmentally-friendly production methods.
“

Roland Auer



From left to right: Michael Then, Chief Production Officer; Claudia Küchen, Chief Creative Officer; Roland Auer, Chief Executive Officer; Claus Neuffer, Chief Technology | Sustainability Officer; Derick Beitel, Chief Financial Officer

A GLOBAL MARKET LEADER WITH A VISION

Forty years ago, company founder Walter Schatt set a high goal for himself: He wanted to revolutionize the décor printing industry by infusing it with a pioneering quality philosophy in addition to a holistic approach to solutions and the environment. Schattdecor printed its first roll of décor paper on April 26, 1985, in a small industrial building in Stephanskirchen, forty-six miles southeast of Munich. We’ve come a long way since then. Today, the Schatt Group has 17 sites world-wide along with additional sales and representative offices. Our internal management system, which bears the quality seal “Made by Schattdecor”, conducts audits that gua-

rantee the same, consistently high quality standards all over the world. The one-time décor paper printer blossomed into a surface finishing specialist whose customers enjoy short lead times and quick production turnaround. A total of 3,000 employees from 27 nations produce 2.6 billion square meters of surface finishing per year. As a world market leader, we are not resting on our laurels. Schattdecor is continuously evolving. One of our greatest strengths is our ability to question ourselves. We will continue to set standards in the industry in the future as a surface specialist and as a sustainable manufacturing company.

STRATEGY

We understand sustainability to be a continuous process. Implementing it is an investment in everyone's future. We have developed a sustainability concept and set ambitious, yet realistic, goals. Our products require an abundance of natural resources which is why it's even more important for us to follow our self-understanding and define innovative strategies that are in harmony with human life and nature.

In 2023, we will conduct a materiality analysis. It will be used to create a matrix that shows which topics and areas of work are most relevant to us and our stakeholders and which key environmental and sustainability aspects we can manage directly.

NEW STRUCTURES FOR MORE TRANSPARENCY

For years, each of our sites has been run according to the strict requirements of our "Made by Schattdecor" management system. In addition, four of our sites have been certified externally according to DIN ISO 50001 energy management systems.

As an international company, we feel that transparent communication is important, both internally and externally. Each site already has its own appointee for energy matters. We will be systematically expanding this area of responsibility by 2024 to include environmental and sustainability issues through internal and external training. A dedicated organizational unit will coordinate the achievement of targets throughout the Group, compile the findings, and make them known at regular meetings. To ensure greater transparency, all relevant data will be stored in an ERP system and reported to the Board of Management monthly.



FOREST STEWARDSHIP COUNCIL®

World-wide, our production standards are in line with the high environmental standards established in Germany. Our branch offices are certified for sustainable forestry according to the FSC® (Forest Stewardship Council® with the license codes FSC-C104949, FSC-C111992, FSC-C121647, FSC-C168552).

17 %

less energy consumed since 2015
thanks to energy efficiency

”
Sustainability and
environmental protection
are part of
our corporate credo.
“

Claus Neuffer
Chief Technology | Sustainability Officer

RESPONSIBLE INVESTMENTS

Sustainably profitable growth requires solid and sustainable financing. That is why we analyze our investments not only for their strategic relevance and economic viability, but also for their ecological sustainability. In this way, we meet, among other things, fundamental requirements for the fulfillment of the EU taxonomy criteria.

THE GOALS OF THE UNITED NATIONS

The individual measures of our concept contribute to the United Nations' SDGs (Sustainable Development Goals). The Agenda 2030, with its 17 goals for sustainable development, is a global plan to promote sustainable peace and prosperity and to protect our planet.



OUR GOALS

Only if you set goals can you exceed them. Our number one goal is to achieve greenhouse gas neutrality for the entire Schattdecor Group by 2045. During this process, we would also like to establish other important milestones. The first one is to immediately implement our Energy Efficiency Plus program, which will allow us to further reduce greenhouse gases in the short term. The next milestone will follow in 2025, with the publication of our first company-wide sustainability report. Our focus is on straightforward and transparent communication. Being implemented by 2026 is the innovation program Das grüne Windrad (the Green Windmill) which focuses on the major topics in our strategic positioning regarding green-

house gas reduction. It's an umbrella project for innovative ideas, improvements, and innovations within the company, be it in technology, products, or organization. The project involves motivated employees desiring to advance sustainability at Schattdecor from within. The goal of the Green Windmill is to make better use of existing resources worldwide and to also introduce new techniques, products, or processes that will contribute to the sustainable management of the entire company. Our target for 2030 is to lower CO₂ emissions by 35 percent compared with the numbers from 2015.

THE GREEN WINDMILL

TECHNICAL MATTERS

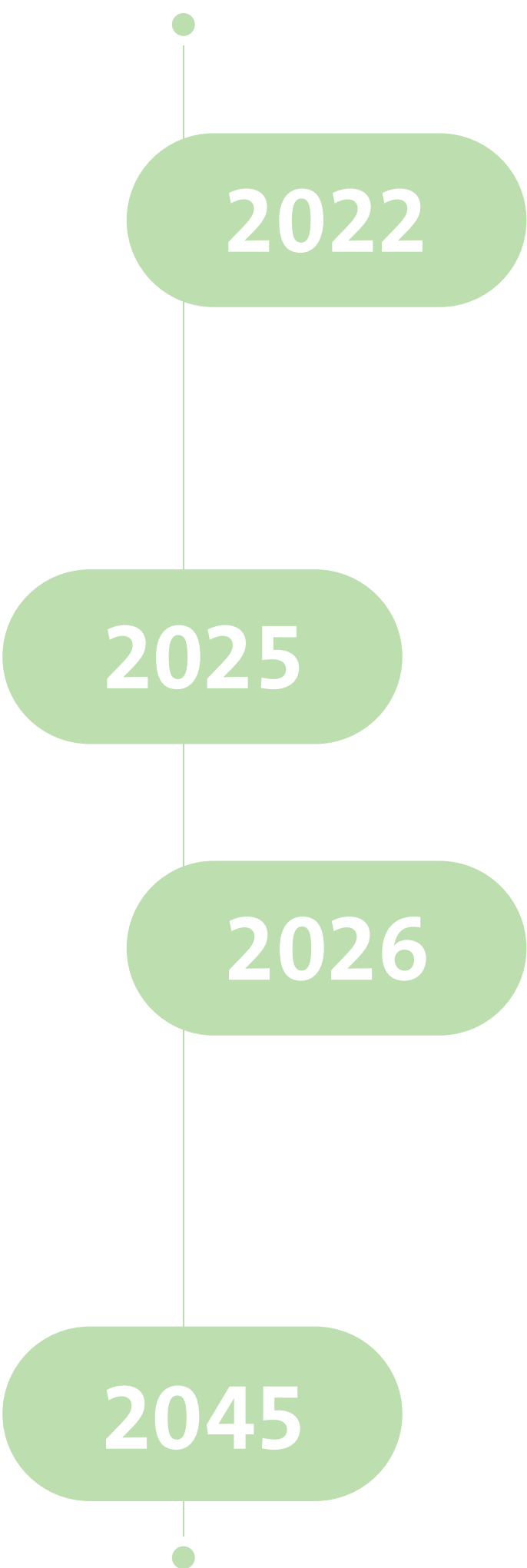
HOW CAN WE OPTIMIZE OUR PRODUCTION MACHINES?
Upgrading of legacy technology, deployment of innovative technical solutions

ORGANIZATIONAL MATTERS

HOW CAN WE IMPROVE OUR PROCESSES?
Optimization of working conditions, streamlining processes

PRODUCT-RELATED

HOW CAN WE IMPROVE PRODUCT DESIGN?
Changing the substrate or other used material



ENERGY EFFICIENCY PLUS

Since the launch of our Energy Efficiency Plus project in 2015, we have already seen remarkable success in a reduction of our energy consumption by 17 percent. The Energy Efficiency Plus project sets new standards with particular focus on continuing to reduce emissions.



SUSTAINABILITY REPORT

A milestone for our company's history: In 2025, we will be publishing the first ever CSR report for the Schattdecor Group.

THE GREEN WINDMILL

Sustainability from within: This program of innovation forms the strategic foundation for our path towards greenhouse gas neutrality. It is already engaging employees in the implementation of the sustainability concept and provides room for individual ideas. The measures will be applied as of 2026.

GREENHOUSE GAS NEUTRALITY

Our ambitious goal is to achieve greenhouse gas neutrality in manufacturing by 2045.

THE ENVIRONMENT

We prioritize a conscious handling of resources. When it comes to the environment, therefore, we have followed a responsible path since our founding. It is the basis upon which we have developed our internal principles to put our energy management system into place and continuously reduce our energy consumption at both our headquarters and our sites world-wide.

REACHING OUR GOALS WITH TECHNOLOGY AND STRATEGY

The production machines are our main energy consumers. We have succeeded in cutting back its energy usage by 25 percent thanks to in-house developments, intelligent controls and process management. In 2015, we introduced our Energy Efficiency project and, thanks to it, increased our energy efficiency group-wide by 17 percent despite rising production volumes. We have partially electrified our fleet, and group-wide we use electric vehicles for internal transportation. Photovoltaic (PV) systems have been mounted onto many roofs of our buildings and other surfaces. We will also have dedicated ground-mounted PV systems. Our heating systems have been partly con-

verted to biomass. Our Energy Efficiency program has received several prizes, including in Germany for Best Practice from AGEEN (the Working Group of the Energy Efficiency Network Germany).

BUILDING NOW FOR THE FUTURE

We are keeping a close watch on our ecological footprint with an eye to our first sustainability report which will be published in 2025. Together with Intech-nica, an environmental consultancy, we are carefully calculating and analyzing the harmful gases we are releasing directly or indirectly and will try to reduce them wherever possible. We also want work with our suppliers to optimize our CO₂ balance sheet along the whole value-added chain.



About
43 million
kWh

saved since 2015 thanks to energy efficiency

MOBILITY CONCEPT

We are currently working on a comprehensive mobility concept that will allow all employees to actively contribute to climate protection during each workday. Business trips will also be rethought in this context. The concept will be completed by the end of 2023.

WATER STEWARDSHIP AND CIRCULAR ECONOMY

Not a single liter of dye is thrown out during our production processes as our in-house wastewater treatment plants, at each site, clean the water. In addition, any remaining paper is recycled.

Around
10.000
tons less CO₂

produced between 2015 and 2022

SOCIAL MATTERS

We comply with national and international standards, and also ensure that we are acting with integrity throughout the entire company. Some of the mainstays of our company policy are equal opportunity, qualification, and our local commitment to the community.

A company with economic goals and a clear profit orientation is not a contradiction, on the contrary our employees enjoy higher salaries than the norm and various extra monetary benefits. We are in compliance with all work safety standards. We are deeply committed to the health of our employees. For us, it's normal to have a work-safety representative at each site and a company doctor, and to implement measures for the protection of the health of all employees at the

workplace. Technical and personal vocational qualifications are a way to secure our future and support our employees in developing their strengths and talents. We consider ourselves a training company thus we ensure a high level of knowledge transfer. We bank on an approach involving promotion and further training, on traditional apprentice and trainee programs, dual training, and university partnerships.



”
Our employees are our
most valuable
company resource.
“

Walter Schatt

”
We do not distinguish
between employees,
colleagues, customers,
and suppliers.
“

Excerpt from the corporate mission statement

EQUAL PARTNERSHIPS

As a globally active company, we build on our intercultural competencies and see employees, customers and suppliers as equals. Because lasting relations can only happen among respected partners. As an international community, we consider our individualism and diversity as strengths and treat each other with mutual respect.

OUR EMPLOYEES' HEALTH

Each site has one occupational health and safety officer to monitor the implementation of legal requirements, thus ensuring a healthy working environment for all colleagues.

SUPPORT FOR SOCIAL PROJECTS

Schattdecor Group promotes and supports local culture and sports clubs. We back numerous initiatives as well, both our own and those of third parties, through donations of cash, in-kind services or by releasing our colleagues who wish to support these causes in person.

We are also involved in international aid projects and emergency situations such as refugee crises or natural disasters.

schattdecor

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