

**We
take
action!**
#now

BRIGL & BERGMEISTER
SUSTAINABILITY REPORT 2021 | 2022

B&B
PAPER SOLUTIONS

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GRI content index, glossary and abbreviations
are available online via URL and QR code (see
imprint).

Paper can wait, but our planet can't! *#now*

Paper is undoubtedly one of the resources that can pave our way into an environmentally conscious future. But the material alone does not make a sustainable future – that is why the paper industry must search for new solutions and approaches every day in order to also preserve the planet for the coming generations. That is precisely the goal that we have set ourselves at Brigl & Bergmeister.

Since the early 1990s, we at Brigl & Bergmeister have embraced a sustainable and resource-efficient approach in our corporate philosophy. This has made it possible for us to be a reliable and

innovative partner for all our stakeholders as well as a stable employer for our employees. It is no coincidence that we are considered industry pioneers in the areas of innovation and efficiency.

But we cannot, and nor do we wish to, rest on our laurels. The requirements of sustainable production and working practices in ecological, economic and social aspects are subject to constant change, which also affects the paper industry.

These constant changes and adjustments do of course also entail major challenges. But as the past has shown us, challenges can also present the greatest opportunities. As is well known, necessity is the mother of invention – that is why it is important not to stick our heads in the sand, in the face of the current changes, but to consciously see the challenges as hidden opportunities and to seize them. Only in this way will we find truly future-proof solutions – at our sites, within our supply chain and in our regions.

”

**The past
has shown us
that challenges
can also present
the greatest
opportunities.**

“

With this sustainability report, we want to present in a clear and transparent way the values that we represent, the goals that we want to achieve and the measures that we will be taking to reach them. In the process, we also do not want to exclude the areas in which we see potential for us to catch up.

That is why we are starting now – because we do not want to wait until tomorrow; we can already make a difference today!



From left to right: Markus Bammer, Markus Pölzl, Marko Jagodič

Message from our leaders

(GRI 2-22)

”

**We are acting now
to guarantee
our contribution
to creating a
promising future.**

“

To address the impacts of climate change, we at B&B have committed ourselves to being proactive and consistent in pursuit of a sustainable future. This commitment extends to our sites, our local communities, and our supply chain.

It is inherent in human nature and the challenges of our fast-paced world that the majority of our actions are reactive and to a lesser extent proactive – we only seek out a dentist when it hurts...!

In our management responsibility, proactive actions and the implementation of our sustainability strategy have the utmost priority. We are acting now in order to guarantee our contribution to curtailing climate change and to creating a promising future for subsequent generations.

With the resolution “Be the change that you wish to see in the world” (Gandhi) we at Brigl & Bergmeister have already been taking measures for years to reduce the specific use of valuable raw materials and energy, such as through the implementation of numerous management systems. Our proactive environmental measures – such as the reduction in emissions, the responsible use of water and resources, sustainable procurement and sustainable product design – are brought together in the program of measures **#nowgreen.** →

The protection of our planet affects mankind as a whole, not just individual countries and companies. That is why it is absolutely necessary that framework conditions are also created worldwide at the political level so that sustainable activity does not result in competitive disadvantages in a global market.

The focus of our activity is on people. Our employees, who demonstrate total dedication at our two sites every day, are the core of Brigl & Bergmeister. That is why we see it as one of our most important tasks to safeguard the cohesion of our team in the long term, guarantee health and safety, promote the personal development of employees and to create a positive and inclusive working environment. Our internal social measures such as occupational safety, positive corporate culture, further training as well as diversity and equal opportunities are brought together in the program **#nowtogether**.

Another factor is the corporate responsibility for our business activity along the supply chain. Requirements of our partners with regard to ethical principles are driven forward in the program **#nowresponsible**. For this, we are planning to set high standards in the areas of business ethics, respect for human rights, and compliance.

In addition to the ecological and social responsibility, as a manufacturing company, we are also exposed to a global economic climate. As a result of the effects of climate change and the geopolitical circumstances, the supply chains and the availability of our primary raw materials are changing. That is why we are putting our faith more than ever in a partner-like approach with our suppliers and are focusing our attention on the security of supply for our customers and the preservation of a stable and secure value chain.

All these challenges do not prevent us from acting now. We will continue to work proactively and with determination towards a sustainable future!

”

**All these challenges
do not prevent us
from acting now.
We will continue to work
proactively and with
determination towards
a sustainable future!**

“

About the report

(GRI 2-2, 2-3, 2-4, 2-5)

Contact person:

Ulla Gürlich | Sustainability Manager
sustainability@brigl-bergmeister.com

The first sustainability report from the Brigl & Bergmeister Group, reports on the years 2021 and 2022 (economic key performance indicators are reported from 2020 and 2021 as the publication of the annual financial statements will not be done until September; all key performance indicators refer to the reporting period 1 January to 31 December). The reporting period of the sustainability report corresponds to that of the financial reporting. If relevant, historic key performance indicators are also shown. It is planned to develop a consolidation framework that will enable the upcoming integrated report for 2025.

For the reporting we follow the universal standards of the Global Reporting Initiative (GRI) and include industry-specific key performance indicators.

Methodology and target definition

As it is the first sustainability report at B&B and some of the identified material topics cannot yet be implemented in full, the reporting methodology was selected based on the GRI. The method for developing the sustainability strategy was conducted using the double materiality approach to identify areas of action and was accompanied by an external consulting company. The measures for the respective areas of action will be consolidated in the following years.

The goal definition refers to the base year 2021 and incorporates **Brigl & Bergmeister GmbH** in Niklasdorf, Austria and its subsidiary **PAPIRNICA VEVČE d.o.o.** in Ljubljana, Slovenia. As of 31 December 2022, the companies PAPIRNICA VEVČE d.o.o and PAPIRNICA VEVČE proizvodnja d.o.o. in Slovenia, which had previously been separate under corporate law, were merged to form PAPIRNICA VEVČE d.o.o. To ensure comparability for subsequent years, the site in Vevče is treated here as one company.

Consolidated publication of data

The consolidated annual financial statements and consolidated management report are published annually by **ROXCEL Holding GmbH**. This sustainability report describes our production sites and corporate goals of the Brigl & Bergmeister Group. Key performance indicators are shown for each specific site as the annual financial statements of both sites are also provided individually.

Consolidation and depiction of the minority shares, mergers, takeovers and disposals are done in the consolidated management report. Due to significant differences in the implementation of material topics between industrial sites and the trading company (ROXCEL Trading GmbH), separate measures are developed in order to meet overarching goals in the long term.

Data capture and auditing

Corporate data are captured by audited meters or methods and are regularly reviewed as part of the certifications according to ISO 50001 and ISO 14001. Data for the calculation of the carbon footprint along the value chain come from internationally recognized databases and have been checked by an external party for plausibility.

This report has not been subjected to an external audit; this is planned at the latest for the consolidated report of the ROXCEL Group.

As it is the first sustainability report, there are no corrections or restatements. However, efforts have been made to internally standardize calculation methods and reference parameters, which are explained in the relevant chapters, where applicable.

The decision for transparency

Paper is generally seen as “green”, sustainable and the best choice for packaging. Unfortunately, however, this is only half the truth.

We are more than aware that we bear the responsibility in a resource and energy-intensive industry. The product is not automatically “green” only because it is produced from sustainable resources. The decisive factors are the manner and way in which we handle limited resources and take measures to reduce negative effects on the environment and people.

That is why environmental protection and the efficiency of our processes have been very important for many years. The relevance of these topics is constantly growing and thus the decision was taken in 2021 to view sustainability from a holistic perspective for the environment, people and the company on a strategic level.

At the same time, sustainability for us also means acting in an honest, transparent and reliable way. That is why we have committed ourselves to critically examining our own actions in order to define goals based on an absolutely transparent status quo, goals that are

both ambitious and realistic in their implementation. We take the suggestions and recommendations for improving our performance with regard to the environment and people seriously and integrate new measures in our processes.

We have been driven by this aspiration ever since we began this initiative and after around two years of intensive work on the development of a strategy, now is the time to present the result. The report is intended to inspire us to set new benchmarks and to design a sustainable future with a critical perspective.

Since the start of our initiative we have encountered new challenges on a daily basis. But it is precisely these challenges that make it possible for us to continue growing and developing together with our stakeholders.

With this report, we are embarking on our journey and are not resting on the successes of the past.

We are acting *#now* – because tomorrow it will be too late!

THE COMPANY B&B

“I see the fighting spirit of our team and the hope to succeed through innovation.”

Ahmad Porkar | Owner



#now

Ahmad Porkar on seizing opportunities

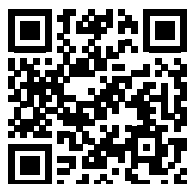
Despite great challenges, the owner is looking to the future of B&B with confidence: with a new awareness, fighting spirit and plenty of innovation.

How do you see your role as the owner when it comes to sustainability at B&B?

The radically changing industry conditions are making it more difficult to remain competitive with a production site in Europe. As the owner, I consider that to entail a great responsibility. Plus there is the question of sustainability: Things that we neglect today will come back to haunt us tomorrow.

What importance do development and innovation have for B&B?

They are like the air that we breathe. If we do not develop a sufficient number of new products, we will cease to exist.



Video of the full interview:
youtu.be/e482ZBvUplk

For English subtitles turn on closed captioning.

How important is sustainability for the company?

To put the answer into perspective, I would like to cite the example of “War and Peace”. Talking about how we can avoid war in times of peace tends to be treated as a luxury problem. We talk about it over dinner and tend to philosophize about the topic. But when a war breaks out, the discussion about peace becomes a crucial issue – a matter of life and death. In light of the current information and warnings about climate change, the question of sustainability is no longer a “nice-to-have” discussion but rather a question of survival and thus crucial to our existence.

In your opinion, which path should B&B take in order to remain a viable company in the future?

We have started to move in the right direction but we still have a long way to go. We need a balance between positive economic activity that keeps us above water and a long-term path in the direction of sustainability, at all levels – from the company management to every single employee.



What is the greatest challenge on this path?

Seeing the world as a whole. The legislative has to differentiate between sustainable and non-sustainable production. There should not be any solo efforts in Europe.

Which opportunities do you see for B&B on this path?

I see above all the fighting spirit of our team and the hope to succeed through innovation. The awareness in companies and among consumers has also widely changed. That is very pleasing. Youth is showing us the way by looking for work at sustainable companies. If we create the appropriate conditions, we can also achieve our goals.

”

Things that we neglect today will come back to haunt us tomorrow.

“

Brigl & Bergmeister: Portrait

(GRI 2-1, 2-2)

We at **Brigl & Bergmeister (B&B)** are a leading producer of label papers and flexible packaging and special papers. Every year, an estimated 250 billion labels are printed on B&B papers. Our papers thus bear the face of countless well-known brands.

In the **Brigl & Bergmeister GmbH** site, headquartered in Niklasdorf (Austria), we are specialized in the production of wet-strength and non-wet-strength label papers and special papers. The ENAGES GmbH waste-to-energy plant is at the same location, providing the Austrian production site with CO₂-optimized electricity and steam.

In the **PAPIRNICA VEVČE d.o.o.** site, in Ljubljana (Slovenia), fiber-based products are manufactured for flexible packaging papers and non-wet-strength label papers. A collaboration that originally started out as a joint venture has developed into a full partnership. The site in Vevče has been a fully-owned subsidiary of B&B since 2004.

Between 2019 and 2022, the site in Slovenia still consisted of two organizational units, PAPIRNICA VEVČE d.o.o. and PAPIRNICA VEVČE proizvodnja d.o.o., which were both assigned to Brigl & Bergmeister GmbH as fully-owned subsidiaries. In 2023, the two organizational units were merged again under the company PAPIRNICA VEVČE d.o.o.

Brigl & Bergmeister GmbH, PAPIRNICA VEVČE d.o.o. and ENAGES GmbH are owned by **ROXCEL Holding GmbH**, which is headquartered in Vienna.

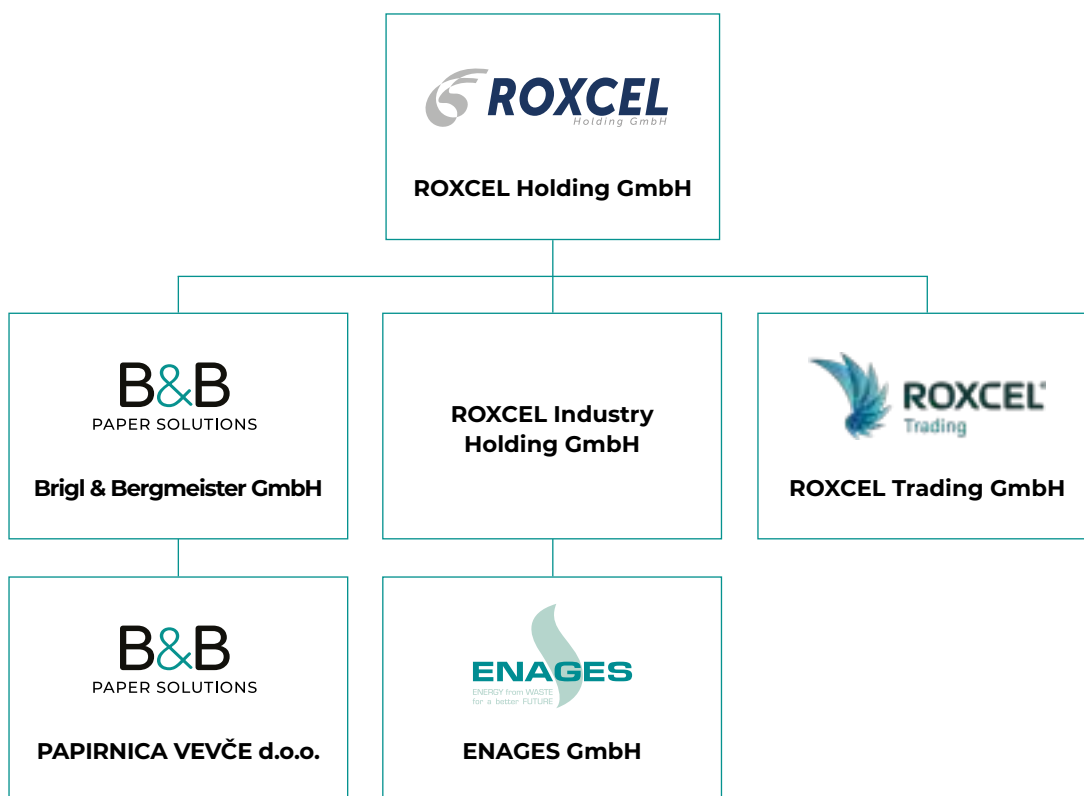
Our two production sites of the Brigl & Bergmeister Group have been investing in environmental protection since the early 1990s. Many milestones have paved our company's way since then and often our two sites have stood out as pioneers in the market.

→ **More information on our projects and initiatives that have already been implemented can be found beginning on p. 36**

Brigl & Bergmeister: Between tradition and the future

At our two production sites we look back with pride at a long history. This history accompanies us to this very day and enables us to overcome even major challenges with confidence. It also shows that both sites are deeply rooted in the regions due to their long tradition. Only through the entrepreneurial will to regularly face up to new challenges have we succeeded in continuing this story and withstanding many crises.


Whether economic or technical, we at Brigl & Bergmeister have always been willing to evolve and remain a reliable partner in the supply chain. This resilience has accompanied us as a company from the beginning and has enabled us to become a leader in the production of label and special papers.



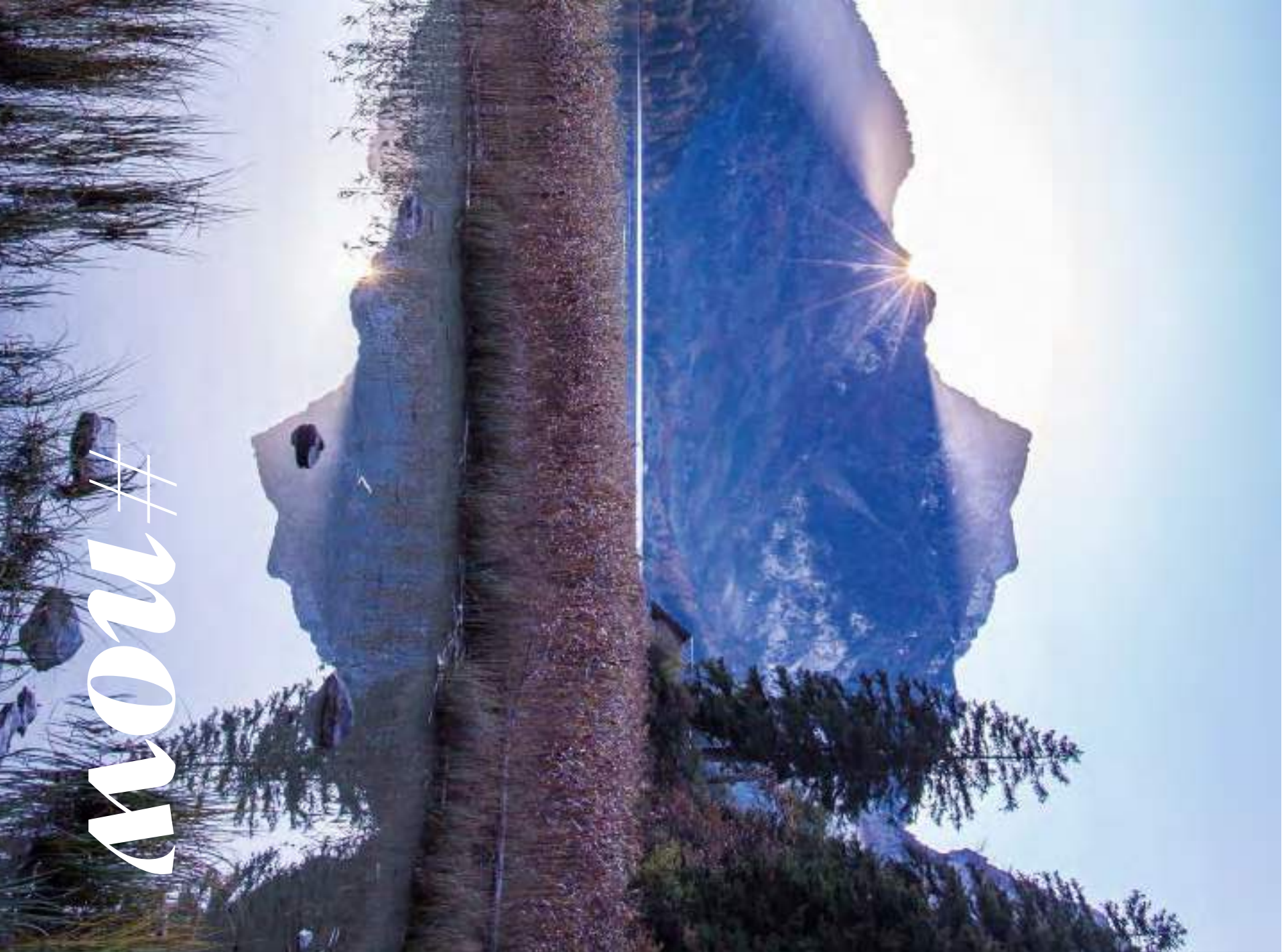
And the journey continues. In times of the greatest uncertainty, we decided not to stand still but rather to invest further in our locations. Several million euros were spent, for instance, on modern coating systems (film press) at both plants, as well as extensive equipment modernization, a hall extension, a new format packing system and a sheet-cutting machine at the site in Niklasdorf.

Investments were also made in a new logistics concept and in a photovoltaic system at the respective sites.

For us at B&B, standing still was never an option and thus our history is paving our way into a future in which we continue to act sustainable instead of just talking about it.



**“With this report,
we have started
our journey and
we will not rest on
our past successes.
We are acting now –
because tomorrow
it will be too late!”**



Overview of company key performance indicators

(GRI 2-7, 2-8, 201, 301, 305, 405)

In the following, the most important key performance indicators of our two production sites at Brigl & Bergmeister are shown. Our group comprises the companies Brigl & Bergmeister GmbH, PAPIRNICA VEVČE d.o.o. and (until 2021) PAPIRNICA VEVČE proizvodnja d.o.o. Other key performance indicators for specific topics are published in the chapter “Material topics” (from p. 76).

Economic KPIs		2020 (B&B Group)	2021 (B&B Group)
Annual revenue financial report, without other income ¹	kEUR	180,644	201,694
Net production volume	t	184,884	202,640
Net production volume ² (according to the Directive 2010/75/EU on industrial emissions)	t	207,739	224,245

Employees (reference date 12/31)		2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Permanent employees	f: female m: male	f: 31 m: 210	f: 42 m: 187	f: 28 m: 189	f: 42 m: 193
Temporary employees	f: female m: male	f: 0 m: 0	f: 2 m: 5	f: 0 m: 2	f: 2 m: 10
Full-time employees (FTE ³)	f: female m: male	f: 26 m: 202	f: 44 m: 192	f: 19 m: 188	f: 44 m: 203
Part-time employees	f: female m: male	f: 5 m: 8	f: 0 m: 0	f: 9 m: 3	f: 0 m: 0
Workers who are not employees	Number	8 trainees 18 contract workers	7 interns/ students 37 contract workers	10 trainees 30 contract workers	6 interns/ students 31 contract workers
Percentage of women in leadership roles ⁴	%	16%	17%	21%	15%
Percentage of women overall	%	13%	19%	13%	18%
Reportable Accidents (A2 ⁵)	Number	15	3	4	6
Accident rate (according to GRI ⁶)	Number	42.25	–	11.42	–
Entries	Number	39	8	45	35
Exits (incl. interns, temporary roles and retirees)	Number	41	31	54	33
Fluctuation rate ⁷	%	17%	12%	21%	13%

Environment KPIs		2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Greenhouse gas emissions (Scope 1 & 2 location-based) specific	kg CO ₂ e/t paper	329	502	327	583
Greenhouse gas emissions (Scope 3) specific (explanation of the KPIs to be taken into account in the chapter "Environment")	kg CO ₂ e/t paper	629	561	613	541
Natural gas consumption specific	Nm ³ /t paper	19.50	156.85	17.84	146.11
Electricity input specific	MWh/t paper	0.63	0.57	0.61	0.57
Steam consumption specific	GJ/t paper	4.05	4.82	3.92	4.73
Volume of waste water specific	m ³ /t paper	11.08	6.09	8.10	6.29
Percentage of renewable resources	%	73%	66%	70%	65%

¹ Further information on our economic performance can be found in the financial statement of the individual company.

² The net production volume for the calculation of the specific environmental key performance indicators has corresponded since 2021 to the volume that the winder has processed, less the eliminations from the production, and thus 2010/75/EU Directive on industrial emissions.

³ FTE = full-time equivalent

⁴ Definition according to GRI: A leading member of an organization's management, including, among others, the Chief Executive Officer (CEO) and individuals who report directly to the CEO or the highest governing body. At B&B, this includes both groups and persons who act as staff and/or are responsible for executing projects independently and report directly to management.

⁵ A2 accidents: reportable accidents with over 3 days of downtime

⁶ Rate of work-related injuries with serious consequences (not including death) = (number of work-related injuries with serious consequences (not including death) / number of hours worked) x (200,000 or 1,000,000)

⁷ Fluctuation rate calculated according to the Confederation of German Employers' Associations: (total number of exits / average headcount during the reporting period) x 100

Our history

16th century



© Wikimedia Commons

Manual production of paper commences near to the castle of Fužine.



PAPIRNICA VEVČE is established by Fidelis Terpnik, an industrialist from present-day Slovenia.

1842

1843

The first mechanically produced sheet of paper on Slovenian soil is made.

B&B
PAPER SOLUTIONS

B&B acquires the majority of shares of PAPIRNICA VEVČE and the joint success story of the two paper specialists begins.

1990

1890

1912

1984

The wine wholesaler Leonhard Brigl and the Bolzano city pharmacist Julius Bergmeister establish a pulp factory in Niklasdorf – on the same site where Brigl & Bergmeister's production is still located to this very day.



B&B changes from pulp production to industrial paper production.

The Hamburger Gruppe acquires shares in the plant from B&B.



B&B acquires the majority of shares of PAPIRNICA VEVČE.



The ROXCEL Group acquires the waste-to-energy plant ENAGES in order to supply the site in Niklasdorf with CO₂-optimized electricity and steam.

2004

2011

2012



B&B becomes part of the ROXCEL Group.

Facts and figures about B&B

(as of 2021)



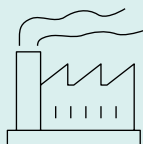
A broad
network of
partners



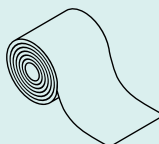
Certificates
in the areas of energy,
environment and quality



An **annual
turnover** of
> 200
MEUR



2
paper factories
in Austria and
Slovenia



> 200
thousand tons of paper
production volume
per year



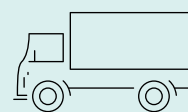
~ 500
Employees
in 2022



~ 730
customers



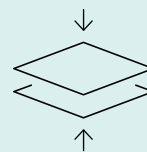
activities on
5
continents



Deliveries in
102
countries

**Wide range
of products**

comprising label papers,
flexible packaging papers
and special papers

**Technical equipment
of the two sites****Niklasdorf**
(Austria)

min. width: 272 cm
max. width: 282 cm

offline, two-sided

max. roll width 216 cm
min. roll width: 45 cm

max. ø: 145 cm
min. ø: 80 cm

max. 165 x 170 cm
min. 35 x 40 cm

max. 99 x 139 cm
min. 21.0 x 29.7 cm

(Natural) linen, soft,
ultrasoft, rock

Paper machine**Coating machine****Winder****Roll formats****Sheet formats****Guillotine cutter****Embossing patterns****Vevče**
(Slovenia)

min. width: 356 cm
max. width: 366 cm

offline, two-sided

max. roll width 219 cm
min. roll width: 47 cm

max. ø: 135 cm
min. ø: 80 cm

max. 165 x 220 cm
min. 42 x 50 cm

max. 79 x 129 cm
min. 21.0 x 29.7 cm

–

Market presence

(GRI 2-6)

Our sales network at the Brigl & Bergmeister Group extends worldwide across all continents. Around half of the paper produced is further processed or printed in Europe (see pp. 30–31).

Our product portfolio includes:

- wet-strength and non-wet-strength label papers
- flexible packaging papers
- special papers

We regularly extend our range of products with new and innovative solutions. In a world that is constantly changing and where resources are more valuable than ever, flexibility is our strength, a fact reflected in the ongoing development of our product portfolio.

Our wide product portfolio is determined firstly by our broad range of applications and secondly by the diversity of our customers. Our papers, which we developed to specific customer requirements, are used in the food, beverage and consumer goods industries as well as in many other areas.

→ **More on our products and how we contribute to sustainability can be found on pp. 44–49**

Our customers can be divided into three main groups:

- **Direct customers
(printers and/or processors)**

The first main group of customers includes printing shops or processors in the label and/or packaging industry. Our goods are delivered directly to these partners and processed there. The focus is on long-term relationships and security of supply in the supply chain.

- **Agents and traders**

Together with a global sales network, our products are also sold to other groups of customers via the marketing and sales channels of our partners.

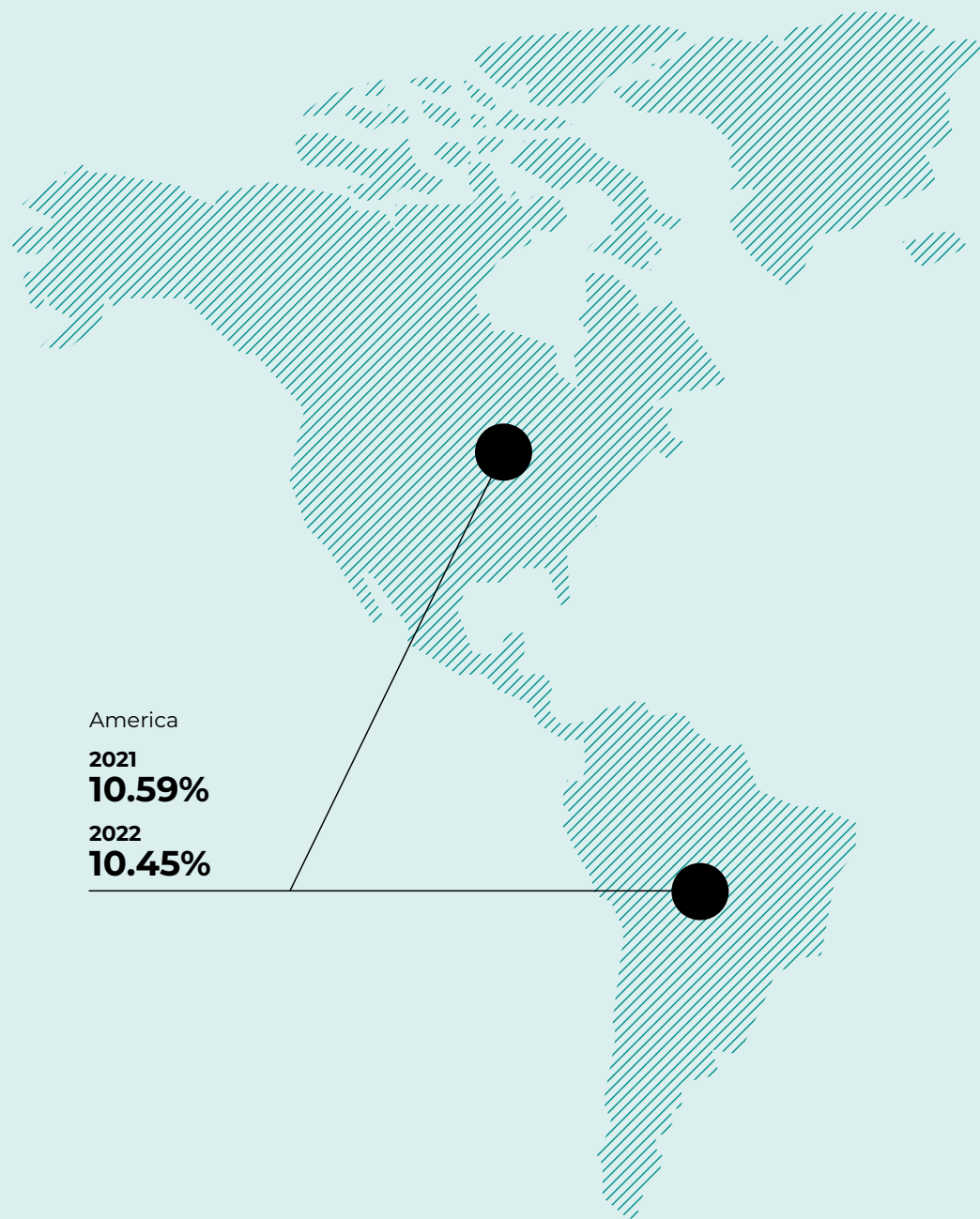
- **Indirect customers
(key accounts, brand owners)**

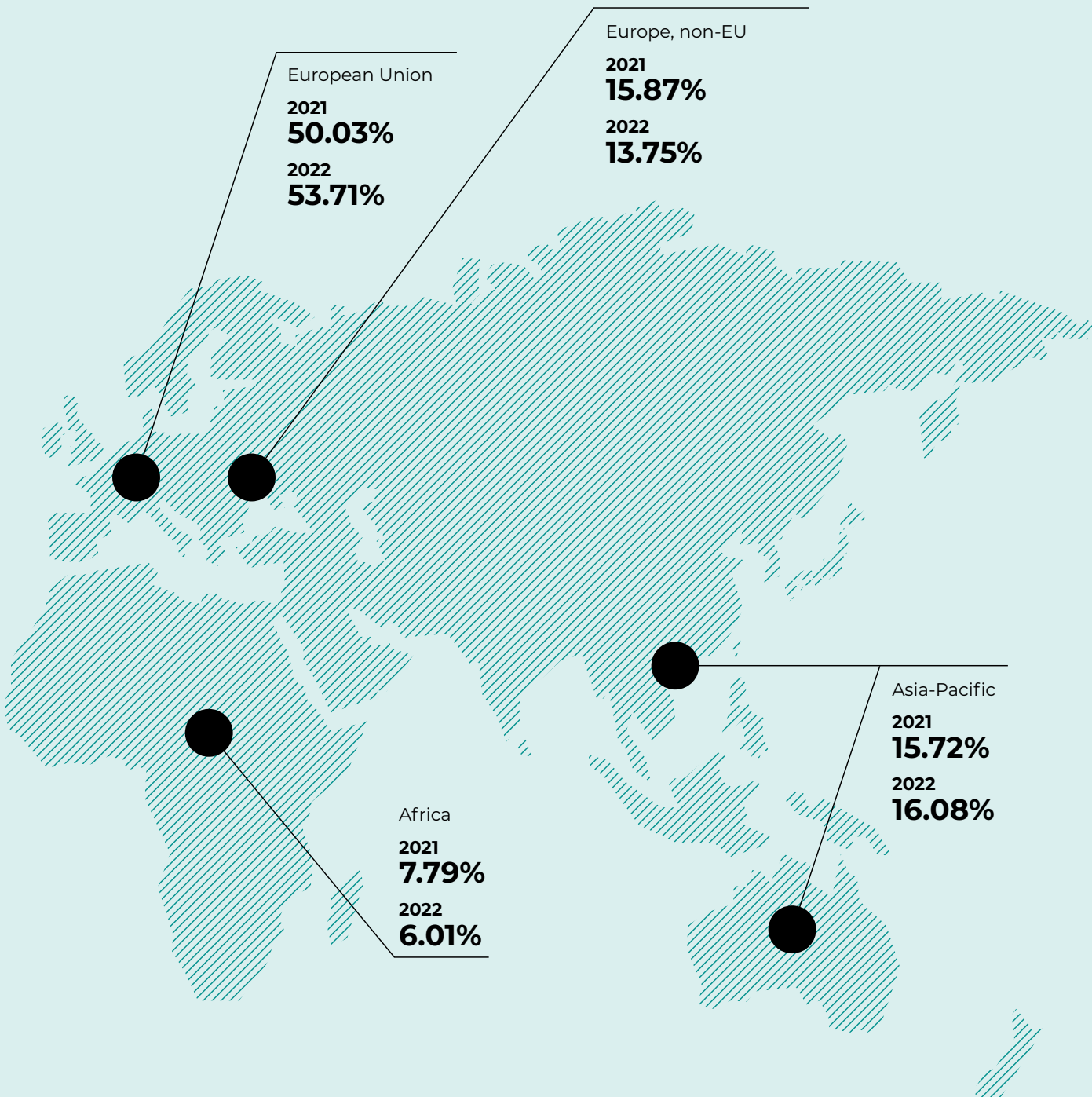
The third main group of customers comprises partners in the further processing industry and brand owners who value our products and want to guarantee a consistent quality across their supply chain.



*Insight into our paper production
(sheet-cutting machine in the equipment department | Niklasdorf)*

Market presence according to percentage of volumes sold with regard to the overall volume of B&B





Our vision

It is our declared goal to become a leading solutions provider for all types of label papers, as well as for flexible packaging papers and special solutions for our customers. We achieve this through smart, future-oriented and sustainable product and process design as well as through passion for our activities.

Our mission



Solutions

When it comes to paper and packaging, we are the innovative corporate group with a green heart. We always act flexibly and dynamically. Innovation is of great importance for us. We focus our existing capacities on high-quality label papers, flexible packaging papers and specialty papers, continuously supporting our customers in meeting their high requirements. Quality and service from us at B&B are benchmarks for the entire industry.



People

Personnel development is a central element of our corporate culture. That is why we actively encourage training and ongoing education of our employees.

With our employees we shape a sustainable future.



Environment

We contribute to reducing the ecological footprint along the entire value chain. We select our raw materials carefully and purchase them from sustainable sources. We act in an efficient way, conserving our resources, and continuously optimizing our processes.

Our values



The courage to innovate

We see ourselves as an innovation leader in our industry. Comprehensive expertise and many years of experience in the production of special papers form the basis of our success. In the exchange with stakeholders along the entire value chain, we develop well-founded solutions that lead to efficient and innovative products.



Mindfulness and respect towards our environment.

For us, sustainability is not just a word: Environmentally friendly actions, production that conserves resources, and efficient processes are a matter of course for us.

The respect towards our environment drives us to contribute daily to climate and environmental protection and to a sustainable world of tomorrow. We do not promise sustainability – we live it!



A corporate mindset

Being successful requires enthusiasm, flexibility and the ability to recognize and seize new opportunities on the market. We constantly seek the way forward – together with our stakeholders, aim to achieve success and confidently stride into the future.



Proximity to people and regions

The strong dedication of all our employees has always shaped our company. Therefore, we are committed to creating a respectful and future-proof corporate culture. We fulfill our responsibility as an employer and always strive to support each of our employees individually. In doing so, we also contribute to the prosperity of the region.

Projects and initiatives

Ecological sustainability has a long tradition at B&B. Measures for the efficient use of energy and for the conservation of resources have already been implemented in both plants.

Sustainable activities, from the outset

As early as the 1990s, our first certification according to ISO 9001 laid the foundation for the alignment of our business activities. Even back then, we were aware that a future-proof company can only grow on a solid foundation. The challenge was quickly tackled and we at B&B were thus one of the first to receive a certificate from the relevant institutions. To this day, we maintain management systems in all company processes.

In 2007 we made the decision to certify both plants according to the environmental standard ISO 14001 and the HACCP hygiene standard. At the time, the entire paper industry was striving above all for maximization of profit and minimization of costs. But it was obvious for us early on that it is also in the corporate interest to act in a sustainable way, to conserve the environment and to minimize the impact of our actions in the long term.

In regards to costs savings, these can be simultaneously achieved through investments in sustainable technologies. Further certifications were thus achieved, whereby here too the synergies of the two sites were used.

- PEFC™ certification in 2008
- FSC® certification in 2009
- Energy management system according to ISO 50001 in 2014

All these efforts have helped us to overcome crises and to reinvent ourselves over and over again as we draw on the experiences of the last decades. It is gratifying to see how our company has evolved and the environmental successes we can look back on.

The waste-to-energy plant ENAGES at the site in Niklasdorf

In 2004, we at B&B decided to set a signal and to deactivate the boiler house, which ran 100% on fossil fuels to supply electricity and steam to the production plant. Instead, the company put its faith in an innovative waste-to-energy plant – the ENAGES project – in which non-recyclable waste can be thermally recovered. This contributes to reducing landfill waste and protecting public health, as the residual substances are made inert and also sterilized, thus preventing the spread of pollutants. Another fundamental benefit of the ENAGES is the substitution of fossil sources of energy such as gas, oil or coal and consequently ensuring of a CO₂-optimized energy supply.

Currently, a project funded by the European Union is being implemented to recover valuable raw materials from the bed ash of the waste-to-energy



The waste-to-energy plant ENAGES supplies the site in Niklasdorf with CO₂-optimized electricity and steam

processes. The treatment plant will be set up directly at the site in Niklasdorf. Through the use of state-of-the-art classification and sorting technology, it ensures that valuable materials are returned to the production cycle. After the combustion process, non-combustible

inert substances are mechanically treated in a bed ash sorting system, enabling the recycling of materials such as metal, glass, and others. The goal is to reduce the use of natural resources and avoid emissions from primary production. →



The waste water treatment plant at the site in Vevče

Waste water treatment plant at the site in Vevče

As early as 2008, the biological water cleaning plant was put into operation at the site in Slovenia with an investment volume of EUR 5.6 million. It cleans up to 3500 cubic meters of water every day. This capacity would also be sufficient for a settlement of 28,000 residents. The treated water is purified to a higher standard than that required by the international standards of the IPPC (Integrated Pollution Prevention and Control) guidelines. In this way, we show our respect for nature and its requirements because water is a source of life and a precious asset.

Renewable energy through hydropower

Our two production sites have long relied on the use of hydropower from nearby rivers – the Mur River in Styria and the Ljubljanica River in Vevče. The power plant at the site in Vevče is particularly special. It was the second alternating current power plant worldwide to be put into operation and since 1897, it has been supplying the paper mill at the Vevče site with a voltage of 3 kV. The power plant was expanded between 1921 and 1923. Together with two other hydropower turbines, this plant covers around 10 to 15% of the electricity requirements of the production site in Vevče.



Photovoltaic plants at the site in Vevče

The plant in Niklasdorf also receives up to 30% of its electricity from a hydropower plant. In addition, in 2008, a new weir system was put into operation and set up according to the strict specifications from the region and the fishing association. A total of four turbines supply the plant with electricity from hydropower and thus make it possible to reduce the purchase of external electricity to a fraction. Consequently, the public grid is only used at peak times or in dry periods.

Photovoltaic plants for the production of additional energy

The aim is to further reduce reliance on the public electricity grid and replace it with independently generated energy from sustainable sources. This is why the construction of photovoltaic plants at the two sites is planned. At the site in Vevče, a plant with an installed peak performance of 1MWh_p has already commenced operation. Further investments are planned at the sites in Niklasdorf and Vevče.

Certificates and policy commitments (GRI 2-24)

A number of certificates confirm the measures and the compliance with specifications in the area of energy, environment and quality management. In addition, a framework exists to ensure compliance with obligations beyond legal requirements. Since 2020, a Code of Conduct has been in place, the values of which are integrated in the general terms and conditions of business for the collaboration with our business partners.

In the long term, the plan is also for a joint Code of Conduct and further rules on the compliance with our obligations at the ROXCEL Holding level. The implementation in internal processes and business practices is currently being regulated via management systems, which will be supported by additional regulations, commitments and external assessment procedures in the future.

Achievements, certificates and initiatives to date of the Brigl & Bergmeister Group



Sustainable procurement

- FSC®
- PEFC™
- Use of secondary fibers
- C2C Certified Material Health Certificate™ Silver Level for the product group Niklakett Medium



Social responsibility

- Health and safety at the workplace (HACCP)
- Business ethics audited (according to SMETA 4-PILLAR, Vevče site in 2016)
- EcoVadis membership
- Code of Conduct



Environmental commitments

- Environmental management system (certified according to ISO 14001)
- Energy management system (certified according to ISO 50001)
- EcoVadis membership
- Klimaaktiv Award (for implementation of the climate and energy strategy #mission2030 of the Federal Ministry for Sustainability and Tourism, 2018)

Networking and exchange of knowledge with the entire value chain

(GRI 2-28)

The exchange with interest groups, associations and research facilities is very important for us at B&B. In this way, we ensure the continuous exchange of know-how beyond the company. The goal is to monitor the current developments with regard to legislative, technology and market and to facilitate an active exchange.

An overview of the associations in which we foster active exchange:

- CEPI – The Confederation of European Paper Industries
- Austrian Economic Chamber | Chamber of Commerce and Industry of Slovenia
- Austropapier – Association of the Austrian Paper Industry
- Združenje slovenske papirne industrije pri GZS (Paper and Paper Converting Industry Association at Chamber of Commerce)
- 360° Foodservice – The collaborative platform for sustainable service of food and drinks in Europe
- Trade associations such as ÖZEPA (Austrian Association of Pulp and Paper Chemists and Technicians) and DITP in Slovenia (association of paper technicians/engineers from the paper industry)

We at B&B have been following the approach for years that knowledge exchange and awareness building are essential elements to strengthen understanding and responsibility within the value chain. That is why we regularly organize opportunities for specialists to exchange information with all stakehold-

ers of the industry and thus promote an integrated mindset beyond the direct supply chain. With the goal of sharing know-how and overcoming major challenges of our time together, the conferences of the Brigl & Bergmeister Group stand for “sharing knowledge”.

We have been running these platforms as early as the 1990s and make it possible for paper, sizing agent, machine and color producers, designers, printers, marketing experts, technologists and other experts to think outside of the box and to envision the future together. The entire supply chain of the food and beverage and the consumer goods industries, as well as special users, meet up in these settings.

Label conference 2018

The last conference was entitled “Moving together towards a circular economy”. It was held in Salzburg in March 2018 and was attended by 190 participants from the entire supply chain. The focus of the conference was on the challenges that result from requirements of the packaging-related environmental legislation. The conclusions of the conference emphasized the necessary shift in awareness towards sustainable design and consumption.

“Golden Label” competition

In addition to our conferences, the “Golden Label” competition was also held. Within the framework of the competition, a jury of experts presented awards to technical solutions as well as creative designs for paper labels and packagings. →

Preview of PAPCON 2023

Especially in uncertain times when the entire industry is under tremendous pressure, we have decided to revitalize the format in a new international and cross-industry light.

The PAPCON 2023 is intended as a platform for the paper industry and the entire value chain. This year, the focus will once again be on the development of a sustainable future for the industry and both the label and packaging sector will be addressed.



We at B&B are committed to the industry-wide exchange of know-how along the entire value chain (2018 label conference | Salzburg)

B&B in the value chain

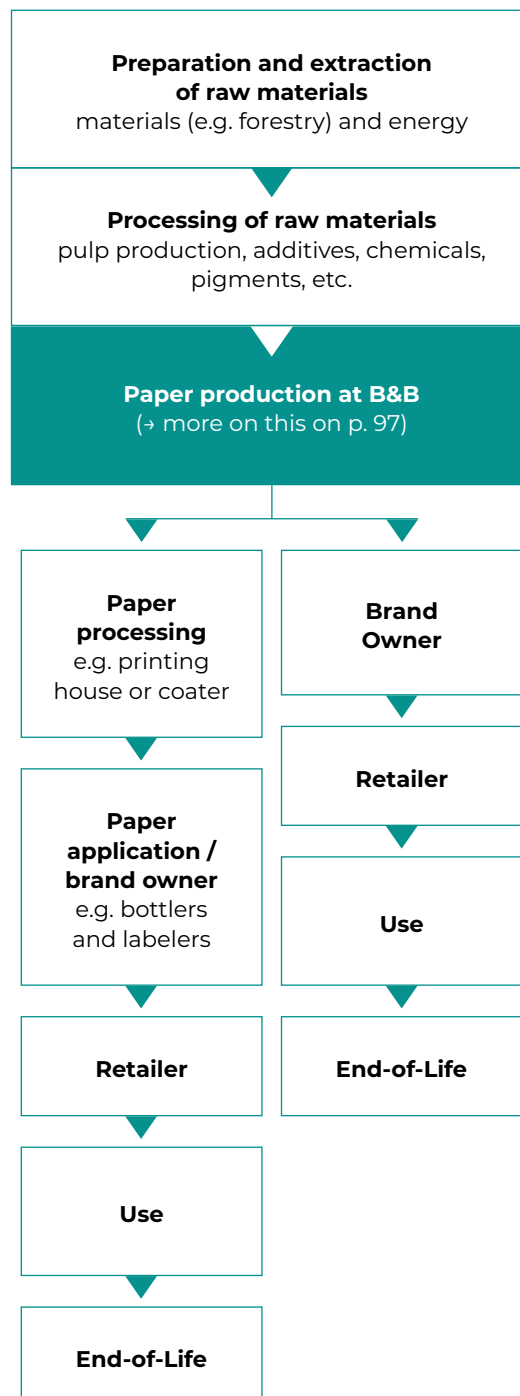
(GRI 2-6)

Due to our special applications, we at B&B are integrated in a complex value chain and see ourselves as intermediaries beyond direct partnerships.

We pursue a holistic approach and view the complex environment of our value chain as a driver of innovation and motivation to develop application-specific solutions. Our main suppliers are processors of raw materials; these include primarily pulp suppliers. Both sites work as non-integrated paper factories; in other words, they do not produce the pulp themselves but instead purchase it from suppliers. Auxiliary materials and additives from the upstream supply chain are also purchased. A differentiation can be made here between

- Filler materials and chemicals that are added in the paper machine, such as calcium carbonate, titanium dioxide, wet strength agents and starch as well as
- pigments and chemicals that are used in the coating process, such as kaolin, latex or optical brighteners. →

Value chain of Brigl & Bergmeister as well as relevant business relationships



The direct customers of our products are particularly paper converters and their users, such as printers and processors. However, there is also a close collaboration with bottlers, labelers and brand owners who are responsible directly for the procurement of the materials for their products. That is why there is an extended network that comprises the following partners: food and beverage

producers (e.g. breweries), game manufacturers, the food industry, brand owners, packaging technologists, marketing & advertising agencies, dealers, designers, color producers, adhesive producers, solvent producers, container manufacturers (e.g. glass bottle producers) and machine manufacturers (bottling systems, labeling machines, wash systems).

Sustainability of our products

The development of sustainable product solutions includes different requirements. We at Brigl & Bergmeister meet these requirements through processes that conserve energy and resources as much as possible. In addition, we take into account our contribution to the circular economy, the safety of packaged goods and the environmental compatibility of the raw materials used.

Creating products for a specific application and with the highest performance is the basis of sustainable product development for us. Our requirement is to develop innovative solutions for customers and to conserve resources as best as possible. The development process is therefore continually and iteratively adapted to the two segments that we supply.

Wet-strength and alkali-resistant label papers

For use in return-refill systems, our wet-strength label papers support the smooth circular process by guaranteeing optimal stability in the washing process.

According to the waste hierarchy, we take the approach of conserving resources with the greatest impact. For our label papers, this means that glass bottles should be fed with minimal residues into the next life cycle. In addition, the labels should minimize the burden on the water and detergent consumption of the bottlers' washing facilities.

Our special wet-strength and alkali-resistant labels are ideally suited for this application and can therefore make a fundamental contribution to conserving valuable resources and to ensuring the efficiency of the processes.

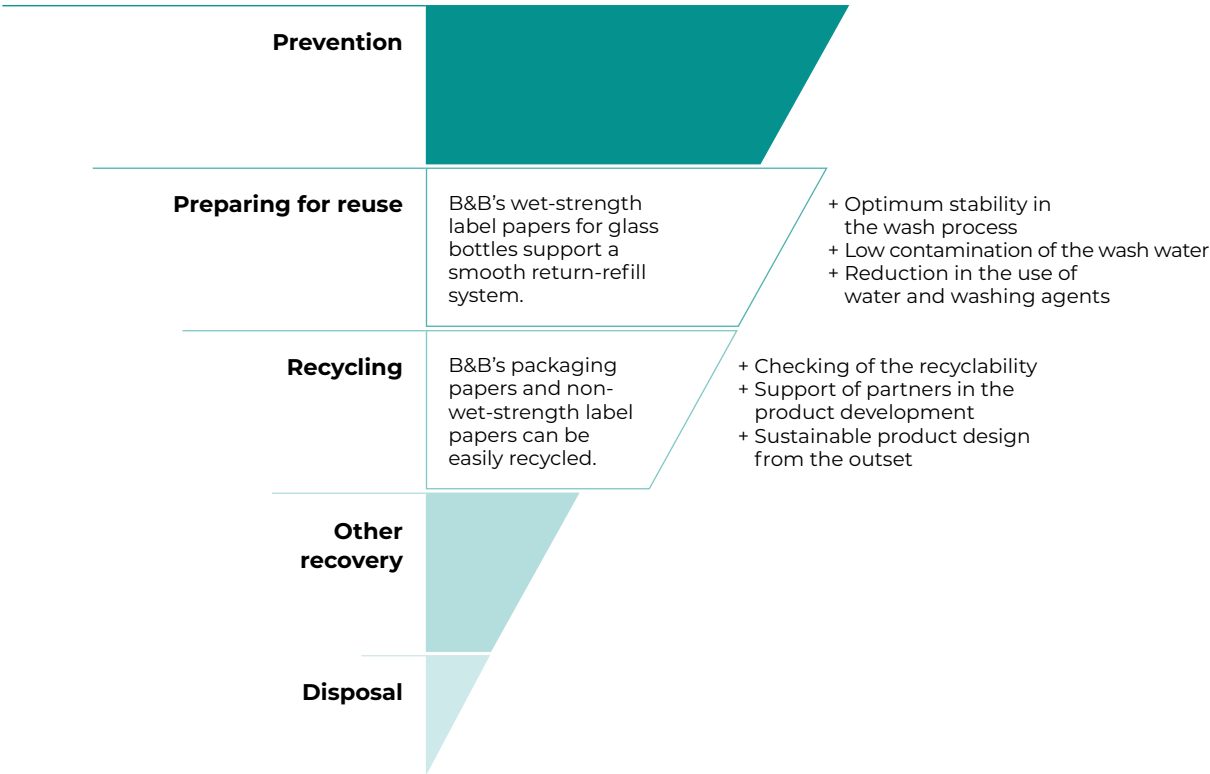
The downside is that these label residues, which remain in small quantities after the washing process, are contaminated and cannot effectively be recycled in the paper industry. Therefore, the focus lies on fulfilling the requirements of the return-refill systems.

Packaging papers

This is in contrast to our packaging papers. Here, the life cycle is a different one and the requirement of developing recyclable solutions for the market is very clear. That is why our packaging papers and non-wet-strength label papers are checked for their recyclability¹.

In addition, we support our partners with our laboratory and research team during the development process of recyclable barrier papers. This collaboration is the basis for guaranteeing a sustainable product design from the outset. In addition to this requirements profile for our packaging papers, we also develop products that are a replacement for certain plastic items and thus aim to reduce the impact on the environment. For instance, through the efforts of the EU 2019/904 Single Use Plastics Directive, our paper was developed for drinking straw applications and continuously optimized together with our partners. →

Classification of our products in the circular system



¹ Analysis depending on application and standard upon request



Use of recycling fibers

To ensure the high quality standards of our special papers, a consistent raw material fiber quality is required. Currently this is only achieved with a blend of carefully selected virgin fibers. Based on our current status, it is not possible to guarantee the consistently high level quality by using recycled fibers from post-consumer waste paper. Another consequence of using recycled fibers would be a higher CO₂e footprint across the entire value chain.

With our product Niklakett Medium Pure, we offer a paper produced from pre-consumer waste, allowing us to reduce the CO₂-footprint compared to our standard grades while maintaining the same quality characteristics. Our aspiration remains, namely to act in a sustainable way, despite the highest quality requirements, and to develop products from a holistic perspective.

In order to minimize pollution of the environment, not only recyclability but also compostability is ensured in the development of our packaging papers. For this reason our packaging papers are checked by an external laboratory and can be industrially composted compliant with ISO 13432:2000-12 ².

Food safety

The protection of packed goods has, in addition to many other requirements of our special papers, the utmost priority. That is why all our packaging papers fulfill the requirements of the currently valid regulations for food contact materials, e.g.

- Regulation (EC) No. 1935/2004
- German BfR recommendation XXXVI
- German Food, Consumer Goods and Feedstuffs Code (LFGB) Section 30 and Section 31
- Code of Federal Regulations, Food and Drugs (FDA), 21 CFR, Chap. I, Section 176.170 and Section 176.180
- Regulation (EU) No. 10/2011
- Regulation (EC) No. 2023/2006
- Regulation (EC) No. 1895/2005
- CEPI food contact guideline

² Analysis by ISEGA Cert GmbH, Aschaffenburg

Product safety

Our flagship among the wet-strength label papers – the grade group Nikla-kett Medium – has been certified by the Cradle to Cradle Products Innovation Institute (C2CPII) with the C2C Certified Material Health Certificate™ Silver Level. This certificate is a verification of the health and safety of the composition of a product using the material health requirements of the Cradle to Cradle Certified Product standard. It is thus confirmed that the chemicals and materials used in the product have been selected in such a way that the protection of human health and the environment has been prioritized and they also have a positive impact on the product's suitability for reuse and recycling.

Certified forestry

Our two sites have been certified since 2008 according to the PEFC™ (Programme for the Endorsement of Forest Certification) and since 2009 according to the FSC® (Forest Stewardship Council). Our paper grades are therefore produced on pulps from sustainably managed forests.

→ See “Sustainable consumption of raw materials along the supply chain” on p. 95



*Pulp from sustainable sources
is the basis for our products.*

Product portfolio



Wet-strength & non-wet-strength label papers

Our wet-strength label papers convince with their outstanding wet-strength and alkali-resistant characteristics, specifically for the use of return-refill systems. These features are supplemented by optimal machine running characteristics in the printing and labeling process and a broad selection of surface specifications.

Our non-wet-strength label papers are characterized by an excellent printability and an outstanding flatness.

Flexible packaging papers

Through our broad product portfolio of flexible packaging papers, we have the possibility to offer the ideal paper for different print processes and processing technologies.



Special papers

Tailored to individual requirements, we offer special papers that convince with their diverse functionality.

The development of special solutions is one of our core competences and a fundamental component of our corporate philosophy.



SUSTAINABILITY MANAGEMENT

**“If not
now, when?
Change is
needed for
a future
we desire.”**

Ulla Gürlich | Sustainability Manager

#now



”

**It soon
became clear:
We at B&B
want to
change!**

“



**Looking to the
future with
respect and
optimism**

Ulla Gürlich, Sustainability Manager, talks about what needs to be done now in order to integrate a long-term sustainability strategy within B&B's business practices.

What does sustainability mean for B&B?

For us, sustainability means constantly striving, with a healthy dose of self-criticism, to meet our standards with regard to transparency, credibility, responsibility and mutual respect.

What is the greatest challenge to establishing sustainability in the company?

Implementing our measures in a sound and transparent manner in all our business processes. Other factors are the general uncertain economic situation, geopolitical events and the dependency of our industry on natural resources and the availability of a lot of energy.

Which path has already been taken in this direction?

At the beginning of our sustainability initiative, we analyzed the current situation within the company, the relevant processes and the measures that have already been taken. Based on that, the willingness for transformation was evaluated. It soon became clear: We at B&B want to change! The key step was creating an awareness for the importance and impact of the initiative.

Then it was about developing sustainability as a strategic element for our company. This includes the collaboration between different departments in the company and with our stakeholders along the value chain.

Which topics out of all your measures have the highest priority?

In the area of the environment, it is about safeguarding a stable and sustainable energy supply. In the area of employees, we have to acknowledge the change in society and the world of work. A working environment is needed in which it can be said with pride: I belong to the B&B team. Because we know: The achievements of our colleagues have brought us to where we are today.

Why should B&B become active now?

If not now, when? We have to meet the high requirements of our industry. At the same time, our intrinsic motivation at B&B to adopt a pioneering role for partners, customers and employees is very high. It is too late for pessimism – change is needed for a future we desire.

How do you see the future of sustainability development at B&B?

I acknowledge the challenges of the future because these are not decreasing, but I am also very optimistic. From the management to each and every colleague, we must be aware of why we have set out on this journey and believe that we can succeed.



Video of the full interview:
youtu.be/UbB7Jm_0qfg

For English subtitles turn on closed captioning.

Management, coordination and governance bodies at B&B

(GRI 2-9, 2-11, 2-12, 2-13, 2-14, 2-16, 2-17, 2-25, 2-26)

Sustainability is enshrined in the core of our company processes. With the launch of the **sustainability initiative** in 2021, a comprehensive sustainability management was also set up. The goal is to implement sustainability measures effectively in all relevant company areas and processes.

→ **Details on the sustainability initiative of the B&B Group on p. 58**

The Sustainability Team

The **Core Team** comprises the **Sustainability Manager** and representatives of the areas **Technology and R&D, Marketing, Business Development** and **Sustainability**. This team acts as a management hub between experts from specialist departments (**Extended Sustainability Core Team**) and collaborates directly with the Sustainability Manager in the development of the sustainability strategy and the monitoring of key performance indicators.

The **Sustainability Manager** reports to the Management Board, coordinates the strategy development and uses synergies between individual departments and measures in the company as well as at group level (ROXCEL Holding).

External institutes and specialized software

The development of the sustainability strategy and the formulation of measures are accompanied by external institutes. In addition, a specialized software solution is used for the collection and the monitoring of data and key performance indicators.

→ **Details on the sustainability strategy of the B&B Group on p. 64**

Specialist departments

The **Extended Sustainability Core Team** comprises representatives of the specialist departments who are decisive for the implementation of the measures from the sustainability strategy. The entire team meets up in order to define tasks on specific themes, to develop measures to achieve goals and to integrate them into the company processes. In the process, the specialist departments constantly build up expertise on the implementation of the sustainability program.

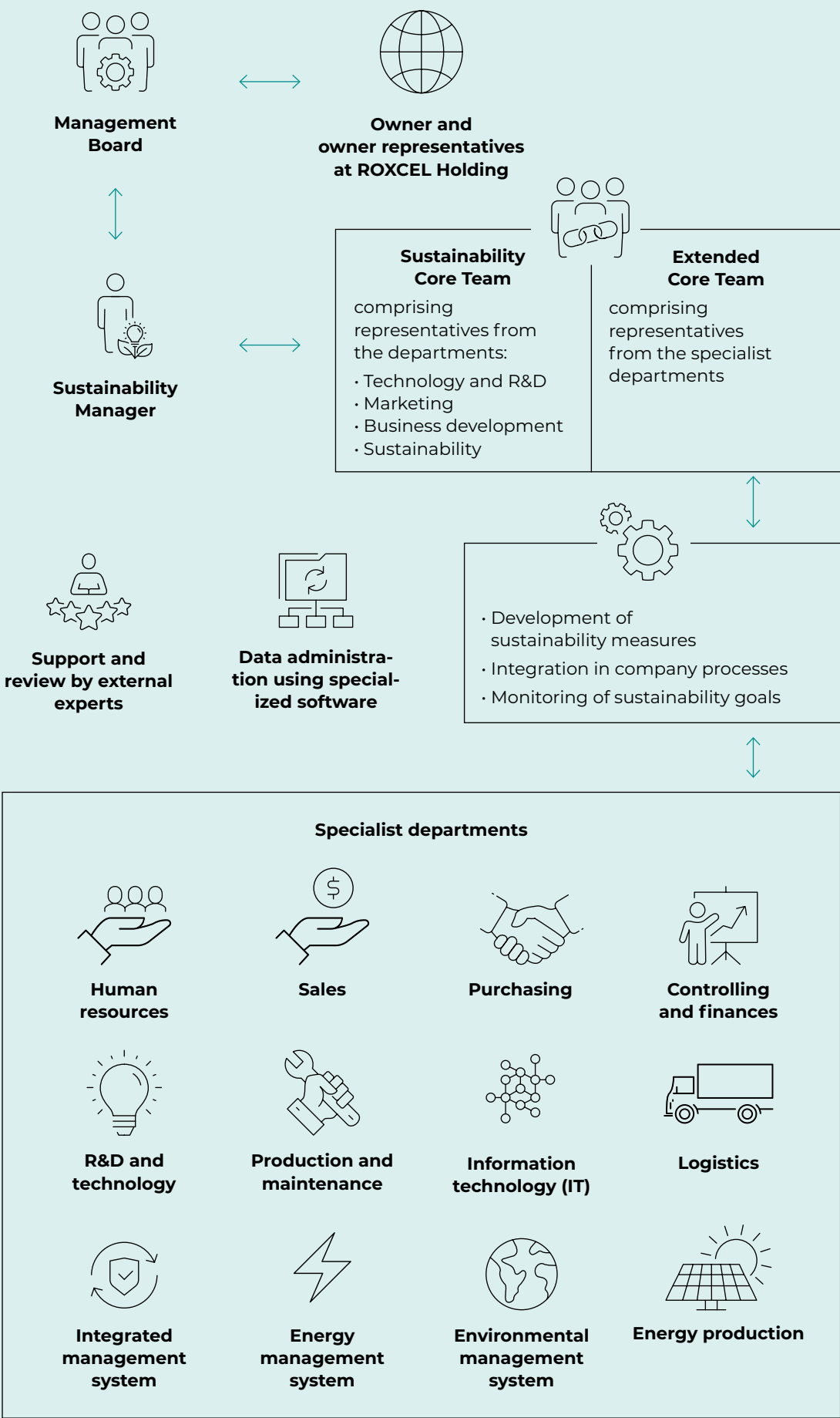
→ **Details on the sustainability program of the B&B Group on p. 74**

Owner, owner representatives, Management Board and reporting

The highest governance body of the Brigl & Bergmeister Group is the **owner of ROXCEL Holding and his representatives**.

The management – **B&B Management Board** – will report to the owner and his representatives each month on the progress of the sustainability initiative. The Management Board forms the link between the owner, owner representatives and the sustainability management and is responsible for compliance with due diligence in the company processes. The Sustainability Manager regularly reports on the progress of the initiative and agrees on the development of measures within the framework of the sustainability program with the Management Board. →

Sustainability management at B&B



The **decision making** is done jointly with the owner and his representative. The ultimate responsibility for goals, measures and decisions lies with the management (consolidated in the Management Board). Critical matters are thus also reported to the highest governance body at least once a month and the coordination is the responsibility of the Management Board.

Reporting between specialist departments and management

Independently of the Sustainability Team there is a **reporting line from all specialist departments to the management**. The specialist departments with a reporting obligation are divided, among others, into Human Resources, Sales, Purchasing, Controlling and Finances, R&D and Technology, Production and Maintenance, IT, Logistics and Management Systems.

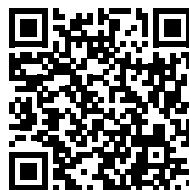
The managing directors are also informed by the specialist departments about progress and also about incidents with regard to economy, environment and people. Moreover, critical matters are immediately reported to the Management Board and coordinated with the owner and his representative. The Management Board is responsible for monitoring and managing impacts in the area of economy, environment and people.

Expertise in the area of sustainable development

The Sustainability Manager has in-depth knowledge in the area of corporate sustainability. Furthermore, expertise was expanded through targeted training of the Sustainability Manager and the Sustainability Core Team. The knowledge of the Management Board was developed through external specialists for sustainable development and by participating in events. The aim is to develop additional know-how in the Management Board and in the highest governance body.

Whistleblower platform

In addition to the official channels and the reporting to supervisors of the respective specialist departments, there is also the opportunity to submit anonymous complaints via a whistleblower system, the ROXCEL Group whistleblower platform.

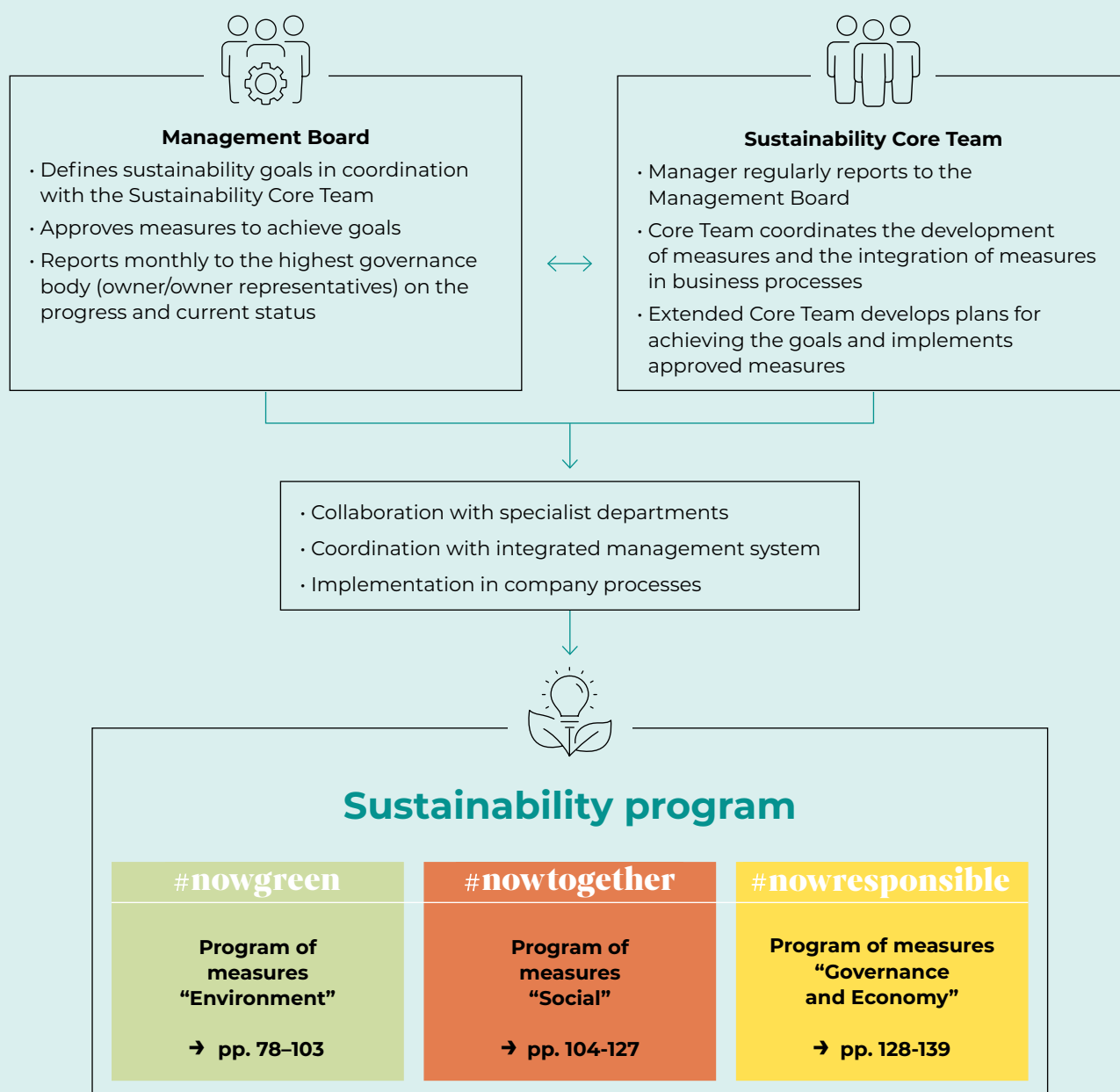


**Scan here in
order to access
the whistleblower
platform**



The B&B Sustainability Core Team – a strong team for a great challenge

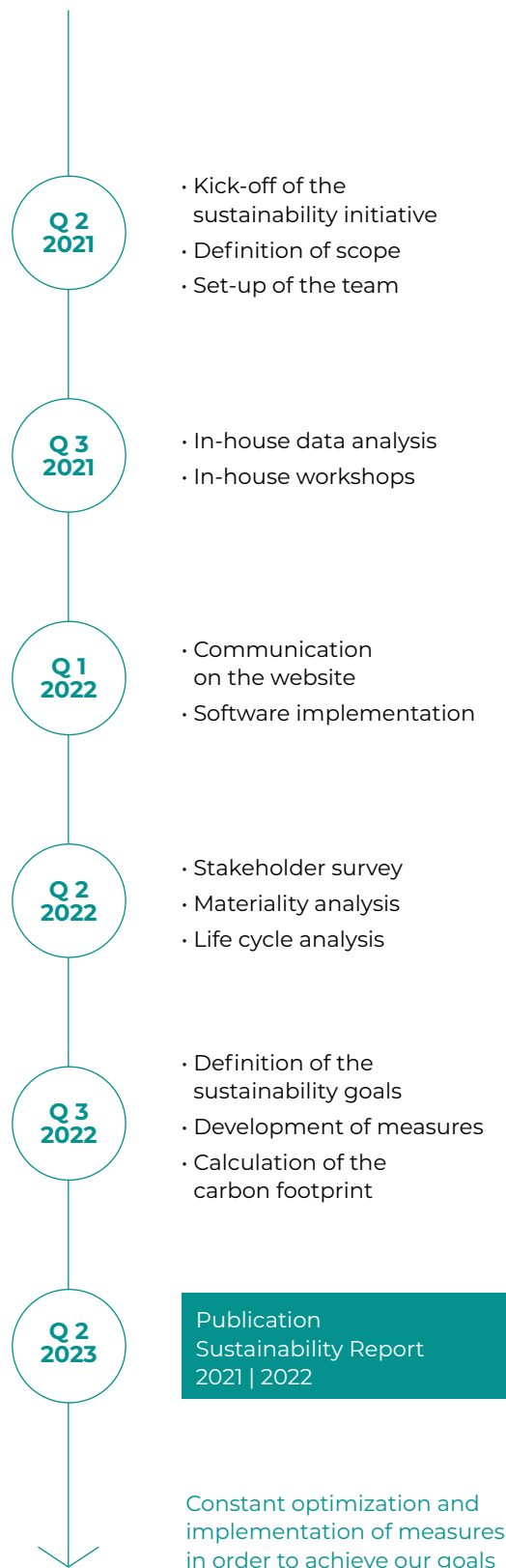
From left to right: Thomas Fabian, Ulla Gürlich, Florian Schlegl, Shirin Porkar, Ana Sotlar, Eugen Habsburg-Lothringen



The sustainability initiative of the B&B Group

The **sustainability initiative** of the B&B Group was launched in the second quarter of 2021. The goal of the initiative was to develop a company-wide **sustainability strategy** and to derive a specific **sustainability program** from it.

Initially, the Sustainability Core Team was launched and the collaboration with the Extended Core Team, comprising a group of experts for the specific topic, was commenced. In the first steps after this, an understanding of an integrated corporate sustainability strategy was created. With this in mind, workshops were held with the Management Board and the experts of the specialist departments. This was then followed by the setting up of internal structures such as the implementation of a data recording software and the selection of external consulting institutions to accompany the initiative.



In 2022, the following milestones were reached:

- Implementation of a data recording software with the focus area "Monitoring of sustainability key performance indicators"
- Calculation of the corporate carbon footprint for 2021
- Involvement of the stakeholders along the value chain
- Definition of the action areas, goals and measures for the sustainability initiative (in the principle of double materiality)
- Environmental life cycle assessment of some paper types by an external consulting company

In 2023 the first sustainability report was published for the reporting years 2021 and 2022. This achieved milestone includes the sustainability performance of the company along with future planned measures.

Following this, the further implementation of the measures from the sustainability program related to "Environment", "Social" and "Governance and Economy" is planned. The long-term goal is to continuously enhance the sustainability performance of B&B.

Handling of risks and compliance with laws and regulations

(GRI 2-15, 2-16, 2-24, 2-25, 2-27)

The responsibility for corporate actions and the early identification of risks and their impacts form the central basis for decisions in the Management Board.

Identification of risks

There is a comprehensive risk valuation system in which company-related risks are assessed yearly through risk evaluation within the management systems

and environmental analysis. The assessment will be done according to the probability of occurrence, the impact and detectability. Based on this analysis, the overall risk is assessed by the Management Board for various sub-areas – for instance, market-related, person-related, company-related, or nature-related, in-house, external, technical, legal, safety-relevant or →

administrative risks. The composition of the assets shows that our company is exposed to substantial risks. These risks to assets and damages caused by environmental influences (water, fire) are

covered by extensive precautionary and diversification measures, as well as necessary insurance coverage. At the same time, there are also great successes to be reported in 2022.



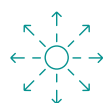
Identified risks in 2022 (excerpt)

- Substantial increases in all costs (raw materials, energy, transport, fixed costs)
- Continued difficult supply situation for raw materials and supply chains, particularly pulp, chemicals and energy
- Preservation of the specified quality of our papers based on the shortage of various raw materials
- Continued difficult situation in logistics – also with truck & rail availability



Our company successes in 2022 (excerpt)

- Very good utilization of the machines and order situation
- Survived cyber attacks and continued further tightening of IT security
- Successfully completed ISO audits (14001, 9001, 50001, HAACP)
- Substantial reduction of mill broke



Distribution of existing risks (excerpt)

- Development of partner-like relationships with suppliers
- Avoidance of single sourcing
- Availability of equivalent materials in compliance with the approval of suppliers according to ISO processes
- Close collaboration between the two sites and implementation of a central procurement process
- Possibility of using several sources of energy



The sustainability strategy is intended to support us at B&B in presenting ourselves on the market as a paper producer that is fit for the future (reel slitting machine in the finishing department | Niklasdorf)

Outlook for 2023

The developed sustainability strategy targets future-oriented activity addresses social responsibility and provides measures to minimize impacts that contribute to climate change. The management approaches for the focus areas “environment”, “social” and “governance and economy” are explained specifically for each topic in the **chapter “Material topics”** (from p. 76). The goal is to optimize the company’s sustainability performance further and to fulfill the responsibility within the value chain.

→ **“Sustainable consumption of raw materials along the supply chain” on p. 95**

Additionally, it can be reported that there were no violations of laws resulting in fines or non-monetary penalties in the reporting years 2021 and 2022. Within the framework of our activities and business relationships as B&B, the review of the supply chain with regard to environment and people, including human rights and business ethics, is to be further strengthened.

→ **Details of the B&B Group business ethics on p. 134**

Goals for a sustainable future are anchored in our corporate strategy.

#now



Development of the B&B sustainability strategy

(GRI 2-22)

Sustainable actions, their integration into our business processes, and transparency form the basis for this report. Here too, we strive to fulfill our honest promise of a sustainable future for our sites.

Within the framework of the B&B sustainability initiative, a **sustainability strategy** and from it a **sustainability program** were developed in a process lasting one and a half years. The sustainability strategy incorporates our sustainability goals and the implementation of measures in the sustainability program. Our goals are to

- (1) develop sustainable activity in the company further in new standards,
- (2) implement lived sustainability within the framework of a sustainability program in the business processes and
- (3) create the basis for an open and in-depth communication with our stakeholders.

Identification and description of relevant topics

The development of the sustainability strategy was aligned to the reporting principles according to **GRI 1 Section 4**. These incorporate:

- Accuracy
- Balance
- Clarity
- Comparability
- Completeness
- Sustainability context
- Timeliness
- Verifiability

The **process which was accompanied by external experts** comprised the following stages:

- Kick-off, appointment of the Sustainability Core Team and establishment in the Management Board
- Visions workshop with the Management Board
- Analysis and evaluation of internal and external stakeholders
- Assessment of the impact of entrepreneurial activity

Based on this, the **relevant topics of the company** were identified. For each topic, the impact, opportunities and risks as well as the company's expectations were described based on the current situation.

The **identified stakeholders** were invited within the framework of an online survey to evaluate the relevant topics. In this way, the **material topics of the company** were identified based on the materiality analysis.

Goals and integration

For all material topics,

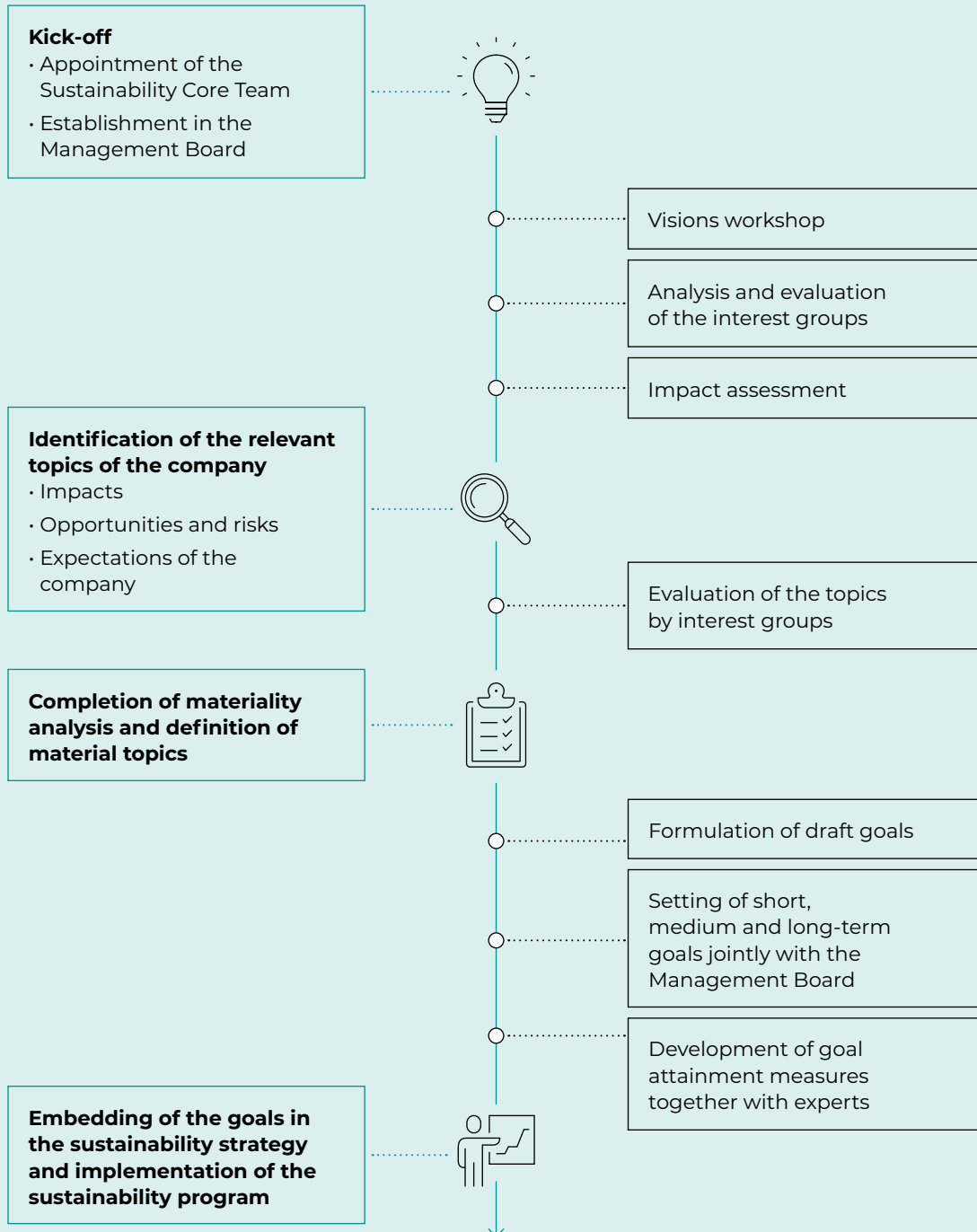
- draft goals were formulated,
- short-term, medium-term and long-term goals were set jointly with the Management Board,
- Measures were developed for achieving the goals together with experts from all specialist departments that are responsible for the implementation of the measures, and
- finally the developed goals were embedded in an integrated sustainability strategy.

The creation of our sustainability strategy

(based on the principles of the report standard according to GRI 1 Section 4)

The requirements of our sustainability strategy:

- (1) further develop sustainable activity in the company
- (2) implement lived sustainability
- (3) facilitate open and in-depth communication with our stakeholders



The sustainability process is an iterative one. For each subsequent report, the process is repeated within the reporting period. This makes it possible to depict in

depth changes within the organization and among stakeholders. In this way the organization also guarantees comparability between the different periods.

Stakeholder engagement and process to determine material topics

(GRI 2-29, 3-1, 3-2)

We at B&B see ourselves as a link within a very diverse supply chain. We have always strived to have this diversity of requirements incorporated into our day-to-day decisions – a comprehensive involvement of all stakeholders was therefore the first premise for conducting the materiality analysis. After the company's vision for a sustainable future was defined, we started with the **6 steps** for the development of a corporate sustainability strategy.

The figure on p. 68 shows the material topics evaluated from this process.

Step 1: Stakeholder mapping

Department heads and decision makers at both sites were involved in a multi-stage initial selection of the relevant stakeholders. The stakeholders were evaluated according to their influence on the company and their interest in the company and classified graphically in a stakeholder mapping. The selection of the relevant stakeholders was based on qualitative criteria. All relevant stakeholders were invited to participate in the following online stakeholder survey.

Interest groups involved

The stakeholders involved include **internally**:

- Owners of the company
- Management of the company
- Employees (salaried)
- Employees (laborers)

and **externally**:

- Brand owner (segment: Labels)
- Brand owners (segment: flexible packagings)
- Brand owner (segment: Other)
- Direct customers (segment: Labels)
- Direct customers (segment: flexible packagings)
- Direct customers (segment: Other)
- Suppliers (raw materials)
- Suppliers (energy)
- Suppliers (other)
- Logistics partners
- Other partners and institutions
- Banks and insurance companies

Step 2: Impact assessment

The impact along the value chain was identified jointly with the Sustainability Core Team and Extended Core Team (experts from specialist departments) and assigned in a matrix according to ecological and social characteristics.

Step 3: Description of the relevant topics

Every impact along the value chain has been described as a relevant topic (description of potentially material topics). The descriptions were written in German, Slovenian and English in order to be able to involve as many stakeholders as possible in the survey.

Step 4: Stakeholder survey

All identified stakeholders (customers, suppliers, employees to name just a few) were invited to participate in an online survey. The stakeholders evaluated the respective relevance for us at B&B of all topics developed and our engagement

at B&B. It was thus possible to reach just under 150 stakeholders from four continents through the survey.

Step 5: Identification of the material topics

The evaluation of the potentially material topics according to the importance of the economic, ecological and social effects and according to the influence on the assessments and decisions of the stakeholders produced the picture of the materiality matrix specific for this survey. The topic “diversity and equal opportunities” was supplemented retrospectively by an internal process.

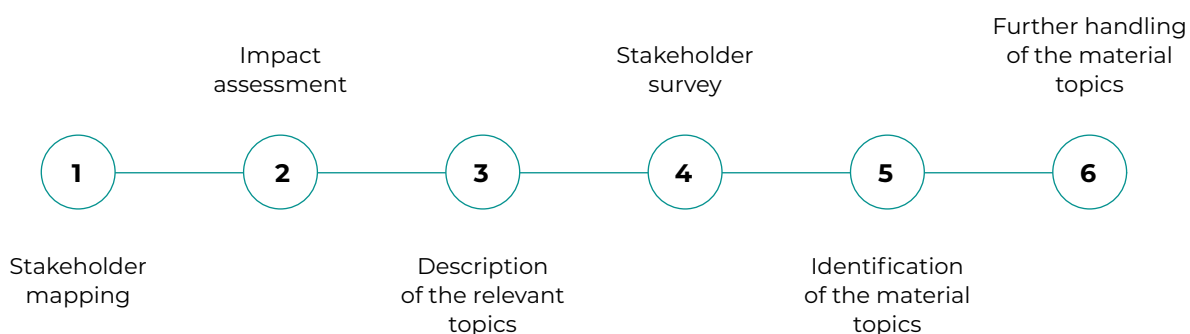
Step 6: Further handling of the material topics

In the further course of the strategy process, goals for the material topics were identified jointly with the Management Board. Based on this the respective department heads defined measures to attain the goals.

Along the target attainment path, the measures were distributed across a roadmap. This makes it possible to record and evaluate the target attainment quantitatively on the basis of the key performance indicators stored. The top “fair pay” is addressed via measures within the framework of employee satisfaction.

On the basis of the topics identified, the sustainability goals were defined and then in a joint collaboration the **programs of measures** were finalized. The material thematic areas were translated into the packages of measures **#nowgreen** (“environment”), **#nowtogether** (“social”) and **#nowresponsible** (“governance and economy”). Their integration into existing processes and the development of new process, along with specific implementation steps, were planned as part of a **sustainability program**. →

Development of the corporate sustainability strategy of B&B



Material topics for the development of the sustainability strategy based on the stakeholder survey

#nowgreen

Environment

- Climate protection and prevention of emissions
- Sustainable energy use
- Responsible use of water
- Conservation of resources in production
- Sustainable consumption of raw materials along the supply chain
- Sustainable product design
- Circular economy

#nowtogether

Social

- Occupational health and safety
- Working conditions and employee satisfaction
- Training and development
- Diversity and equal opportunities*
- Fair remuneration**

#nowresponsible

Governance and economy

- Security of supply
- Business ethics
- Economic performance
- Technology and innovation

* was added by an internal process

** is addressed via measures within the framework of employee satisfaction

Management of material topics

(GRI 3-3)

The management of the material topics from the focus areas “environment”, “social” and “governance and economy” is described in the **summarized management approach**.

Through the **evaluation of the entire value chain** and the **associated risks**, the material topics and the responsibility for the implementation of the planned measures are directly established in the specialist departments. The management is responsible for defining the overarching goals, for informing itself at regular intervals of the degree of goal attainment and for intervening immediately in the event of risks from deviations. Through the sustainability process, the material topics are directly established in the strategic company management.

Regularly evaluating the business risks also prevents the occurrence of potentially negative impacts.

Within the company, a **reporting system** of the individual specialist departments is kept, which enables environmental risks and environmental incidents to be reported directly to the management responsible for the division and immediately addressed. In addition, by means of annual external audits within the framework of the ISO certifications, the actual implementation of the processes is reviewed and if necessary corrective measures are introduced.

In the area “**environment**” this is monitored through the documentation by means of the sustainability program, in the area “**social**” through the employee satisfaction program and in the area “**governance and economy**” through the introduction of a compliance management system (CMS) on the level of ROXCEL Holding.

The targets and measures specified in the individual programs are monitored, evaluated and checked with suitable verification methods. The effectiveness of measures is assessed within the management systems and developed program of measures, along with ongoing monitoring of sustainability key performance indicators.

In addition, the performance in the area of environmental management, hygiene management, customer satisfaction, occupational safety and feedback from stakeholders and authorities is audited within the framework of the **annual management evaluation**.

A **whistleblower platform** also makes it possible to report internal as well as external incidents and breaches of human rights, business ethics, corruption and other issues in anonymous form.

Further information on the management approach for the material topics is shown in the following chapters.

B&B sustainability goals

(GRI 2-22)

Together with the Management Board and the experts from the specialist departments, the following **corporate goals** were defined under the guidance of the Sustainability Core Team. In the process, a differentiation is made between short-term, medium-term and long-term goals.

The corporate goals and their respective progress (on the basis of the classification as of Q1 2023) are shown on the following pages.

	Sustainability goals	short/ medium term	long term	Status Q1 2023
#nowgreen	Climate protection and prevention of emissions			
	U1/2 Reduce emissions in Scope 1 and 2 by 60% (from the base year 2021)		2030	●
	U3 Climate-neutral company (net zero)		2050	●
	U3.2 Reduction of Scope 3 emissions by 30 % (from the base year 2021)		2030	●
	U3.3 Net zero (Scope 3)		2050	●
	Sustainable energy use			
	U5 Increase share of renewable sources of energy by 20%		2030	●
	U5.1 Increase share of renewable energy generated in-house by 5 percentage points	2023		○
	U5.2 Switch to green energy for electricity purchased at both sites	2024		●
	U5.3 Switch to purchased electricity from renewable sources		2030	●
	U6 Reduce energy intensity per ton of finished paper by 12%		2030	●
	U7 Increase energy efficiency by 1.5% per year (from the base year 2021)		2030	★
	Responsible use of water			
	U10 Reduce the B&B Group's specific waste water volume to < 7 m ³ /t of paper	2025		●
	Conservation of resources in production (B&B)			
	U11 Reduce total mill broke to < 10%	2024		●
	U12 Reorganize waste logistics	2023		○
	Sustainable product design			
	U13 Integrate life cycle assessment / sustainability criteria into the product development process	2024		★

✓ achieved

★ achieved & continue

● ongoing or in preparation

○ Insufficiently/not reached – plan for further implementation to be developed

✗ cancelled

#nowtogether

Sustainability goals		short/ medium term	long term	Status Q1 2023
Occupational health and safety				
S1	Reportable accidents (category A2) per year < 4 total	ongoing	ongoing	○
S2	No deaths	ongoing	ongoing	★
S5	Implement concepts to promote the health of employees (mental and physical health)	2024	ongoing	●
Working conditions and employee satisfaction				
S10	Implement employee satisfaction program	2024	ongoing	●
S8	Reduce fluctuation rate of voluntary exits to <10%	2025	ongoing	○
S9	Gradually introduce flexible work time models	2023	ongoing	●
Training and development				
S3	Expand the existing training program on occupational safety, sustainability and individual advanced training	2023	ongoing	●
Diversity and equal opportunities				
S12	Increase the percentage of women (full-time equivalent) to 30% (including managers, department heads, team leaders, etc.)		2030	○
Fair remuneration				
S13	Expand bonus systems for employees	ongoing		○

✓ achieved ★ achieved & continue ● ongoing or in preparation ○ Insufficiently/not reached – plan for further implementation to be developed ✗ cancelled

Sustainability goals		short/ medium term	long term	Status Q1 2023
#nowresponsible	Technology and innovation			
	U16 Annually 5 projects in R&D	2023	ongoing	●
	U17 Generate increase in efficiency through 5 new processes annually	2023	ongoing	●
	Business ethics			
	P6 Expand measures relating to business ethics at the ROXCEL Holding level and hold training sessions	2023	ongoing	●
	P1/3 Implement sustainability supplier risk assessment	2023	ongoing	●
	Responsible use of resources in the extraction/preparation of raw materials and security of supply			
	P1/3 Implement sustainability supplier risk assessment	2023	ongoing	●
	Economic performance			
	P9 Conduct customer satisfaction analysis	2023	ongoing	○

✓ achieved

★ achieved & continue

● ongoing or in preparation

○ Insufficiently/not reached – plan for further implementation to be developed

✗ cancelled



**Achieving our
sustainability goals
is decisive for
fulfilling our
responsibility
towards people and
the environment.**

Preparation of our products for dispatch (Finishing department | Niklasdorf)

#nowgreen

**Green Paper Mill**

- Reduction in emissions
- Reduction of impacts on the environment
- Increase in efficiency and reduction in waste and mill broke
- Optimization of water use

**Sustainable design**

- Implementation of an in-house life-cycle analysis (B&B carbon calculator)
- Optimization of the CO₂e emissions at product level (carbon optimized products)
- Implementation of sustainability criteria in the R&D process



#nowtogether

**Occupational health and safety**

- Preventive health measures (e.g. fitness program and health treatments)
- Information (e.g. dietary advice)
- Further investments in increasing occupational safety

**Working conditions and employee satisfaction**

- Further impressions from employee surveys and evaluation of managers
- Development of guidelines on the corporate culture
- Benefits and events

**Training and development**

- Intensify safety training
- Sustainability courses, incl. ethics and anti-corruption
- Promoting individual advanced training of employees

**Diversity and equal opportunities**

- Making the workplace more attractive
- Work practices that are fair for all generations, and interdisciplinary collaboration
- Expansion of funding programs for women in technology and in management positions





B&B sustainability program and contribution to the SDGs

We have developed the sustainability program of the Brigl & Bergmeister Group based on the results of the analysis of the material topics and the defined sustainability goals. The program incorporates the three focus areas **environment, social** and **governance and economy**. These focus areas are further subdivided into **7 thematic areas with different blocks of measures**.

Through the measures developed, we at B&B also make a contribution to the attainment of the **17 goals for sustainable development of the United Nations** (Sustainable Development Goals, SDGs). Thus we also take into account the responsibility towards people and the environment in the global context.

#nowresponsible



Sustainable procurement

- Sustainability supplier risk assessment
- Business ethics
- Compliance management system and Code of Conduct



MATERIAL TOPICS

**Supporting
our goals
with explicit
measures –
at B&B,
we believe
in being
transparent
and true to
our promises.**

#now



ENVIRONMENT

We bring a better future to paper!

This chapter will outline the emissions and consumption rates of energy, water and raw materials at each site.

Much has already been optimized, though some areas still require action so that we can meet our ambitious targets. To this end, we are announcing far-reaching measures that will launch the next steps for the key environmental issues we have identified.

#nowgreen

**Learn more about our
program of measures
on p. 102**

Management approach ENVIRONMENT

(GRI 3-3)

The core of our business model is based on the manufacture of paper products. The use and recycling of renewable resources are therefore essential parts of our business activity. Meanwhile, we are running a process that takes a lot of energy and water and the design of which has been continually optimized over the years to better conserve resources.

We are conscious of our responsibility toward the environment. That is why we took steps in the early years to implement management systems that reduce our waste and help to increase the efficiency of our production sites.

Both of our sites have been certified under the ISO 14001 environmental standard since 2007 – and the ISO 50001 energy management system since 2014. For years our management systems have enabled us to reduce the specific consumption of valuable resources and energy at our sites.

Nevertheless, we are committed to taking further steps and setting higher standards, working together with the entire value chain to reduce emissions and conserve resources. We recognize our responsibility to counteract climate change and its associated impacts and to fulfill our corporate responsibility.

Measures planned

Our environmental measures have been bundled together under the **#nowgreen** initiative.

The initiative covers **2 focus areas**:

- **Green Paper Mill**, with the main goals of reducing emissions and environmental impact as well as conserving resources
- **Sustainable Design**, with the goal of integrating sustainability criteria into the development process and thus optimizing emissions at the product level

In the area of **sustainable procurement**, we aim to intensify collaboration with our supply chain and integrate a supplier assessment scheme into the procurement process.

Life Cycle Assessments (LCA) will be integrated into the development process allowing us to work toward achieving our emissions reduction goals for CO₂e right from the beginning of **product development**.

The measures from the focus areas “Green Paper Mill” and “Sustainable Design” will be implemented by the responsible departments through an internal **sustainability program** and directed by management.

Overview of KPIs in the “Environment” area

Environmental KPIs		2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Greenhouse gas emissions (Scope 1 & 2 location-based) specific	kg CO ₂ e/t paper	329	502	327	583
Greenhouse gas emissions (Scope 3) specific	kg CO ₂ e/t paper	629	561	613	541
Natural gas consumption specific	Nm ³ /t paper	19.50	156.85	17.84	146.11
Electricity input specific	MWh/t paper	0.63	0.57	0.61	0.57
Steam consumption specific	GJ/t paper	4.05	4.82	3.92	4.73
Volume of waste water specific	m ³ /t paper	11.08	6.09	8.10	6.29
Percentage of renewable resources	%	73%	66%	70%	65%

Note regarding reference values for specific data (net production): In the area of environmental KPIs and in the course of the sustainability initiative, the specific reference values were adjusted according to the Directive 2010/75/EU on industrial Emissions. The net production volume has corresponded to the output volume processed by the winder since 2021, not including eliminations from production.

Note regarding renewable resources: Material sources from renewable resources are the pulp, cardboard and paper packaging, internal mill broke, and auxiliary materials from resources such as cornstarch.

Climate protection and prevention of emissions

(GRI 305)

It is our stated goal to make a meaningful contribution to climate protection by reducing our emissions. B&B sets high standards in order to achieve this goal.

Environmental management

The ongoing development of our processes has been ensured by our certified environmental management system since 2007. Our goal is to achieve continuous improvement, minimize our

environmental impact, and conserve the environment to the best of our ability.

Corporate Carbon Footprint

The calculation and ongoing monitoring of our emissions form the basis for the development of our sustainability strategy. For this purpose, the modeling of the calculation logic was developed in collaboration with an external consulting company and a specialized data collec-

tion software. We collected data on CO₂e emissions for Scope 1, 2 and 3, using 2021 as a base year, to find potential for reduction and to thoroughly evaluate the measures planned. The base year was chosen to be the same year that the sustainability initiative was launched.

The chart on p. 82 shows a breakdown of the Corporate Carbon Footprint by Scope.

We used emissions factors from an international database and the calculations of the GHG protocol to calculate CO₂ emissions. The result is given in CO₂ equivalents (Co2e)₂e – the greenhouse gases included in the calculation are: Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).

Specific to the net production quantity produced after the winder, excluding eliminations (according to the BREF - Best Available Techniques Reference Document, Industrial Emissions Directive 2010/75/EU), the average emissions for both years are as follows:

approximately
900 kg
CO₂e/t paper
in Niklasdorf
(location-based)

approximately
1,100 kg
CO₂e/t paper
in Vevče
(location-based)

Share of Scope 1, 2 and 3 emissions

The largest emission sources within Scope 1 and 2 are gas consumption and energy purchased in the form of electricity from non-renewable sources in both sites. The Corporate Carbon Footprint calculated includes the full consumptions in Scope 1 and 2.

In Scope 3, the largest emission sources were evaluated based on a screening conducted with an external consultancy. Less significant factors (e.g. commutes to the workplace) were not factored into the calculation for the first reporting period. Data without a valid representation throughout the supply chain (e.g. use phase or end-of-life) was also not included.

The graph on p. 83 shows the percentage of emissions from B&B by Scope.

Transport

The Vevče site was able to save about 30 tons in CO₂e by using intermodal transport solutions (road-rail/short sea). We also work closely with our customers to allow switching from road to rail, thus saving additional emissions. By doing so, we ensure that the supply chain is efficient and sustainable. →

In addition to the steps taken and already planned, we are examining all of our transport processes both internal and external.

Furthermore, developments on the market indicate a decline in exports, which means a reduction in long transport routes. Our customers also organized more of their own transportation in 2022, which makes it difficult to calculate these routes into the Carbon Footprint.

But we are following a clear path to develop additional measures for optimizing transport processes and transport routes for our products and to implement them gradually.

Goals






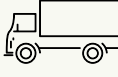




The sustainability goals from the sustainability program for the focus area "Climate protection and prevention of emissions" are outlined in the chart below.

Corporate Carbon Footprint (in t CO ₂ e rounded up)	2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Scope 1	3,500	47,700	3,300	46,000
Scope 2 (location-based)	24,300	22,400	24,800	32,700
Scope 2 (market-based)	16,400	22,200	16,100	21,600
Scope 3	53,200	78,300	52,700	73,000











Sustainability goals		short/ medium term	long term	Status Q1 2023
#nowgreen	Climate protection and prevention of emissions			
	U1/2 Reduce emissions in Scope 1 and 2 by 60% (from the base year 2021)		2030	●
	U3 Climate-neutral company (net zero)		2050	●
	U3.2 Reduce emissions in Scope 3 by 30% (from the base year 2021)		2030	●
	U3.3 Net zero (Scope 3)		2050	●

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✗ cancelled

**Percentage of emissions
Niklasdorf site**

2021	2022	Emissions by category
4%	4%	 Scope 1
30%	31%	 Scope 2
66%	65%	 Scope 3 total
24%	24%	 Coating agents and additives
16%	16%	 Pulp
10%	10%	 Transport to customers ¹
10%	9%	 Upstream chain from Scope 1 & 2
3%	4%	 Packaging
3%	2%	 Internal waste
0%	0%	 Business travel ²

**Percentage of emissions in
Vevče site**

2021	2022	Emissions by category
32%	30%	 Scope 1
15%	22%	 Scope 2
53%	48%	 Scope 3 total
15%	14%	 Coating agents and additives
14%	13%	 Pulp
11%	8%	 Transport to customers ¹
11%	10%	 Upstream chain from Scope 1 & 2
1%	1%	 Packaging
1%	1%	 Internal waste
0%	0%	 Business travel ²

¹Transportation organized by the customer themselves was evaluated as best as possible based on the existing data.

² This is a relative rating based on total emissions, but emissions are generated by travel activity which should not be ignored and should be optimized on a continual basis.



Energized strategies for the future

Boštjan Smrekar | Maintenance Manager

B oštjan Smrekar is the Maintenance Manager at the site in Vevče. He explains the challenges that he faces in the area of energy management and which sustainable strategies are planned to cope with them.

What are your tasks as the Maintenance Manager?

At the site in Vevče, I am responsible for the energy supply and maintenance of our production, which means ensuring the technical availability of all machines and disruption-free production processes.



At any rate, we are called upon to produce more energy ourselves.



What is the greatest challenge to becoming more sustainable in the energy sector?

Achieving maximum efficiency with the existing systems and technologies and at the same time taking economic factors into account. Additionally, it involves integrating new technologies as effectively as possible.

How can B&B become more energy-efficient in your opinion?

It is essential to save energy – particularly electricity and gas as the most expensive and for us most energy-intensive resources. Another point is the reduction in specific production materials such as additives and pulp. It is also especially important to reduce our mill broke and to reuse this ourselves. At any rate, we are called upon to produce more energy ourselves, whereby we orient ourselves to international developments and new technologies in order to ensure the technical optimization of our hydropower plants and the boiler house at the site in Vevče.

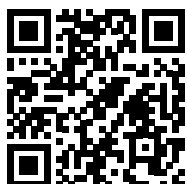
Which sustainable strategies are planned in the energy supply area?

The primary strategy is the same at our two sites; however, Niklasdorf has the advantage of having its own waste-to-energy plant, which is difficult to implement in Vevče.

We are constantly looking for new energy resources such as biomass and trying to promote both sites equally, depending on consumption.

Why is it so important particularly now to assume responsibility and act in a sustainable way?

Taking sustainable measures is always important and this is not just a topic for today. I have been at B&B for 20 years – from the outset, we have moved ever further in this direction.



Video of the full interview:
youtu.be/ZlISyjVe6ZE

For English subtitles turn on closed captioning.

Sustainable energy use

(GRI 302)

As an industry that uses a lot of power, the paper industry is heavily impacted by rising prices for energy and electricity. Despite efforts up to now to gradually shift production to renewable energies, it is still greatly dependent on natural gas. The COVID pandemic and scarcity of raw materials have put a great strain on the market. The prices for natural gas and energy are therefore now five to ten times what they were, reaching a historical high in 2022.

To improve the sustainability of our products, we will rely on **continuous improvement and investment in new, energy-saving technologies**. Highlighting this, we have been certified under ISO 50001:2018 at both sites since 2014. The graphs on p. 87 show the makeup of electricity sources at both sites in 2021 and 2022.

Energy consumption

At the Niklasdorf site, we use heat and energy obtained through state of the art technology from the waste-to-energy plant ENAGES. Measures to improve energy efficiency and ongoing investments in heat recovery have helped us to reduce our consumption of heating energy (by ~30%) as well as our specific energy consumption (see p. 88). We also plan to further reduce the amount of energy we need and rely on alternative energies. The chart below depicts the (rounded) energy consumption at both sites.

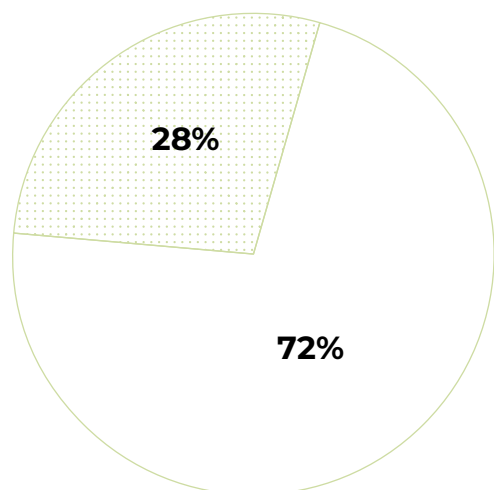
The natural gas consumption at the Vevče site is higher due to the technical equipment. It also had to resort to using heavy fuel oil temporarily due to shortages in the supply of natural gas.

The following pages (from p. 88) show the specific energy consumption levels since introducing the energy management system in 2014.

Energy consumption by source		2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Electricity	MWh	53,200	79,700	52,200	77,200
Natural gas	MWh	18,700	261,600	17,400	235,400
Steam	GJ	377,400	698,300	372,900	680,500
Heavy fuel oil	t	–	–	–	1,000*
Diesel	l	26,000	12,339	32,109	22,526
Electricity sold (tenant at Vevče site)	MWh	–	1,188	–	972
Steam sold (company at Niklasdorf site)	t	2,532	30	2,472	–
Total energy consumption within the organization	MWh	186,700	332,817	173,760	323,649

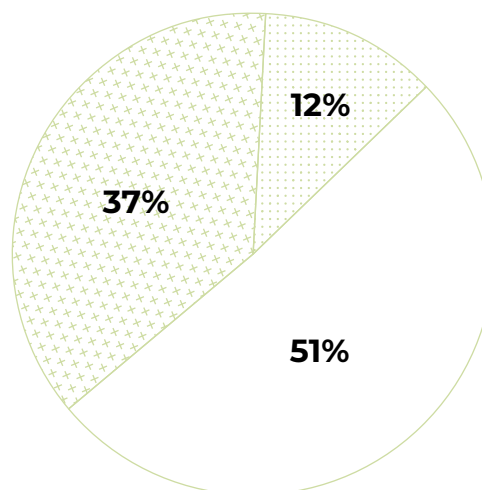
* Heavy fuel oil purchased due to energy crisis

2021 electricity sources by percentage, Niklasdorf site



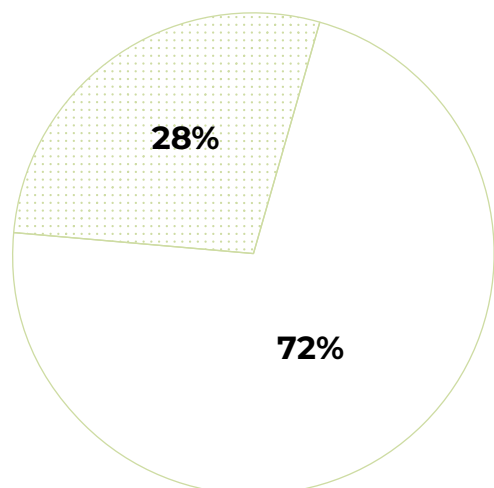
■ Hydropower
■ Electricity purchased
(ENAGES 64%, grid 8%)

2021 electricity sources by percentage, Vevče site



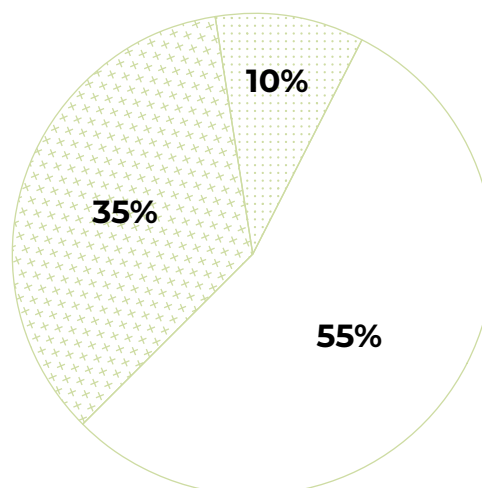
■ Hydropower
■ In-house production
■ Electricity purchased

2022 electricity sources by percentage, Niklasdorf site



■ Hydropower
■ Electricity purchased
(ENAGES 62%, grid 10%)

2022 electricity sources by percentage, Vevče site



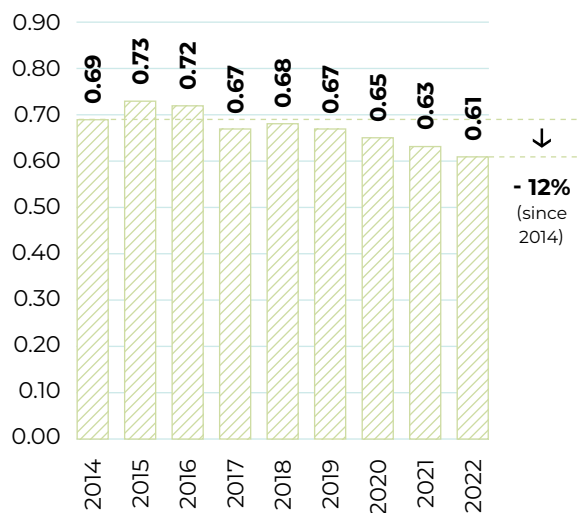
■ Hydropower
■ In-house production
■ Electricity purchased

Energy management system

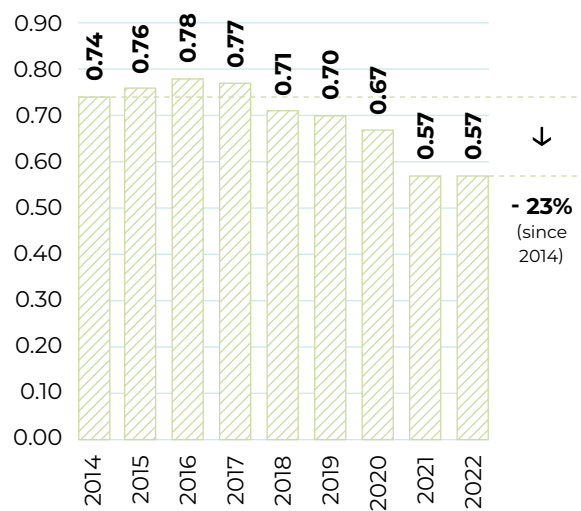
Since introducing the energy management system in 2014, consumption levels have been consistently recorded and reduced as a result of measures to improve efficiency. Nonetheless, the B&B Group is making a long-term commitment to continuing to reduce energy consumption, increasing energy efficiency in a continual improvement process and to reducing emissions.

The charts illustrate how specific electricity consumption has developed since the energy management system was introduced in 2014.

Specific electricity consumption, Niklasdorf site [Mwh/t paper]



Specific electricity consumption, Vevče site [Mwh/t paper]



Steam consumption

In November 2015, Brigl & Bergmeister started running a new film press at the Niklasdorf site as a measure to reduce specific steam and electricity consumption.

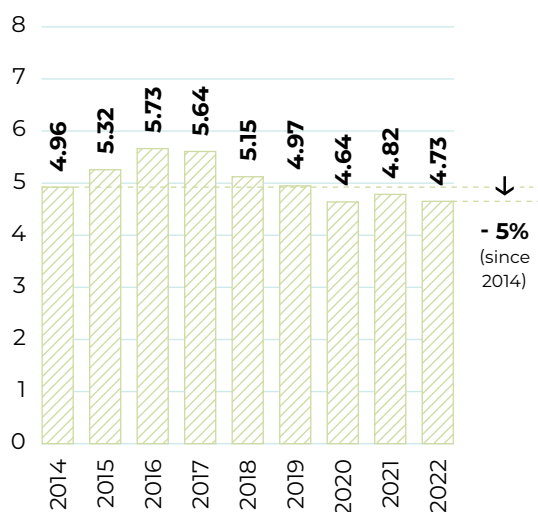
We also invested in a new heat recovery system for Niklasdorf that year. As a result, we have been able to save 700 kg of steam per hour of production, reducing the steam per ton of paper by more than 30% since 2015. We had already invested in a film press for Vevče back in 2013, as well as replacing the entire hood dryer and implementing heat recovery measures.

The charts depict steam consumption for both sites from 2014 to 2022. Generating our own steam and electricity in Vevče means that total steam consumption is slightly higher than in Niklasdorf (both plants are in a similar range if we look at them with the same system limits).

Specific steam consumption, Niklasdorf site [GJ/t paper]



Specific steam consumption, Vevče site [GJ/t paper]



Natural gas consumption

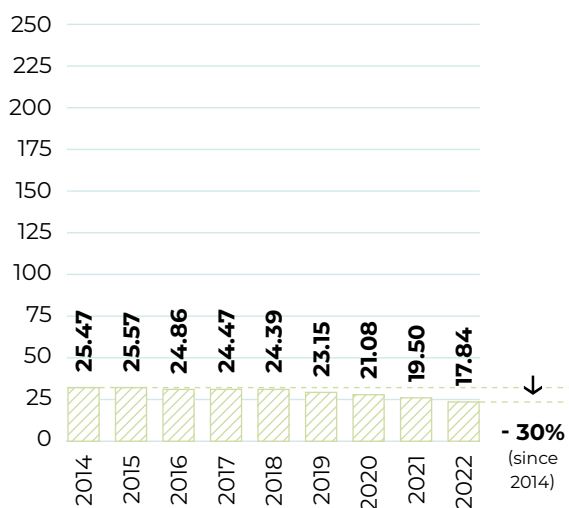
Natural gas is used for drying in the papermaking process at both production sites. We have gone a long way toward optimizing our gas consumption in Niklasdorf by using steam supplied from the waste-to-energy plant ENAGES. At the Vevče site, we use natural gas to operate a steam turbine to generate steam and electrical power. As a result, gas consumption in Vevče is much higher than in Niklasdorf.

The specific gas consumption was able to be reduced overall through measures to improve efficiency. The charts depict natural gas consumption at both of our sites between 2014 and 2022. Gas consumption at the Vevče site is higher than at Niklasdorf because they generate their own steam using a gas-powered steam boiler.

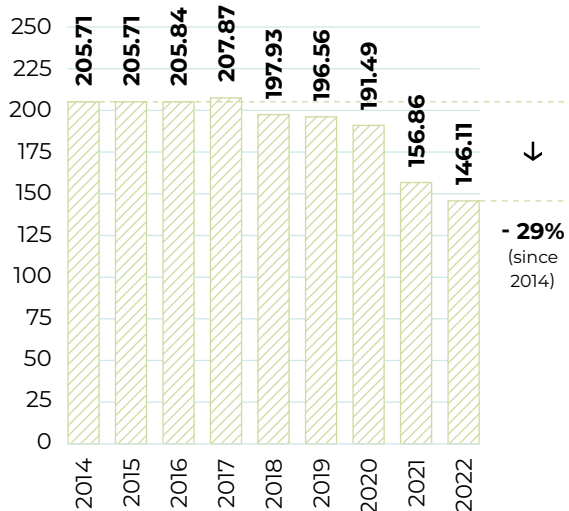
We are planning investments to reduce the amount of gas.

→ See the chapter “Overview of the #nowgreen program of measures” on p. 102

Specific natural gas consumption Niklasdorf site [Nm³/t paper]



Specific natural gas consumption Vevče site [Nm³/t paper]



Goals

The chart below outlines the sustainability goals from the sustainability program for the focus area “Sustainable energy use.”

→ See the chapter “Overview of the #nowgreen program of measures” on p. 102

Sustainability goals		short/ medium term	long term	Status Q1 2023
#nowgreen	Sustainable energy use			
	U5 Increase share of renewable energy sources by 20%		2030	●
	U5.1 Increase share of renewable energy generated in-house by 5 percentage points	2023		○
	U5.2 Switch to green energy for electricity purchased at both sites	2024		●
	U5.3 Switch to purchased electricity from renewable sources		2030	●
	U6 Reduce energy intensity per ton of finished paper by 12%		2030	●
	U7 Increase energy efficiency by 1.5% per year (from the base year 2021)		2030	★

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✗ cancelled

Responsible use of water

(GRI 303)

Our production facilities draw their water from their own groundwater wells – and it is drinking water quality. In times where water is scarce, using this precious resource sparingly is a top priority for us. **Because without water, there is no paper (at least not according to current technology).**

Water consumption and water cycle

B&B's goal is to use precious resources like water as efficiently as possible and to go as far as we can in closing the loop of the material cycle. The technology we use in our plants keeps our specific energy and water consumption levels especially low, well within industry standards. We are also continually reducing our specific water consumption. The charts

below depict water consumption and waste water values at both sites.

Water supply at the Niklasdorf site

The water for drinking and industrial use is supplied by three well systems. We have been able to drastically reduce water consumption at the Niklasdorf site over the last couple of years, currently ~8 m³/t paper. We continually measure and record the volumes of extraction and the groundwater level. In order to ensure high water quality and comply with statutory requirements, we have a sensory, microbiological, and physico-chemical water analysis performed by an accredited lab twice a year, with an inspection report to confirm its accuracy.

Total water consumption		2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Groundwater	m ³	1,040,844	2,280,867	908,028	2,167,600
Water from third-party sources (city supply)	m ³	0	22,000	0	22,100

Waste water values

Volume of waste water	m ³	932,030	845,654	736,083	838,100
BSB ₅	kg/t	0.137	0.026	0.039	0.024
CSB	kg/t	1.646	0.250	0.542	0.247
Substances filtered out	kg/t	0.122	0.016	0.103	0.022
Total nitrogen	kg/t	0.088	0.042	0.068	0.047
Total phosphorus	kg/t	0.002	0.002	0.002	0.001
AOX	kg/t	0.007	0.002	0.005	0.003

Note: Waste water KPIs are summed up as a yearly average of the day-to-day monitoring. We track our compliance and make sure that we are within the limits specified in the water permit as well as the industry-specific limits of the Austrian General Ordinance on Sewage Water Emissions (AEV) for pulp and paper. An independent review is carried out once yearly by local authorities at both sites.

Water supply at the Vevče site

Water supply is covered by the site's own groundwater from five well facilities for the production process, as well as water from municipal supply. Water consumption at the Vevče site is well below the industry average at just 6 m³/t paper. Water used for industrial purposes is monitored online and the flow rate, temperature and pH value are measured. All other analyses are conducted in accordance with applicable environmental permits, some every day.

Waste water treatment

All the waste water from our processes is mechanically and biologically treated in the company's own biological waste water treatment facilities. Continuous monitoring ensures consistently adequate water quality at both sites.

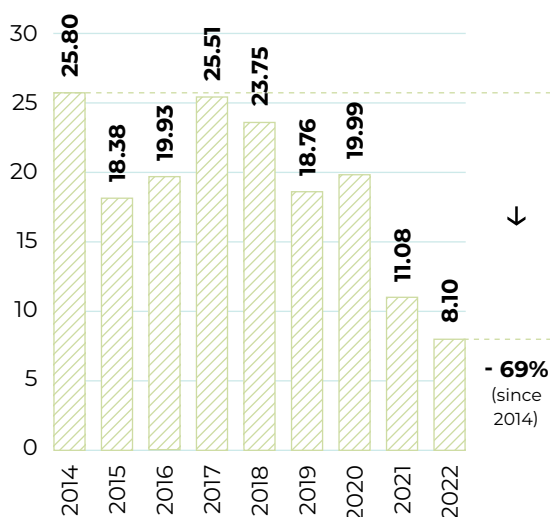
The charts depict how volume of waste water has developed at both sites since 2014.

Waste water at the Niklasdorf site

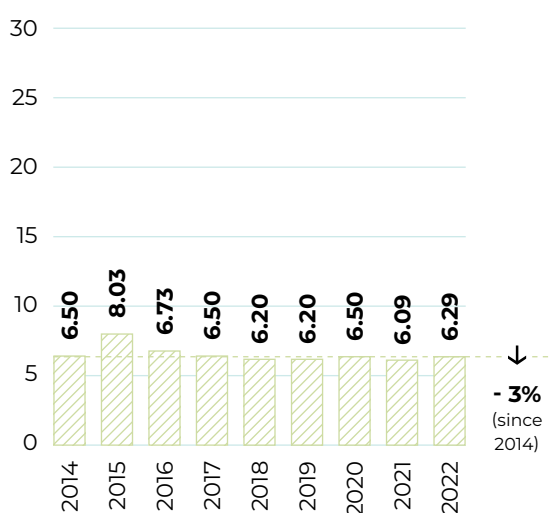
Processed water is collected in a separate sewage system, where it is carried through the company's biological waste water treatment facility and then to the Mur river. Sanitary and fecal waste water is carried to the municipal sewer network. Surface water is collected via a separate sewage system and carried directly to the Mur.

The sewage system operator is responsible for taking samples of waste water and evaluating it. Defined limits are monitored and documented every →

**Volume of waste water
Niklasdorf site [m³/t paper]**



**Volume of waste water
Vevče site [m³/t paper]**



day using chemical and physical analysis methods. This ensures that we are in compliance with statutory limits.

Waste water at the Vevče site

Industrial water from production is treated in several stages in the company's waste water treatment facility before it is carried to the Ljubljana river:

- Stage 1: chemical-mechanical
- Stage 2: biological

The environmental impact related to water is optimized by closing the cycle loop and with help from suppliers in technical and chemical industries.

The industrial water that has been used for sealing or cooling purposes is subsequently reused as pure industrial water in the papermaking process.

Goal

Waste water consumption at the group level has been drastically reduced – in 2022 it was 7.10 m³/t paper. The goal is to keep reducing it down to below 7 m³/t paper.

The sustainability goal from the sustainability program for the focus area “Responsible use of water” is outlined in the chart below.

→ See the chapter “Overview of the #nowgreen program of measures” on p. 102

Sustainability goal		short/ medium term	long term	Status Q1 2023
#nowgreen	Responsible use of water			
	U10 Reduce the B&B Group's specific volume of waste water to < 7 m ³ /t paper	2025		●

✓ achieved

★ achieved and to be continued

● ongoing or in preparation

○ unsatisfactory/not achieved – devise a plan for further implementation

✗ cancelled

Sustainable consumption of raw materials along the supply chain

The efficient use of resources refers not only to our production but to the entire supply chain. By employing responsible and efficient resource consumption in raw material extraction and processing, negative impacts on the environment are reduced.

Both of our production sites have been certified under **FSC®** (Forest Stewardship Council) and **PEFC™** (Program for the Endorsement of Forest Certification) since 2009. We are therefore committed to regularly monitoring the requirements of the Chain of Custody and obtaining pulp and pre-consumer recycled paper from certified, controlled sources.

Separate from the certification of our sources of supply for pulp, we work closely with our main suppliers of chemicals, additives and other raw materials and foster long-lasting partnerships. We also carry over our values for humans and the environment to the entire value chain through our Code of Conduct.

Supplier Engagement and Assessment

As part of our sustainability initiative, we will be implementing additional measures in the area of **Supplier Engagement** to guarantee transparency and responsibility in the supply chain. Existing procurement requirements are being supplemented with further actions to conduct in-depth analysis of the sustainability performance of our supply chain. These measures are summarized in the figure below.

→ See the chapter “Overview of the #nowresponsible program of measures” on p. 138 for more about Sustainable Procurement at B&B

“Supplier Engagement” measures

2022

- 1) Supplier Engagement Letter
- 2) Stakeholder Survey
- 3) Collect specific emissions data and transport routes

from 2023

- 4) Supplier Risk Mapping
- 5) Request for disclosure as part of Supplier Assessments
- 6) Introduce a company-wide Code of Conduct at the ROXCEL Holding level
- 7) Evaluation based on an ESG rating

Conservation of resources in production and circularity

(GRI 301, 306)

Various raw materials are used to manufacture paper, primarily pulp and additives in the form of fillers and coating agents. B&B has implemented a variety of measures to ensure the conservation of resources in production. We use the most efficient mode of operation possible in the production process and are reducing the amount of waste generated in the entire company. The chart below shows the total volume of materials used as well as the percentages of recycled base materials and renewable resources.

The conservation of valuable resources in our production process is a top priority. Following this principle, we pursue efficiency measures and investments to continuously reduce our resource consumption in the long term. The model on p. 97 shows an example of the production process at our site in Niklasdorf.

We have been able to achieve some success, particularly with respect to the water cycle and the reduction of losses in material. By investing in our sites and various measures to improve efficiency at both sites, we have also been able to drastically reduce the internal mill broke.

Reduction of mill broke

Reducing the amount of mill broke allows us to conserve valuable resources and reduce emissions in the long run. The chart below shows the percentage conserved against the finished goods produced.

Mill broke by percentage 2021 2022

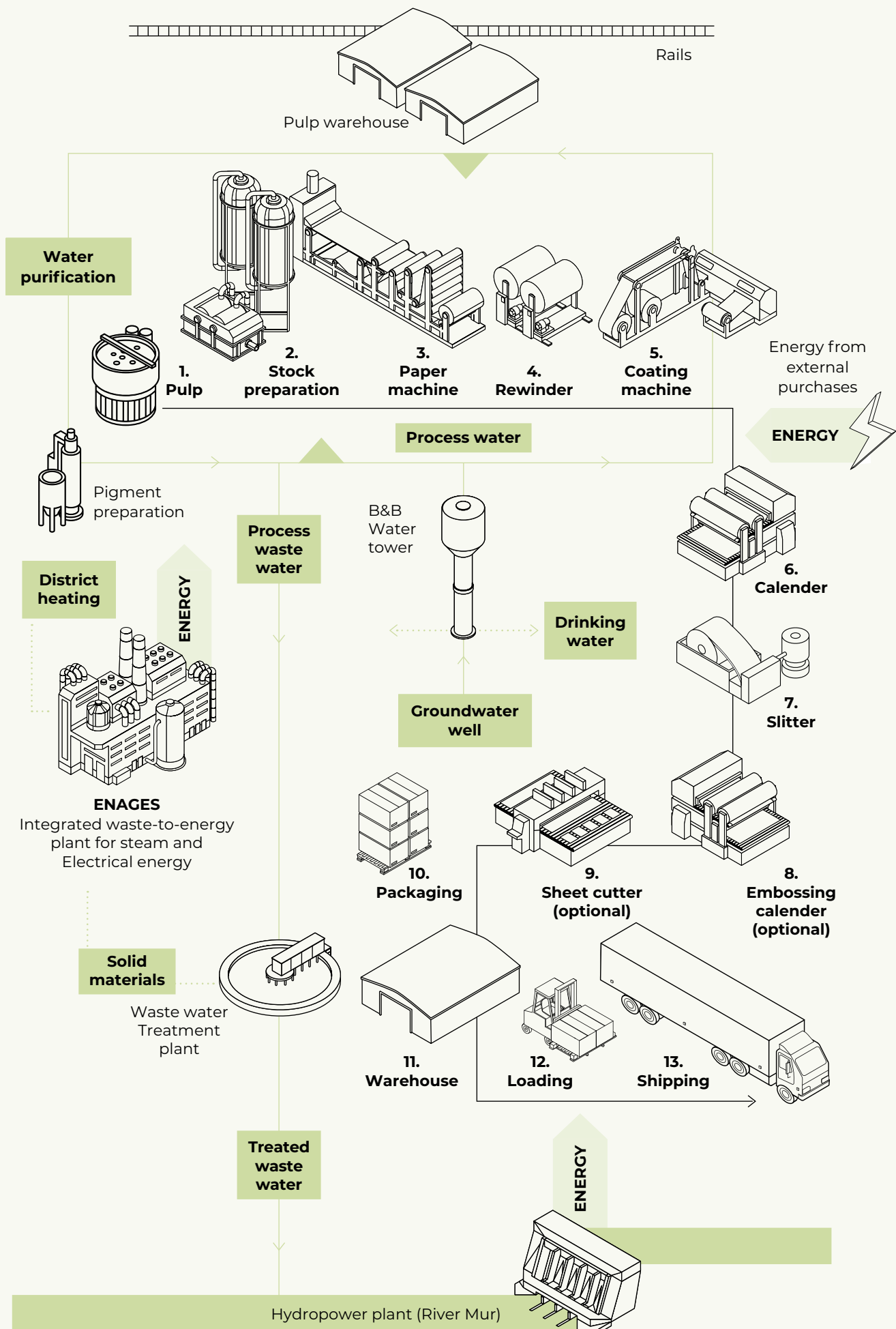
	2021	2022
Niklasdorf site	15%	13%
Vevče site	14%	13%

We have thus already been able to achieve a very low level of total mill broke (see chart below). The majority of the mill broke remaining is generated by processing – such as edge trim waste or volumes that are eliminated when changing varieties of paper.

We continue to pursue further improvements in conserving resources in our production. We aim to reduce mill broke to below 10% by 2024. →

		2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Total materials used by weight (not including internal mill broke)	t bone dry	82,916	121,509	82,934	118,578
Percentage of recycled base materials (secondary fibers and packaging)	%	18%	17%	19%	13%
Percentage of renewable resources	%	73%	66%	70%	65%

Production process at the Niklasdorf site



Reduction of solids in waste water

Solid components in paper production typically consist of fiber sludge and additives. The more optimized the process, the fewer solids need to be filtered out of the waste water treatment system. A reduction in solids is thus a sign of a resource-friendly production and a closed-loop system.

In 2022, we were able to reduce the percentage of solids in our waste water treatment system at the Niklasdorf site by about 800 tons and at the Vevče site by about 200 tons. This reduction also allows us to reduce the loss of valuable fibers and thus optimize the consumption of pulp.

Additional measures

We have also continually improved the total materials used in the paper machine by consistently monitoring the cationic and anionic load in the fiber suspension and by optimizing dosing points. One of the positive effects of this was that we were able to reduce the use of titanium dioxide by over 200 tons at the Niklasdorf site in 2022. Conserving resource-intensive additives helps to reduce emissions as well. B&B is therefore pursuing and implementing additional technological measures and investments.

Another aspect is the generation of waste at both production sites, which is why we are further optimizing our waste management concept.

Waste at the Niklasdorf site

The amount of commercial waste and waste oil generated in 2021 was slightly over the target figures, while the amount of plastic fractions was below target figures. The percentage of “residual waste” (which includes wooden pallets) was above target figures in both years.

There are two main reasons for these developments. One is the ever more complex production process for repackaging and for the additional equipment of already packaged goods (trimming on the doctor roller, embossing). The other reason is the remnants from tests that had to be disposed during clearance of the boiler house.

Waste at the Vevče site

The internal waste management system has been a major focus area since the ISO 14001 environmental management system was introduced. Over 90% of the volume of municipal solid waste (residual waste) was thus reduced in 2007. However, waste volumes have not been consistent over the last few years. We want to push forward additional measures

Total waste generated in tons at both sites (rounded)

	2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Waste generated, rounded to the nearest t	2,400	2,000	1,800	1,700
Amount of fiber sludge rounded to the nearest t bone dry	1,500	1,100	1,000	800

here and further reduce waste volumes. Another major focus area is separating as much waste as possible and feeding it into a recycling cycle.

Since 2022, the amount of biological sludge generated has been processed by means of external composting. As a result, we have composted around 90 tons

in the last year and thus contributed to circularity. In total, we were able to reduce the fiber sludge accumulated for the year, although other waste such as waste paper went up.

→ **For information on our product design and the contribution to circularity of our special papers, see p. 45**

Waste volumes generated at both sites by percentage

	2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Sludge from mechanical/biological waste water treatment for pulp and paper manufacture	62.95%	70.02%	58.15%	66.13%
Waste paper, paper and cardboard, uncoated	13.30%	16.41%	17.07%	20.24%
Municipal waste and similar commercial waste	9.63%	3.89%	9.26%	1.52%
Iron and steel waste	8.41%	4.81%	9.83%	6.38%
Residual waste (wood waste, electrical waste, etc.)	4.30%	3.39%	3.51%	3.01%
Lightweight fraction from collection of packaging	0.81%	0.62%	1.46%	0.92%
Used oils	0.38%	0.25%	0.55%	0.20%
Operating materials soiled by grease and oils	0.18%	0.61%	0.18%	1.60%

Goals

The sustainability goals from the sustainability program for the focus area “Conservation of resources in production and circularity” are outlined in the chart below.

→ **See the chapter “Overview of the #nowgreen program of measures” on p. 102**

	Sustainability goals	short/ medium term	long term	Status Q1 2023
#nowgreen	Conservation of resources in production (B&B)			
	U11 Reduce total mill broke to < 10%	2024		●
	U12 Reorganize waste logistics	2023		○

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✗ cancelled

Sustainable product design

We have focused on the development of special papers in our product development from day one. We focus on quality and performance, the characteristics that win over our long-standing customers and partners. For a long time, we have also worked toward setting a minimum standard required for our products.

→ **Information about our product design is on p. 45**

But how do we combine high performance and special requirements for different applications with sustainability and emissions reduction in one product? This was the question posed to our Sustainability Core Team, together with experts from technology and development.

The result was to develop the process around our “Sustainable Design” (see p. 101). First of all, we take the approach of assessing the actual use of our products, the requirements of the market and end-of-life in the context of the product lifecycle. Based on this study, we then bring our products to life while either optimizing existing products, developing

them further, or making them more sustainable (“Sustainable Innovation”).

B&B Carbon Calculator

An internal tool, the “B&B Carbon Calculator,” is applied to this process. The tool was designed in-house and supervised by external balancers. In one click, it allows us to assess different types of paper and their environmental impact with the focus area “**Global Warming in CO₂e**”

This in turn allows us to draw direct comparisons to existing product types and assess product-specific optimization potential. Multiple phases are planned for the “B&B Carbon Calculator” application: In phase 1, it will help with internal benchmarking and with building knowledge in our technology and development department. With the Sustainability Core Team, the next phases for applying the tool will be evaluated and we will prepare to integrate the process further.

Goals

The sustainability goal from the sustainability program for the focus area “Sustainable product design” is outlined in the chart below.

Sustainability goal		short/ medium term	long term	Status Q1 2023
#nowgreen	Sustainable product design			
	U13 Integrate life cycle assessment / sustainability criteria into the product development process	2024		★



achieved



achieved and to be continued



ongoing or in preparation



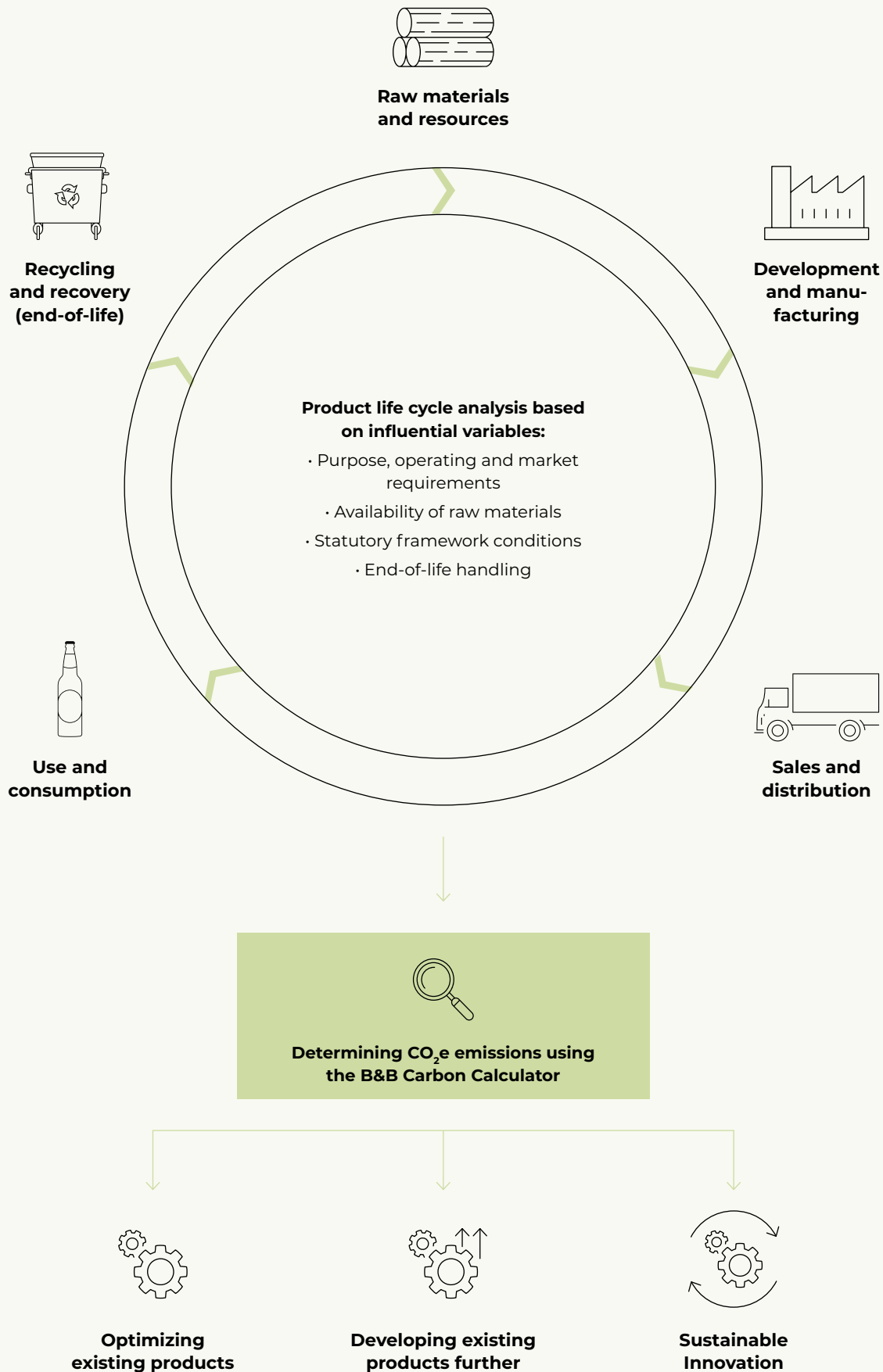
unsatisfactory/not achieved – devise a plan for further implementation



cancelled

B&B

Sustainable Design






Overview of the #nowgreen program of measures

The measures in the **#nowgreen** program are integrated into processes by members of the expanded Sustainability Core Team who are responsible for the department. They include:

- Reducing emissions
- Reducing environmental impact
- Improving efficiency and reducing waste/mill broke
- Optimizing water consumption

The resulting measures to reduce emissions and environmental impact are documented in the sustainability program and their effectiveness is tracked.

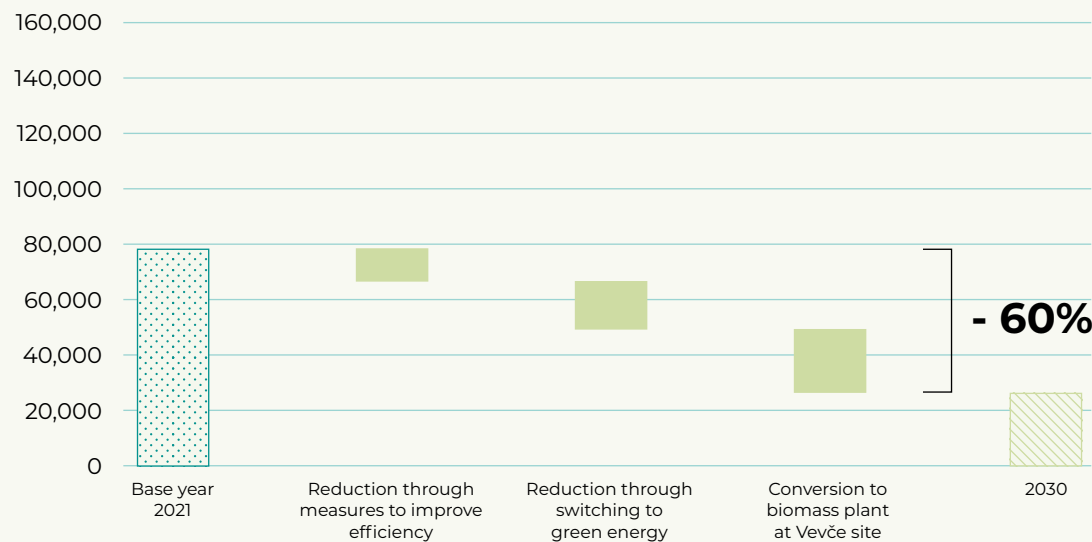
The measures defined for the focus area **“Green Paper Mill”** comprise the 4 pillars below.

#nowgreen		Green Paper Mill	
 <p>Measures to improve efficiency</p> <ul style="list-style-type: none"> • Invest in drying systems and grinding technology • Increase circularity (e.g. heat recovery, water cycle) • Increase automation and control technology • Further reduce mill broke • Reduce accumulation of waste and continue to compost biological waste 	 <p>Supply chain engagement</p> <ul style="list-style-type: none"> • Monitor sustainability performance of supply chain upstream • Further promote collaboration with supply chain upstream • Offer emissions-reducing transport solutions for customers 		
 <p>Invest in new technologies</p> <ul style="list-style-type: none"> • Alternative technologies for energy-intensive processes • Biomass plant at Vevče site 	 <p>Expand renewable energies</p> <ul style="list-style-type: none"> • Invest in photovoltaic systems • Switch to green energy for electricity purchased at both sites • 100% renewable energy for electricity purchased at both sites 		

Emissions reduction potential

We expect to realize the following emissions reduction potential by the year 2030 through the measures we have planned:

Measures to reduce emissions in Scope 1 & 2 (t CO₂e)



Measures to reduce emissions in Scope 3 (t CO₂e)



SOCIAL

Acting together, growing together!

#nowtogether

**Learn more about our
program of measures
on p. 126**

This chapter outlines the strategy and measures that we at B&B have in place for our employees and the working conditions at our locations.

These measures encompass ensuring the satisfaction, health, safety and development of our employees.

In addition we prioritize creating an inclusive work environment that embraces diversity and provides equal opportunities for all individuals. Furthermore we emphasize the connection between our two sites and the local community.

Management approach SOCIAL

(GRI 3-3)

Technologies, strategies, partners, and resources are without a doubt vital to the success of our company. But likely the most important pillar to us at B&B is our employees, who demonstrate full commitment at both of our locations day in and day out. We owe our successes to each and every individual and their willingness to work together towards achieving our goals. This has enabled us to overcome even the greatest odds in the course of our eventful history.

That is why at Brigl & Bergmeister, we see it as one of our most essential jobs to ensure the long-term solidarity of our employees, to guarantee their satisfaction, health, and safety, to foster their personal development, and to create a positive and inclusive work environment.

The aim of the management is to take responsibility for our employees and to constantly develop our leadership, organization, competencies and processes further. Our employees' needs are the top priority in every measure we implement at B&B.

When it comes to our responsibilities to employees, our activities are always based on our certified **management system**. Now it's time for us to build on this foundation and optimize the key areas in question.

Measures planned

Our internal social measures are summarized under the initiative **#nowtogether**.

The initiative covers **4 subject areas**:

- Occupational health and safety
- Working conditions and employee satisfaction
- Training and development
- Diversity and equal opportunities

We have drafted comprehensive measures for each of these subject areas and started planning their implementation.

Social responsibility along the supply chain is covered by the **Code of Conduct** as well as the supplier assessment with a focus on "ethics".

We consider the upholding of human rights and ethical business practices as prerequisites to sustainable business practice.

→ **See the chapter "Governance and economy" on p. 136 for details on these measures**

Overview of KPIs in the “Social” area

Employees (reporting date 12/31)		2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Permanent employees	f: female m: male	f: 31 m: 210	f: 42 m: 187	f: 28 m: 189	f: 42 m: 193
Temporary employees	f: female m: male	f: 0 m: 0	f: 2 m: 5	f: 0 m: 2	f: 2 m: 10
Full-time employees (FTE ¹)	f: female m: male	f: 26 m: 202	f: 44 m: 192	f: 19 m: 188	f: 44 m: 203
Part-time employees	f: female m: male	f: 5 m: 8	f: 0 m: 0	f: 9 m: 3	f: 0 m: 0
Workers who are not employees	Number	8 trainees 18 contract workers	7 interns/ students 37 contract workers	10 trainees 30 contract workers	6 interns/ students 31 contract workers
Percentage of women in leadership roles ²	%	16%	17%	21%	15%
Percentage of women overall	%	13%	19%	13%	18%
Reportable accidents (A2 ³)	Number	15	3	4	6
Accident rate (according to GRI ⁴)	Number	42.25	–	11.42	–
Entries	Number	39	8	45	35
Exits (incl. interns, temporary roles, and retirees)	Number	41	31	54	33
Fluctuation rate ⁵	%	17%	12%	21%	13%

¹ FTE = full-time equivalent

² Definition according to GRI: A leading member of an organization's management, including, among others, the Chief Executive Officer (CEO) and individuals who report directly to the CEO or the highest governing body. At B&B, this includes both groups and persons who act as staff and/or are responsible for executing projects independently and report directly to management.

³ A2 accidents: reportable accidents with over 3 days of downtime

⁴ Rate of work-related injuries with serious consequences (not including death) = (number of work-related injuries with serious consequences (not including death) / number of hours worked) x (200,000 or 1,000,000)

⁵ Fluctuation rate calculated according to the Confederation of German Employers' Associations: (total number of exits / average headcount during the reporting period) x 100

Occupational health and safety

(GRI 403)

Every single work accident must be prevented – occupational safety is our top priority for this reason.

Our occupational health and safety requirements are derived from the Occupational Health and Safety Act and the regulations associated with it.

Recognizing and assessing work-related hazards

Twice a year, prevention specialists (safety representatives and occupational physicians) conduct **safety inspection tours** with the heads of departments.

Incidents, the measures resulting from them, and accident statistics are posted on the bulletin board.

The development, implementation and performance evaluation of the management system for occupational health and safety are discussed at

occupational safety committee meetings. The committee consists of management members, prevention specialists, employee representatives, department heads and the company safety officers. Company safety officers and employee representatives will notify employees of the content and results of meetings via the meeting minutes and relevant appendices.

In addition to the occupational safety committee meetings, employee representatives also meet regularly with the management to discuss occupational health and safety issues.

In 2020, we started to conduct **occupational safety audits**. These are carried out by two-person audit teams. The audit teams are formed from a pool of employees that includes both senior executives and operational managers. As a result, an average of over 300 occupational safety audits were conducted in 2020 to 2022.

Accidents and measures

Work-related hazards that carry the risk of injuries with serious consequences are defined differently. The following reports were recorded for 2021/2022:

Niklasdorf 2021:

- 24 items identified by prevention specialists and department heads during safety inspection tours
- 336 measures derived by management from occupational safety and fire prevention audits (once a month)
- 24 incidents without injury (near misses)
- 144 repair log entries relating to occupational safety
- 14 reportable work accidents experienced by permanent employees, 1 contract worker

Niklasdorf 2022:

- 21 items identified by prevention specialists and department heads during safety inspection tours
- 168 measures derived by management from occupational safety and fire prevention audits (once a month)
- 17 incidents without injury (near misses)
- 85 repair log entries relating to occupational safety
- 4 reportable accidents experienced by permanent employees →

Vevče 2021

- 11 incidents without injury (near misses)
- 2 reportable accidents experienced by permanent employees
- 1 reportable accident experienced by a contract worker or external personnel
- 2 incidents of beginning fires

Vevče 2022

- 235 measures derived by management from occupational safety and fire prevention audits (once a month)
- 7 incidents without injury (near misses)
- 3 reportable accidents experienced by permanent employees
- 3 reportable accidents experienced by contract workers or external personnel

This resulted in the following accident rate for the last two years:

		2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Reportable accidents (A2)	Number	15	3	4	6
Accident rate (according to GRI)	Number	42.25	-	11.42	-

Note: The appointment of individuals who are not employees of the company is organized differently in Slovenia due to national regulations and their hours are recorded externally. This means that the accident rate currently cannot be determined according to GRI. In the future, these hours will also be internally recorded at the site in Slovenia.

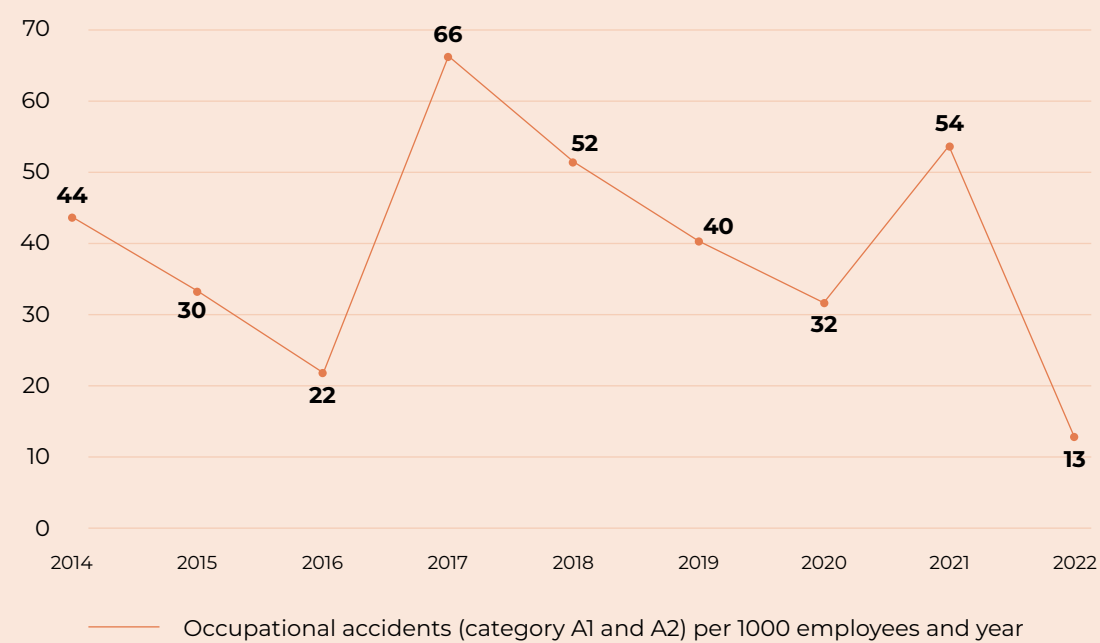
Statistical development and measures

Overall, significant reduction in work-related accidents has been achieved over the past years through the implemented measures. Recording up to now was done based on the industry-specific statistics of ÖZEPA (the Austrian Association of Pulp and Paper Chemists and Technicians). The charts below illustrate this development with reference to 1000 employees. Unfortunately, there was a

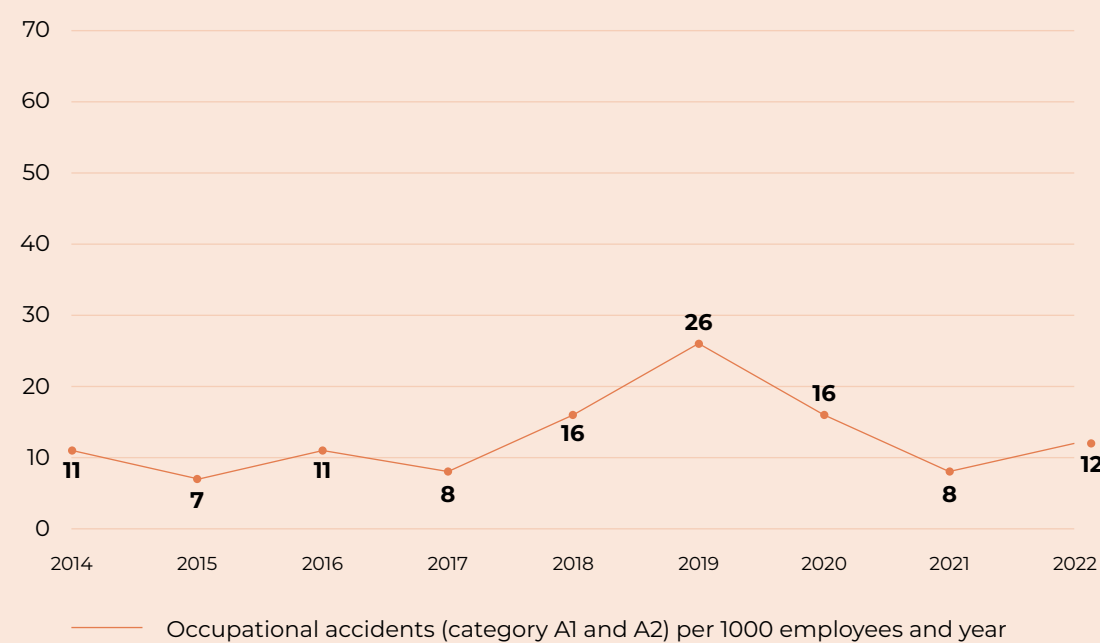
sharp increase in work accidents at the Niklasdorf site in 2021. We assume that the turbulent year prior, as well as staff reduction and changes in the workforce, could have contributed to this.

Although 2021 was a setback at the Niklasdorf site, our aim was to learn from these mistakes and to steer our focus back in the right direction. As a result, a decline in reportable accidents was quickly achieved in the record year →

Trend graph for accident statistics according to ÖZEPA through 2022 (Niklasdorf site)



Trend graph for accident statistics according to ÖZEPA through 2022 (Vevče site, not including contract workers)



2022, for which we owe our thanks to the entire team. We are taking this as an incentive to keep making progress in the area of occupational health and safety.

The chart below outlines the goals of the sustainability program for the focus area “Occupational health and safety.”

Sustainability goals		short/ medium term	long term	Status Q1 2023	
#nowtogether	Occupational health and safety				
	S1	Reportable accidents (category A2) per year < 4 total	ongoing	ongoing	○
	S2	No deaths	ongoing	ongoing	★
	S5	Implement concepts to promote the health of employees (physical and mental health)	2024	ongoing	●

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✕ cancelled

At a higher level, our goal is still to have **no reportable accidents** with downtimes, which is a huge challenge in a manufacturing environment but gives us all an incentive to maintain a safe and healthy workplace.

Working conditions and employee satisfaction

(GRI 2-30, 401, 402)

We have overcome many crises together and grown beyond ourselves. Our many long-time employees at B&B are what form the company’s solid foundation, and the new generation brings fresh energy to our company.

Especially in years with significant and unfamiliar challenges, there is a risk of losing sight of the people. We have experienced it even at Brigl & Bergmeister. But thanks to the dedication of our employees, we have managed to make it



Our wet- and weatherproof colleagues at the Bruck Business Run (Bruck an der Mur | 2023)



Participating in the back fitness program "Rückenfit" at the Vevče site

through times of turbulence thus far. That is why employee satisfaction measures are essential. Our story shows that B&B is so much more to us than producing paper. Here is a brief overview of our past initiatives.

Events and concerts

We at B&B organize and support a variety of events for employees such as festivals, team-building events, and participation in athletic and other social events. Some of our events are accompanied by music, such as concerts performed by the Niklasdorf in-house brass band or the Papirnica Vevče brass band.

Fundraisers

Participating in fundraisers is important to us. One event B&B took part in as a sponsor was the "Iron Road for Children 2022" which collected donations for sick children all over Austria.

Health

The health of our employees is extremely important to us at B&B. We therefore offer free first aid courses, make it possible for employees to participate in health-promoting programs such as the back fitness program "Rückenfit" and promote the use of sports equipment.

We have published tips for healthy living in our in-house employee magazine several times and organized exercises to prevent injuries from improper posture or dangerous movement in the workplace.

Additional measures

We invest in other offers for our employees on an ongoing basis and will be gradually adding to them. Our current range of offers includes:

- free beverages (Niklasdorf)
- public transportation allowances (Niklasdorf)

- participation in company running events (Vienna City Marathon and Ljubljana Marathon)
- 3000 euros in additional payment as inflation compensation for employees (in the year 2022)
- free English language course (Niklasdorf)
- contribution to insurance policies
- hot meals (Niklasdorf, partially sponsored)
- free Christmas trees (Niklasdorf)
- partnerships and discounts for products from certain brands (Niklasdorf)

In the future, we also plan to increase the attractiveness of our workplaces and promote and support the individual development, satisfaction and health of our employees to the best of our ability. This belief is at the core of our new employee satisfaction program **#nowtogether**

→ See the chapter “Overview of the #nowtogether program of measures” on p. 126

Training and development

The training of our employees not only plays a major part in the quality of our services, it promotes the individual development of each and every person.

→ See the “Training and development” chapter on p. 118

Communication and employee representatives

At each plant there are employee representatives and unions for workers as well as employees who support staff with respect to labor laws and represent them to company management. The staff have freedom of association and are able to elect their representatives.

Employees also have a **company safety representative** who provides information, advice, and assistance to them and their representatives and who advocates for employee safety alongside safety experts and occupational physicians. The pay of employees within the Brigl & Bergmeister Group is 100% covered by collective bargaining agreements. Additionally, individual provisions are formally established by means of service contracts (in accordance with legal parameters).

In addition to communicating through statutory representatives, staff can also address their concerns to management during regular meetings with superiors or through the regulated reporting system. They also have the option to submit an anonymous complaint through a tip system, the ROXCEL Group's **whistleblower platform** (see QR code).



Scan here to go to the whistleblower platform

Communication is considered to be an essential link between colleagues and we intend to continue expanding it over the next few years, relying on transparency and the exploitation of synergies through regular exchange.

→ **See the chapter “Overview of the #nowtogether program of measures” on p. 126**

Fluctuation rate

Our efforts are underpinned by KPIs. The fluctuation rate is one way to indicate and gauge employee satisfaction.

The chart below shows how the employee fluctuation rate has developed over the last two years. →

	2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Total employee fluctuation rate	17% of which: retirees: 5 people (1.87%) interns: 5 people (1.87%) temporary: 1 person (0.37%)	12% of which: retirees: 7 people (2.8%) exiting the company for business reasons: 5 people (2.02%) trainees: 5 people (2.02%) temporary: 1 person (0.40%)	21% of which: retirees: 6 people (2.28%) interns: 6 people (2.28%) temporary: 1 person: (0.38%)	13% of which: retirees: 3 people (1.22%) exiting the company for business reasons: 3 people (1.22%) trainees: 11 people (4.47%) temporary: 1 person (0.40%)
of which are women	3%	2%	2%	3%
of which are men	14%	10%	19%	10%

The calculation of fluctuation rate is based on the average number of employees during the reporting period, as this represents the representative development in the company.

Fluctuation rate calculated according to the Confederation of German Employers' Associations:
(total number of exits / average headcount during the reporting period) x 100

For detail, here is what the breakdown of employees in both sites looks like on the reporting date 12/31 in both reporting years (including distribution by age, sex, and fluctuation rate):

	2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Total entries (reporting date 12/31/2022)	39	8	45	35
Entries female	3	1	3	5
Entries female under the age of 30	1	0	2	3
Entries female 30-50 years old	2	1	1	2
Entries female over the age of 50	0	0	0	0
Entries male	36	7	42	30
Entries male under the age of 30	9	0	14	14
Entries male 30-50 years old	18	7	23	16
Entries male over the age of 50	9	0	5	0
Total exits (reporting date 12/31/2022)	43	25	54	33
Exits female	7	5	5	6
Exits female under the age of 30	4	0	0	2
Exits female 30-50 years old	2	2	3	1
Exits female over the age of 50	1	3	2	3
Exits male	36	20	49	16
Exits male under the age of 30	6	5	16	8
Exits male 30-50 years old	15	5	19	5
Exits male over the age of 50	15	10	14	3

The majority of new employees for both sites are male employees between the ages of 30 and 50. This is mainly a result of recruiting for a manufacturing environment and the availability of skilled workers in technical fields. The highest governance body is composed of 100% men between the ages of 50 and 75. However, we plan to work on expanding our integrated approach in the long term and likewise to create a work environment for highly diverse people.

→ See the chapter “Diversity and equal opportunities” on p. 121

Looking at the KPIs for staff fluctuation, you can see a slight increase in the rate at the Vevče site in 2021, while the fluctuation rate at the Niklasdorf site notably increased, especially in 2022. You can also see that a higher number of men left the company.

The development of staff fluctuation is not satisfactory. As part of the **#nowtogether** program of measures, we intend to devise additional measurement parameters and measures to help improve employee satisfaction. We also want to find the reasons behind these trends and evaluate and implement suitable counter-measures based on those reasons. Furthermore, we plan to expand the communication system and feedback culture.

The sustainability goals of the sustainability program regarding the focus areas “Working conditions and employee satisfaction” and “Fair remuneration” are outlined in the chart below.

→ See the chapter “Overview of the **#nowtogether** program of measures” on p. 126

Sustainability goals		short/ medium term	long term	Status Q1 2023
#nowtogether	Working conditions and employee satisfaction			
	S10 Implement employee satisfaction program	2024	ongoing	●
	S8 Reduce fluctuation rate of voluntary exits to < 10%	2025	ongoing	○
	S9 Gradually introduce flexible work time models	2023	ongoing	●
#nowtogether	Fair remuneration			
	S13 Expand bonus systems for employees	ongoing		○

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✗ cancelled

Our path to an attractive working environment

Shirin Porkar, Employee Social Support, on her vision for creating a healthy and authentic working experience in the long term for greater employee satisfaction and maximum engagement at work.

What is your main task at B&B?

I have been commissioned for the entire ROXCEL Group to identify the factors that reduce or increase employee satisfaction and to develop a strategy for improving the working experience.

What is a particular challenge in your position?

That the results in the social area cannot be measured as quickly and as easily, which means creativity is required when setting the criteria. Another factor is that all employees need to be on board in order to be able to bring about lasting social change and to achieve our goal – namely to design a healthy, productive, collaborative and innovative working environment.

How do you measure employee satisfaction?

In future, we will conduct in-depth surveys from organizational psychology to monitor the pulse of employee engagement and loyalty towards the company. Additional planned measures are targeted dialog with employees and expansion of the employee appraisal framework to include 360-degree feedback.

Which positive developments do you already see at B&B?

Firstly, that it has been recognized at owner level how essential the topic of sustainability is and secondly, the great passionate people that we have. That is what makes us strongest.

What is the vision behind your work?

My vision is to create a healthy working environment so that everybody in the team can be themselves and thus work proactively and authentically. In this way, it will also be possible to increase employee satisfaction and retention.

”

**My vision is to create
a healthy working
environment so that
everybody in the team
can be themselves and
thus work proactively
and authentically.**

“

Shirin Porkar | Employee Social Support



Training and development

(GRI 404)

The years of experience and comprehensive knowledge of our employees in our line of business help to strengthen our position as a leading producer of special paper. We therefore strive to keep expanding the support we give to individuals and our opportunities for development, and want to place greater emphasis on professional training and development.

In addition to professional teaching and training for our employees, the company's **current training concept** consists of regular basic training sessions on occupational safety, fire prevention, hygiene and environmental protection. We are also working on creating individual **introductory training plans** for each department, while taking into account the competencies of each employee.

The supervisors in each department will use these plans to create yearly **training plans** for each and every employee, which will include individual advanced training and recurring training sessions on the respective department's focus area.

Advancement and careers

At B&B, we promote employees who want to further their development.



*From a papermaker trainee to studying industrial engineering:
Dominik Valentek*

For instance, we provide opportunities for apprentices to obtain their high school diploma for general university entrance and then provide financial assistance for sector-specific studies. We strive to offer our employees attractive prospects for careers within the company and to foster personal development, because it is only together that we can grow.

The chart below shows the scope of training and development hours completed at both locations.

	Niklasdorf	Vevče*
2021	6.71 hours	–
2022	8.41 hours	–

Calculation according to GRI:

(total number of hours for employee training and development / total number of employees)

* Hours for development time are currently not recorded at Vevče – see explanation on p. 119

Hours for development time are currently not recorded at the Vevče location. Instead, records are based on the cost expenditure, which on average was about 200 to 240 euros per employee in 2021/2022. In the next several reporting years, we plan to update the documentation for training and development hours. The training and development sessions completed are currently documented primarily by qualitative means.

The following achievements and results in employee development over the last two years are particularly noteworthy:

Teaching, training and advanced training measures Niklasdorf location, 2021

- 2 employees, advanced training on innovations in payroll tax and other taxes
- 2 employees, advanced training on labor and social security laws
- 2 employees, training for operating the forklift
- 1 employee, master craftsperson training
- 1 employee, master craftsperson training (foreman qualification)
- 3 employees, remote learning course
- 4 employees, in-depth course final apprenticeship exam 2021
- 1 employee, Paper and Pulp Technology course
- 1 employee, sustainability manager certification course
- 1 employee, Certified CSR Expert exam
- 1 employee, advanced course on SIMATIC S7-1500 in the TIA portal
- 1 employee, advanced training in the field of management systems, various certifications and organizational development
- 7 employees, working with low-voltage systems
- 1 employee, Employee Representation 1 seminar – “Getting Started”

Teaching, training and advanced training measures Niklasdorf location, 2022

- 2 employees, advanced training on innovations in payroll tax and other taxes
- 2 employees, advanced training on labor and social security laws
- 4 employees, LGV@plus: Basic training
- 7 employees, English language course
- 1 employee, German language course
- 3 employees, in-depth course final apprenticeship exam 2022
- 2 employees, subject module Paper Machine 1
- 1 employee, subject module Paper Machine 2
- 1 employee, subject module Materials Preparation 1
- 1 employee, basic module Paper and Pulp
- 1 employee, More Maintenance for Reduced Costs
- 4 employees, module 1: Fire warden
- 1 employees, module 2: Fire prevention officer
- 1 employee, From Employee to Manager
- 2 employees, TIA portal
- 1 employee, SEW drives

→

Teaching, training and advanced training measures

Vevče location, 2021

- All employees in production, maintenance and logistics were instructed in the theory and practice of occupational safety and fire prevention.
- New employees were briefed on the ISO, HACCP and UMWELT standards/regulations.
- 14 employees were trained in-house to perform internal audits.
- 8 production employees were trained to operate bridge cranes.
- 13 production employees were trained as forklift operators.
- Regular training for industrial electricians, electricians, electrical engineers and switchers in internal train services
- Periodic first aid training

Teaching, training and advanced training measures

Vevče location, 2022

- All employees in production, maintenance and logistics were instructed in the theory and practice of occupational safety and fire prevention.
- New employees were briefed on the ISO, HACCP and environmental standards/regulations.
- 15 employees were trained in-house to perform internal audits.
- 26 production employees were trained to operate bridge cranes.
- 7 production employees were trained as forklift operators.

- Regular training for industrial electricians, electricians, electrical engineers and switchers in internal train services
- 1 employee, sustainability manager certification course
- 1 employee, MBA degree (Master of Business Administration)

We plan to expand individual advanced training and support for employees in the future.

→ See the chapter “Overview of the #nowtogether program of measures” on p. 126

Other measures and goals have not yet been formulated in detail, but we want to continue improving the area of training and development in order to make ourselves attractive as an employer with opportunities for development. In the future it will also be more important to train skilled workers within the company – we plan to expand on this further.

Other areas of focus are the areas of comprehensive sustainability and ethics, which have been incorporated into a new training concept.

The sustainability goal from the sustainability program for the focus area “Training and development” is outlined in the chart below.

Sustainability goals		short/ medium term	long term	Status Q1 2023
#nowtogether	Training and development			
	S3 Expand the existing training program on occupational safety, sustainability and individual advanced training	2023	ongoing	●

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✗ cancelled

Diversity and equal opportunities

(GRI 2-7, 2-8, 401, 405)

The challenges of the times and societal change have made us take a critical look at the structures that have evolved in the company. The paper industry is exhibiting historic growth, motivating us in the modern era to reexamine equal opportunities in the workplace.

Working in paper production is without question a demanding job. The technology is complex and requires years of training. Fewer people in general are entering the paper industry, which is still heavily dominated by men.

However, there are plenty of opportunities to make the workplace **equitable in terms of generation and gender**, to minimize barriers to entry and to identify new ways to do the job.

Male colleagues are prevalent in our production here at B&B, too. But new times call for new ways of thinking. As a company in a male-dominated industry, we have had to take the first step of identifying what our biggest barriers blocking women are, and actively work against those barriers. This includes the length of training and of shifts. The first measures in this area cover the promotion of training and facilitating child care. Other measures have arisen from employee surveys and one-to-one discussions.

Breaking out of outdated roles

At B&B, we have set a goal for ourselves to provide the resources necessary for all employees to feel comfortable in their roles here and to recognize clear development opportunities for themselves. →

We aspire to create a work environment that is attractive to both men and women.

The chart below illustrates employee development at both locations for the years 2021 and 2022.

It is important to utilize and foster the knowledge and all the skills available on the job market. Tomorrow's employer combines knowledge, communication skills, passion, motivation, creativity, innovation, team spirit, digital capabilities, long-term development, respect and equal opportunities.

It is not about which generation you are from, what your ethnic origins are, or what gender you identify as. And while the paper industry is dominated by men, we are not going to let ourselves fail to nurture great human potential in the future. The work environment should reflect the diversity of the world.

The number of applicants speaks for itself: A **growing number of female trainees** are now ready to sign up for a career in paper engineering. We will also make active use of funding programs for

women in technical professions and thus further optimize job opportunities.

Measures to promote diversity

In addition to physical challenges, there is also the matter of effecting **cultural change**. Women in technical professions and in leadership roles advance the company's potential and should be promoted further in the future. This also includes

- **working in interdisciplinary teams** and expanding the competence matrix (which covers not only lifting heavy loads, but communication skills and digital affinity),
- **active participation of decision-makers** in events to motivate the paper industry to promote women (such as "Future Day," run by the association DIE PAPIERINDUSTRIE, or "Girls' Day") and
- participation in **funding programs** for the inclusion of persons in alternative education paths.

Aside from making the workplace more attractive to women, demographic shifts also play a role: These days, working models for deploying **older colleagues** should be encouraged to combine the

	2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Total employees* (Reporting date 12/31/2022)	241	236	218	237
Employees below the age of 30	54	34	45	42
Employees 30-50 years old	109	112	109	119
Employees over the age of 50	78	90	64	86

* Workers employed directly by the company

knowledge of multiple generations and actively support mentoring and supervision programs.

The charts below show the number of employees at both locations in 2021 and 2022, as well as the breakdown of employees by gender.

Women in leadership roles

The percentage of women at the group level in the year 2021 amounted to about 15% in leadership roles and in the year 2022 to about 17% (including shifts caused by partial responsibility at both sites).

According to the GRI, a leadership role is defined as a "leading member of an organization's management, including the CEO and persons who report directly to the CEO or to the highest governance body." At the B&B Group, this also encompasses persons working in staff functions and/or who are responsible for carrying out projects independently and report directly to management.

The goal defined by the sustainability initiative is to increase the **percentage of women in leadership roles to 30% by the year 2030**, though we will also endeavor to increase the percentage of women in the company overall and to keep making our workplaces more attractive.

Temporary workers and workers who are not considered employees

The organization can have exclusive control over their work or share control with one or more other organizations (e.g. with suppliers, customers, or other business partners such as joint ventures). The workers who are not directly employed by the B&B Group and whose work is controlled by the organization include temporary workers, contractors, home workers, independent sub-contractors, volunteers and employees of sub-contracting companies, in addition to trainees and interns at Vevče. These workers have a duty to coordinate with the company and are the responsibility of the supervisor for their department. →

Niklasdorf location	Men (total)	Women (total)	Total percentage of women	Percentage of women in leadership roles
2021	210	31	13 %	14 %
2022	191	28	13 %	17 %

Vevče location	Men (total)	Women (total)	Total percentage of women	Percentage of women in leadership roles
2021	192	44	19 %	14 %
2022	203	44	18 %	13 %

They have contracts with the company and clear rules for the department in question, which will be audited regularly by B&B management.

The breakdown of workers not employed by the company is outlined below:

	Niklasdorf	Vevče
As at 12/31/2021	7 contract workers – paper mill 8 contract workers – equipment 1 worker – production 4 workers – shipping 5 workers – paper mill 2 workers – equipment 1 contract worker – maintenance 2 workers – ROXCEL Consulting 3 custodians	3 interns 4 students 4 custodians 3 porters 8 workers – maintenance 22 contract workers
As at 12/31/2022	1 contract worker – maintenance 11 workers – ROXCEL Consulting 6 workers – pulp preparation 3 custodians	5 interns 1 student 3 custodians 3 porters 8 workers – maintenance 17 contract workers

The chart below outlines the sustainability goal from the sustainability program for the focus area “Diversity and equal opportunities.”

	Sustainability goal	short/ medium term	long term	Status Q1 2023
#nowtogether	Diversity and equal opportunities			
S12	Increase the percentage of women (full-time equivalent) to 30% (including managers, department heads, team leaders, etc.)		2030	○

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✗ cancelled

Local community

(GRI 413)

Although it is not the core business of our sites, they do contribute significantly to development in their regions. Living space was created in both locations and employees reside in neighboring communities. As a result, each location has grown and the company plays a big part in the prosperity of the regions.

B&B promotes the local community through various measures:

Company volunteer fire brigades

We can look back on a tradition of running a company volunteer fire brigade at each of our locations that has lasted for over 100 years. Fires are a huge risk in the paper industry. It is therefore extremely important that our employees undergo professional training in how to prevent and extinguish incipient fires. The association of volunteer fire departments in industry has a history of contributing to this purpose.

Brass bands

Creativity and team spirit bring our workers at both locations together in musical groups. Both music ensembles have histories reaching back more than a century, and we are proud of our fellowship with and support of the regions. The brass band at the Vevče location was founded in 1900. The musicians in the orchestra today carry on the

tradition of music and community with pride and bear the name of Papirnica Vevče throughout Europe. The Niklasdorf company band has a long history too: its roots trace back to a musical group in Niklasdorf village. The group then merged with the paper factory in 1927 to form the company band.

Contributing to the local economy

We also have ties to the local economy and want to bring prosperity to the region through our work. To do so, we rely on suppliers from the region or from the surrounding neighboring countries (as far as technologically feasible).

However, strengthening our relationship with the regional economy is good for our employees, too. That is why we regularly give out coupons for local stores and offer local producers the opportunity to bring specific products directly to employees in the company. In the future, we want to keep building on this cooperation and thus bolster the well-being of both our employees and the entire region.

Although we have not set any quantifiable targets related to local community as part of the sustainability initiative, our goal at both locations is to make a meaningful contribution to the regions' welfare.

Overview of the #nowtogether program of measures



We are well aware that people are the most important asset in the company. This is why we will focus strongly on the well-being and personal development of our employees in the future. We believe that our responsibility as a company is to reliably provide adequate resources for employees to be able to meet the requirements of their work safely and effectively.

The **#nowtogether** program includes measures to help increase satisfaction, health, safety and equal opportunities.

Furthermore, we want to learn what is important to our employees, what they want the future to look like and which working conditions need to improve. By obtaining feedback through employee surveys on engagement, 360° feedback, and direct dialogue, we can evaluate and adapt the program of measures on an ongoing basis.

As of the time of this writing, we have been able to achieve the following results:

- Physical and mental health are essential to being able to fully meet the demands of working in the paper industry. Investing in these areas means reducing the risk of work accidents.
- Both the company and its employees benefit from our promotion of training and development.
- We must actively promote diversity, especially in technical professions and create the conditions needed to do so.

The measures defined for the
#nowtogether program are made up of 4 supporting pillars.



GOVERNANCE AND ECONOMY

Let's go for a green economy!

#nowresponsible

**Learn more about our
program of measures
on p. 138**

In this chapter, we will provide an overview of the sustainability measures that B&B is implementing at the leadership level and along the supply chain to ensure fair and ethical business.

This chapter also includes figures and facts that indicate how we are performing economically, how technology at our locations is being upgraded, and how we are preserving security of supply in the face of the crises and developments currently happening around the world.

Management approach

GOVERNANCE AND ECONOMY

(GRI 3-3)

Our economic systems are exposed to constant change. Such external influences can be felt in daily business, especially in the manufacturing industry, and decisions have to be made at a minute's notice in order to work against various risks in the market.

With our company's ability to adapt, we are laying the foundation for future-proof economic success. Our flexibility and close cooperation with our suppliers mean that we're always able to react to changes in the market. These partnerships help strengthen security of supply.

Our company's economic performance is crucial to our role as a reliable partner in our supply chain. Being willing to go the extra mile and securing our survival on the market in the long term with our customers and business partners are integral components of our business practices.

At the same time, there is a financial risk due to climate change and the changes in availability of our primary raw materials, such as pulp and energy sources. Consequently, we are relying more on a partnership-based approach and want to be sensitive to our responsibility within our supply chain accordingly.

Measures planned

We embed our values in our Code of Conduct and accompanying documents related to our business processes. We are setting new standards as part of the **#nowresponsible** program of measures. These include a group-wide **Code of Conduct** at the ROXCEL Holding level and reinforcing our commitment to suppliers by conducting **external assessments**.

At B&B, we will continue to implement new measures in the field of **business ethics**. Observing human rights, fighting corruption and fraud, prohibiting child labor and creating safe and humane workplaces are indisputable to us.

Overview of KPIs in the “Governance and economy” area

Economic KPIs		2020 (B&B Group)	2021 (B&B Group)
Annual revenue financial report, without other income	kEUR	180,644	201,694
Net production volume	t	184,884	202,640
Net production volume (according to the Directive 2010/75/EC on Industrial Emissions)	t	207,739	224,245

→ Further information on our economic performance can be found in the financial statement of the individual company.

Economic performance

(GRI 201)

Our extensive investments in 2022 were focused on **further optimizing and ensuring the operational reliability of our production sites, expanding sustainable technologies and digitalization**. The goal of our investing was and is to strengthen our long-term profitability and competitiveness.

Furthermore, our primary focus was security of supply for our customers. Securing prices for energy and raw materials, which are the primary cost drivers, is becoming more and more important. We have applied for state subsidies available for energy and increased the amount we have secured.

The foreign exchange risk for the US dollar in procurement has been permanently minimized through medium-term rate guarantees. Electricity and gas supplies are similar cases.

Sales volumes and development

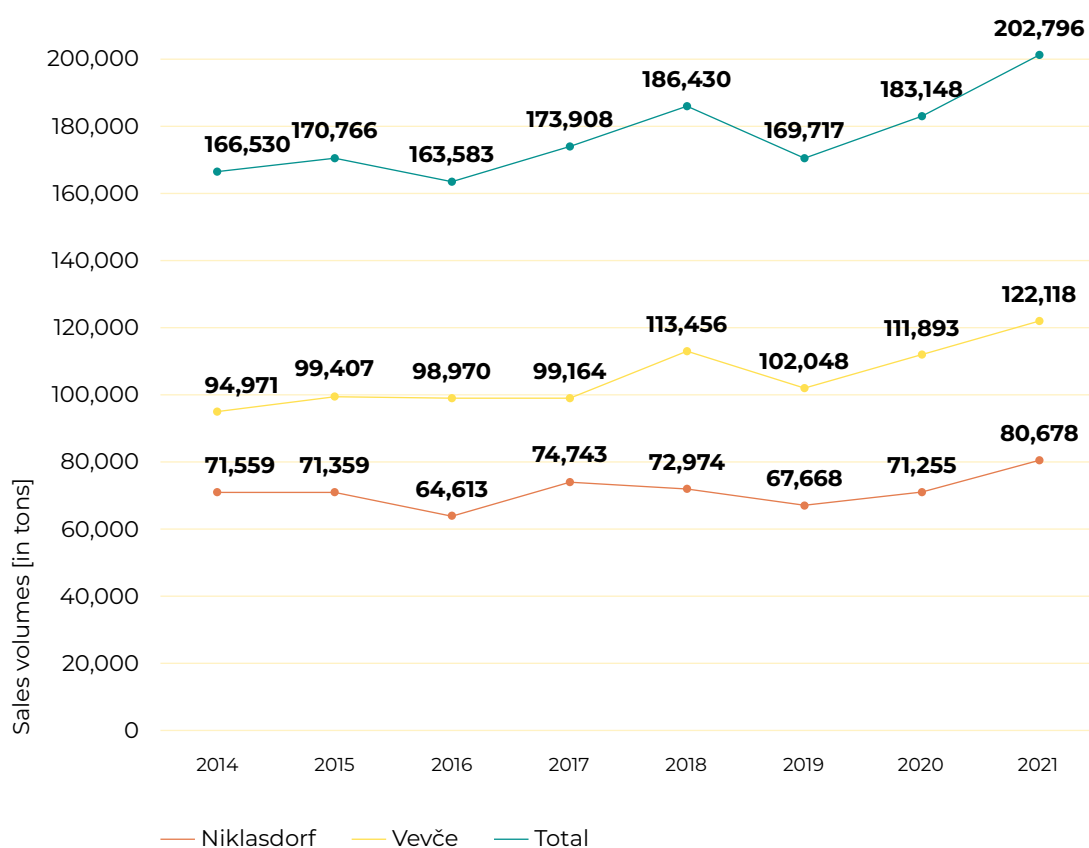
Developing new products as alternatives to plastic varieties helps to further develop and expand our product range. We have been able to optimize our product portfolio further overall thanks to the good order situation. As a result we were able to create a solid base for the year 2023. The breakdown of overhead costs is being continually improved as well.

By constantly adapting our processes, using resources efficiently, and extensively expanding our business relationships, we have been able to **consistently increase production and sales volumes**. Meanwhile, specific energy use has consistently gone down. Overall, this means success in our economic performance.

Now the goal is to keep driving this success forward by investing in digitalization, modernization and automation.

The sustainability goal from the sustainability program for the focus area “Economic performance” is outlined in the chart below.

Sales volumes from 2014 to (including) 2021



#nowresponsible	Sustainability goal		short/ medium term	long term	Status Q1 2023
	Economic performance				
P9	Conduct customer satisfaction analysis		2023	ongoing	○

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✗ cancelled

Security of supply

(GRI 204)

The crises of the last several years have been very hard on the entire industry, including B&B. We have seen massive price increases for electricity and natural gas as well as for our primary raw materials in production, such as pulp, chemicals and additives. We even faced huge challenges in our logistics.

Currently we have about **200 active raw materials suppliers** supplying us. The most crucial raw material for a non-integrated paper factory is pulp, which we source from 15 different suppliers. Thanks to the partnerships we carefully maintain, we have not had to shut down our paper machines due to shortages in raw materials since the company was founded, even during hard times.

We have a specific procedure for approving our suppliers. It includes a technical review, requesting certificates, data sheets, lab samples and operating trials, in addition to the clear criteria for approval. This keeps the quality of our suppliers high and consistent at all times.

We avoid single-sourcing in order to ensure security of supply. There should be **at least two to three verified suppliers** available for each material. We also keep a sufficient supply of our most important raw materials stocked in local warehouses.

→ See “Sustainable consumption of raw materials along the supply chain” on p. 95

Technology partnerships

Natural resources can not always be directly substituted. Our procurement department therefore works closely with our R&D and technology departments to continually look for alternatives and innovative products.

On-going dialogue between suppliers, technologists and procurement helps to promote **long-term collaborative development**. We review our current suppliers every year, examining their certifications and standards, product quality, service and availability. The evaluation is sent to the supplier so they can continually improve and further stabilize the supply chain. We will be expanding this evaluation in the future. Furthermore, sustainability performance will be evaluated more in-depth and optimized as part of supplier engagement measures and supplier assessments.

Our supply chain is distributed around the globe due to the high requirements for our end product and thus for our starting materials. However, we prioritize **local suppliers** (who produce in the EU, including Switzerland) whenever availability allows, and we are continuing to expand our local sources. Local suppliers currently account for about 75% of the procurement budget for both facilities.

The chart below shows the percentage of the procurement budget attributed to local suppliers. The most important raw materials (pulp, chemicals and additives) were estimated. Production facilities in the EU (including Switzerland) account for about 75%.

Share of the procurement budget for suppliers in the EU (incl. Switzerland)

	2021 (Niklasdorf)	2021 (Vevče)	2022 (Niklasdorf)	2022 (Vevče)
Pulp	64%	78%	70%	62%
Chemicals and additives	86%	85%	87%	82%
Total	72%	80%	74%	68%

Energy and gas supply

The security of supply and stability of prices for raw materials, energy sources, and freight space have worsened considerably due to the war in Ukraine. Consequently, we expect to see an increased risk in raising costs and supply shortages in raw materials and additives.

However, thanks to the measures we have taken to safeguard production operations, B&B is well prepared to make it through this extraordinary situation in the global economy. Unfortunately though, this has caused a shift in supply sources and the percentage of local suppliers in Vevče decreased compared to the previous year. Nevertheless, we still intend continuing to prioritize supply from local suppliers going forward.

In the area of **energy**, we are focusing on expanding renewable energy sources, especially for electricity, such as by investing in photovoltaic systems.

For the most part, we were also able to ensure our **gas supply** during periods

of crisis. We had to resort, however, to heavy fuel oil for a short time at the Vevče site.

In the future, we plan to continue optimizing gas consumption, especially in Vevče. We have already taken extensive measures at the Niklasdorf site by investing in the waste-to-energy plant.



*High production performance guarantees the supply for our customers
(Paper machine PM5 | Vevče)*

Business ethics

(GRI 205, 206)

We are pursuing the goal of setting high ethical standards for our business activities – both in our own business processes as well as along our supply chain.

We will be reinforcing these measures in the future with ROXCEL Holding.

5 core elements are part of our business ethics (see figure on p. 135).

These elements in turn are interwoven into our procedure in the Brigl & Bergmeister Group and are reflected in the **#nowresponsible** (sustainable procurement) and **#nowtogether** (training and development) programs.

The goal is to continue to ensure a transparent, trackable record in the company as a whole and in our business practices and to provide awareness to employees through ongoing training.

In addition to the processes we have planned, there is currently a **Code of**

Conduct in place that has been communicated to the relevant groups of people (both in management and all employees working in administration) via the management system software. Currently there is no recurring training.

The four-eyes principle and a strict policy regarding decision-making, which is defined in the rules of procedure and the general terms and conditions, are applied to all internal processes.

Standards of business ethics for our partners and suppliers

We enforce the following standards for our business partners, including their employees and representatives, through the contracts signed with them:

- do not make, initiate, or facilitate any direct or indirect payments to third parties or give any substantial donations or gifts to third parties – especially customers, employees,

Sustainability goals		short/ medium term	long term	Status Q1 2023
#nowresponsible	Business ethics			
	P6 Expand measures relating to business ethics at the ROXCEL Holding level and hold training sessions	2023	ongoing	●
	PI/3 Implement sustainability supplier risk assessment	2023	ongoing	●
	Responsible use of resources in the extraction/preparation of raw materials and security of supply			
	PI/3 Implement sustainability supplier risk assessment	2023	ongoing	●

✓ achieved

★ achieved and to be continued

● ongoing or in preparation

○ unsatisfactory/not achieved – devise a plan for further implementation

✗ cancelled

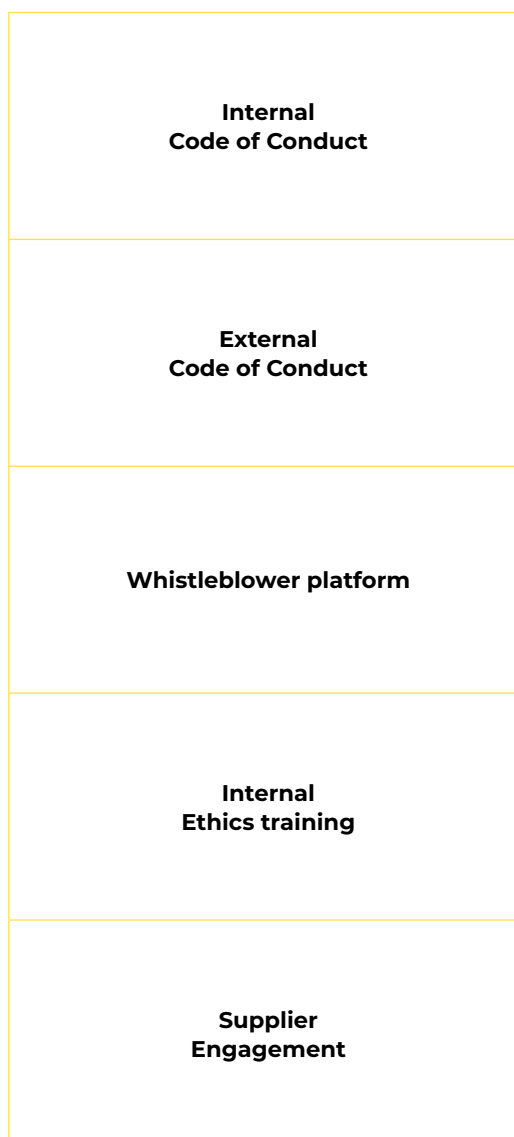
shareholders, or managers – nor shall the customer (including their employees or persons commissioned by them) accept or agree to accept such payments/gifts that constitute unlawful and corrupt business practices under applicable laws (**"anti-corruption obligation"**);

- observe the competition law and in particular all provisions of antitrust law (**"anti-trust law obligation"**);
- strictly observe the anti-corruption, anti-trust and compliance obligations at all times, and ensure that employees and persons commissioned observe these obligations, and make it clear in all business transactions that they must act in accordance with the anti-corruption, anti-trust and compliance obligations.

No cases of corruption were reported for either reporting year.

The sustainability goals from the sustainability program for the focus areas "Business ethics" and "Responsible use of resources in the extraction and preparation of raw materials and security of supply" are outlined in the chart on p. 134.

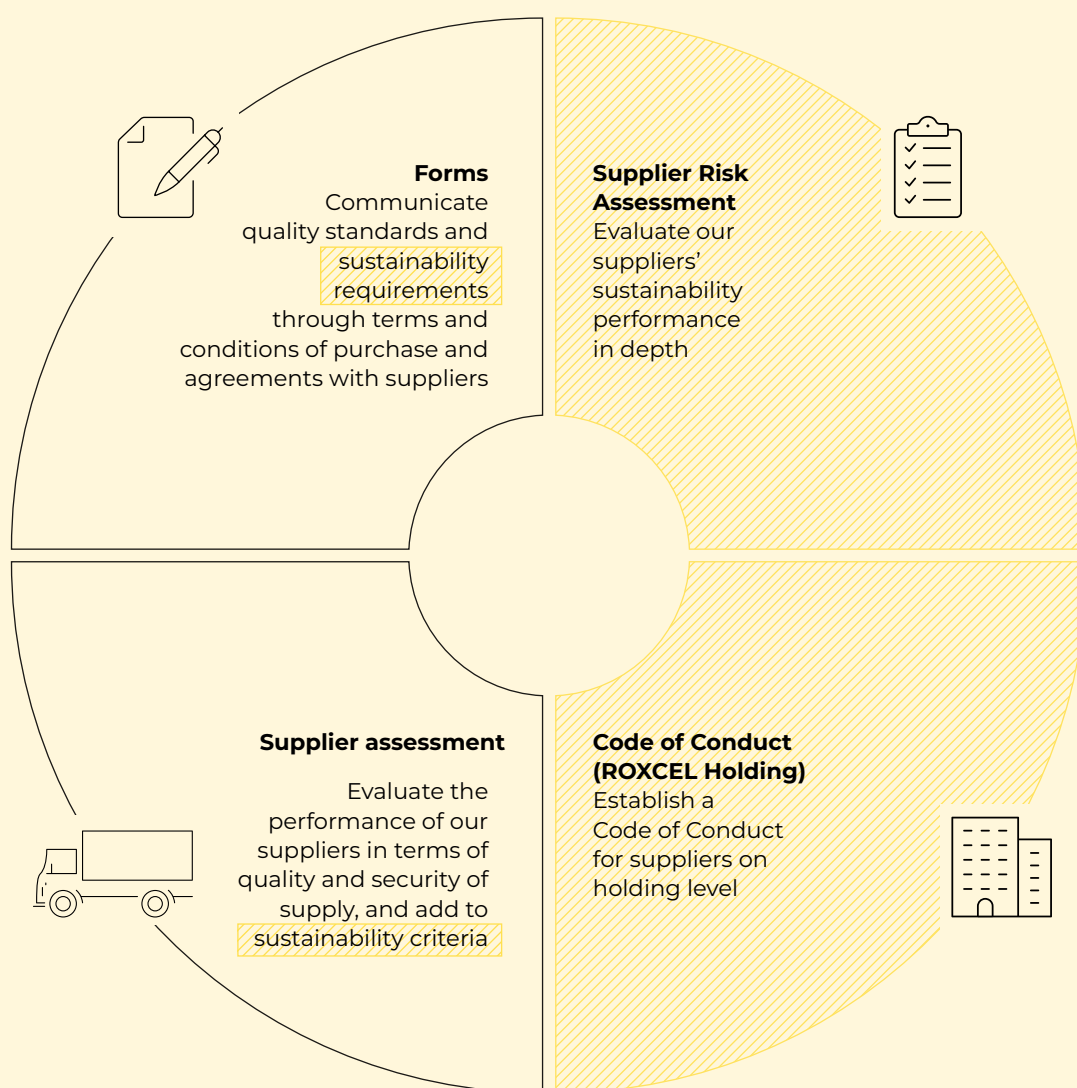
The core elements of B&B's business ethics



We are also taking additional steps in the area of business ethics in expanded supplier engagements and assessments as part of the **#nowresponsible** program of measures. Page 136 illustrates B&B's measures relating to sustainable procurement.

B&B

Sustainable Procurement



□ already implemented ▨ planned

Technology and innovation

The investment focus on automation and digitalization launched in 2021 was continued in 2022, showing significant progress in many areas in terms of costs and performance. For example, we implemented an automated paper test lane, which greatly improves data quality and reducing workload at the same time.

In the area of sales and product development, we are continuing our strategy of increasing the proportion of innovative products and new areas of application. This means that we can ensure and guarantee high added value and utilization at both sites.

As a result, we are allocating more and more activities and resources to developing flexible packaging papers with certain barrier characteristics as well as special papers, such as papers for straws or release liners.

The focus areas of the last two years were:

- Increasing machine utilization
- Developing further special grades
- Using alternative raw materials, e.g. replacing birch pulp with eucalyptus pulp
- Optimizing existing processes

We plan to make further investments in **upgrading the technical and technological aspects** of our paper production by 2025. With ROXCEL Trading, we are planning to increase the sales of papers as well as our market share through higher added value in challenging global markets. We can strengthen our position on the global market by producing special label papers and flexible packaging papers with high added value.

The sustainability goals from the sustainability program for the focus area “Technology and innovation” are outlined in the chart below.

Sustainability goals		short/ medium term	long term	Status Q1 2023
#nowresponsible	Technology and innovation			
	U16 Annually 5 projects in R&D	2023	ongoing	●
	U17 Generate increase in efficiency through 5 new processes annually	2023	ongoing	●

✓ achieved ★ achieved and to be continued ● ongoing or in preparation ○ unsatisfactory/not achieved – devise a plan for further implementation ✗ cancelled

Overview of the #nowresponsible program of measures

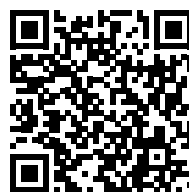
Companies in industry bear particular responsibility for acting sustainably due to their high impact on the environment and people. At B&B, we want to set standards both internally and along the entire supply chain in order to make ethical principles, fair business relationships and sustainable economies possible.

The measures in the **#nowresponsible** program include principles of business ethics that were defined in accordance with the values of B&B. Members of the expanded Sustainability Core Team, who are responsible for departments, will integrate these measures into our processes and business relationships. The measures defined for the focus area "business ethics" consist of 2 supporting pillars (see illustration).

The Code of Conduct already in place was communicated to the relevant groups of people through the management system software. Furthermore, we intend to hold ethics training at both locations to raise employee awareness.

Likewise, we motivate our business partners to observe our principles of business ethics as part of an external Code of Conduct and our terms and conditions of business. The guarantee of our standards and principles along the entire value chain is summarized in the measures of the "Sustainable procurement" program (see p. 136).

Any violations of our ethical conventions can be reported anonymously via a **whistleblower platform** (see QR code) from within or outside of the company.



Scan here to go
to the whistleblower
platform

#nowresponsible

Business Ethics



Internal company measures

- Internal Code of Conduct
- Ethics training
- Whistleblower platform



Supply chain engagement

- External Code of Conduct
- Supplier Engagement, Supplier Assessment (Sustainable Procurement)
- Whistleblower platform

A scenic landscape of a mountain valley. In the background, majestic snow-capped mountain peaks rise against a blue sky with scattered white clouds. The middle ground features rolling green hills dotted with small evergreen trees. In the foreground, a herd of brown cows grazes in a lush green field, separated from the viewer by a low stone wall. The overall atmosphere is peaceful and natural.

#now

**Our business
practices ensure
our resilient market
position and thus the
security of supply for
our customers and
business partners.**

Closing words

When the decision was made in 2021 to set new sustainability standards for our company, the dimensions of this initiative could only be roughly estimated. Countless challenges were overcome, lessons-learned were consolidated, and milestones were reached. The last two years have been a very intense time for our team, but the drive to make a difference was strong.

Now, as the fruits of our labor are in our (and your) hands, our pride could not be greater. By deciding to consider sustainability at a strategic level, a foundation has been laid for our contribution to a sustainable future. This report is a sign and confirms our commitment to a new era! At the same time, we know that there are still many milestones to be achieved within our company and along the value chain.

This report marks the beginning of our journey – a journey that we can only take together to shape a sustainable and promising future for generations to come.

Of course, this initiative would not have been possible without the broad support of all those people who have stood by us over these years:

Our customers and suppliers who have placed their trust in B&B and continue to do so.

Our external partner, whose commitment and expertise contributed significantly to the quality of the final report.

All colleagues, including the management of ROXCEL Holding, who supported our team to the best of their abilities and who, through their commitment, contribute every day to living the values and goals of the B&B Group.

All these people are part of this initiative – and to each one of you, we wholeheartedly express our gratitude.

#now

**Because
we can
make a
difference
today!**



**Well, before you put
the report aside...**

Find out more about B&B on our website!
www.brigl-bergmeister.com

GRI content index

The GRI content index can be found at:
brigl-bergmeister.com/sustainability/index



Glossary and abbreviations

A glossary and list of abbreviations can be found at:
brigl-bergmeister.com/sustainability/glossar



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Disclaimer

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