

# SUSTAINABILITY REPORT 2023

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## ABOUT THIS REPORT

Welcome to UZIN UTZ's online sustainability report for the 2023 financial year!

In this report we present the most important economic, ecological and social developments of the UZIN UTZ Group and Uzin Utz SE until December 31, 2023. We inform our stakeholders comprehensively about the sustainability strategy of UZIN UTZ and the progress in achieving our sustainability goals. Details on our business performance can be found in the Annual Report. The definition of our report content is based on ISO 26000 - the guideline for social responsibility.

Unless otherwise stated, the contents of this report refer to Uzin Utz SE, Ulm. The report also contains information on the entire "UZIN UTZ" Group, including topics relating to our Group strategy PASSION 2025 and brief reports on the activities of individual companies. Previous year's figures are given in brackets. Due to the German CSR Directive Implementation Act, the UZIN UTZ Group has published a non-financial statement at Group level since 2017, which can be found at <https://int.uzin-utz.com/responsibility/sustainability/downloads> for this reporting year.

This report is only available online in German and English. Use the navigation at the top of the page to explore main and sub-chapters, or scroll through the chapters page by page using the arrows at the bottom of the page.

### Business model of the UZIN UTZ Group

UZIN UTZ, headquartered in Ulm, Germany, is a globally active company that is characterized by its high innovative capacity as a system partner and offers its customers a comprehensive, coordinated product portfolio for laying, renovating and maintaining floors. As the market leader in the development and manufacture of products and machines for screed, flooring, tiles and parquet, UZIN UTZ offers the widest range of state-of-the-art products and services. With the successful brands UZIN, WOLFF, PALLMANN, Arturo, codex and Pajarito, we offer a diverse and needs-oriented product range. We develop, produce and distribute almost all of our products and systems ourselves in order to guarantee the highest quality standards and continuously expand our technological expertise, particularly in environmentally friendly and low-emission products. With over 1,400 employees, UZIN UTZ is present in 53 countries, including its own production and sales companies in 20 countries. Our main areas of business are in Germany and other European markets, although the Group is also active in North America, Asia and the South Pacific region. Depending on their function, the Group companies are divided into production, service and sales

companies. Further details on the individual Group companies and additional information can be found in the 2023 Annual Report.

The PASSION 2025 corporate strategy, introduced in 2020, serves as a central guiding instrument for sustainable growth and the success of our Group. Developed in close collaboration with our employees, PASSION 2025 is based on four fields of action: **PROFIT, PRODUCTS & SERVICES, PLANET** and **PEOPLE**. Each of these fields of action is equally important and makes a decisive contribution to our corporate strategy. In order to make progress and success in each of these areas measurable, we have defined specific, overarching goals. These are explained in detail in the current report and illustrate our comprehensive approach to achieving sustainable corporate goals.

## Fields of action and key topics

Our key topics, which are integrated into the PASSION 2025 corporate strategy, were identified through a comprehensive stakeholder dialog. These topics reflect the significant economic, environmental and social influences of our company and are crucial for the assessments and decisions of our stakeholders. They are assigned to the four main areas of our strategy: **PROFIT, PRODUCTS & SERVICES, PLANET** and **PEOPLE**. Each of these areas of activity reflects an essential aspect of our business and contributes to the overall strategy, with the feedback and insights of our stakeholders playing a central role.

## The "PLANET year" 2023

Our strategy concept consists of four areas of action, one of which we focus on each year. After focusing on the PEOPLE area of action in 2022, the focus this year was on PLANET. Accordingly, many of our activities were based on the PLANET guiding principle, which enabled us to implement numerous small and large campaigns over the course of the year.

In the first half of the year, we introduced our own sustainability label ECO<sub>2</sub> CHOICE, which we use to label our CO<sub>2</sub>-reduced construction products. The individual companies also offered various events on the topic of PLANET. At the Ulm site, for example, there was a PLANET event series with five different activities to introduce our employees to the diversity of sustainability. At the beginning of the PLANET year, every UZIN UTZ employee received a book that explains the topic of climate change briefly, clearly and comprehensibly in order to further raise awareness. There was

also a call for ideas on the topic of PLANET, in which our employees were able to contribute their own ideas and suggestions for improvement on ecological sustainability. For further insights and more information, please visit our story or highlights page.

The year 2024 is characterized by economic sustainability with a focus on PROFIT. Within this thrust, we aim to expand our market position in individual country markets and exploit country-specific potential. In recent years many projects have already been initiated for this purpose, which should be successfully completed by 2025.

## **WIN Charta**

Since signing the "WIN Charta" in 2016 as part of the Baden-Württemberg Sustainability Initiative (WIN), we have been actively committed to complying with the 12 sustainability principles set out therein and strive to continuously increase our sustainability efforts. Our aim is to take on a pioneering role for other companies within this initiative. Our focus within the WIN principles is on the areas of employee well-being, energy and emissions, product responsibility, corporate success and jobs. These areas reflect the focus areas (**PEOPLE, PLANET, PRODUCTS & SERVICES** and **PROFIT**) of our PASSION 2025 corporate strategy. WIN also supports the local commitment of its members through the "WIN Charta project". In 2023, we continued our support for our WIN Charta project - the Grünfinder project - which teaches children from socially disadvantaged families about the importance of nature and the environment (see PLANET). We also report annually on our progress in a WIN Charta report. You can download this report and further information at [www.win-bw.com](http://www.win-bw.com) and at <https://int.uzin-utz.com/responsibility/sustainability/downloads>.

## PROFIT

For us acting responsibly is the basis for lasting economic success. We therefore take social, ethical and ecological aspects into account in all our business activities. Our economic strength and our consistent success are based on a fair and reliable relationship with our customers.

In order to achieve our economic goals, we want to expand our market position in individual country markets by analysing and taking into account market and country-specific characteristics. Dedicated local sales strategies ensure customer proximity for each country. In future, the focus will be on utilising synergies between our companies, for example in the development of logistics concepts, compliance or the management of local and group-wide risks. Investments and the optimization of production sites are also at the heart of group-wide considerations. Markets of particular relevance are our so called core and growth markets, which in addition to Germany are the Netherlands, Switzerland, USA, France and UK.

The group-wide goal is to achieve sales of more than EUR 550 million across all companies and brands by the end of 2025. Furthermore, our profit (measured by the EBIT margin) should account for more than 8 % of sales.

## ECONOMIC SUSTAINABILITY

**Economic sustainability means squaring commercial success and investments with social and ecological responsibility. The ability to plan investments in advance is required here.**

Integrating economic, social and environmental responsibility is essential for sustainable business success and continuous corporate growth. Our strategy to ensure competitiveness includes forward-looking action and proactive measures to counter current global challenges. In the face of geopolitical uncertainties, fluctuations in the energy markets and supply chain interruptions, the focus on innovation in product development and customized solutions remains our key to success. We are strengthening our market position through innovative ideas, first-class service, strong networks and the expansion and improvement of our production facilities.

Strategic investments and the development of efficient logistics strategies are at the heart of our planning in order to be able to react flexibly to market changes. In a dynamically growing environment, the continuous adaptation of internal structures



and communication channels is of great importance. Through early and close coordination, we integrate local perspectives into an overarching overall strategy. We also promote the exchange of experience, the application of best practices and interdisciplinary collaboration in order to share knowledge across the company and drive innovations.

This holistic approach not only ensures our ability to adapt to rapidly changing market conditions, but also strengthens our ability to remain successful and competitive in the long term.

## Earnings and financial figures

The following tables provide an overview of our key earnings and financial figures. For more comprehensive insights and detailed analyses refer to our Annual Report please (add link).

<b>Key figures Uzin Utz Group</b> (in accordance with IFRS; in EUR million)	<b>2023</b>	<b>2022</b>	<b>2021</b>
Sales revenue	479.3	487.1	440.1
Sales revenue growth compared to the previous year in %	-1.6	10.7	14.7
EBIT	34.5	36.3	47.5
Net income for the year*	22.6	25.3	32.9
Investments	20.4	41.1	35.8
Depreciation	18.7	17.2	15.6
Cash flow from ordinary activities	48.7	7.2	42.4
Balance sheet total	420.0	412.6	365.4
Equity (including third parties)	257.3	244.0	223.5
Personnel (average)**	1,480	1,466	1,395

\* Not applicable to shareholders of the parent company.

\*\* The number of employees (permanent positions and short-term contracts) has been converted to full-time equivalent employees. Part-time employees are proportionally represented here based on their contractual working hours.

<b>Key figures Uzin Utz SE, Ulm</b> (in accordance with HGB; in EUR million)	<b>2023</b>	<b>2022</b>	<b>2021</b>
Sales revenue	175.2	179.1	157.8
EBIT	4.7	1.6	7.5
Net income for the year	17.1	16.6	22.6

## CUSTOMER LOYALTY AND STRONG PARTNERSHIPS

**Customer loyalty means there is an ongoing and successful business relationship between the company and customers. Alongside this, we rely on strong partnerships with our stakeholders.**

Our goal is to be a reliable and strong partner for our customers by building and maintaining long-term and successful business relationships. We place great importance on close partnerships with all our stakeholders, including communication with employees and cooperation with customers and suppliers. Our commitment is focused on developing and providing technically advanced products and customized system solutions for the installation, refurbishment and maintenance of floor coverings to fully meet the requirements of our professional trade customers.

With a qualified field service team and technical support by telephone from our application technicians, we offer comprehensive advice and excellent service. In addition through our group-wide key account management team, we provide targeted support to architects and planners as well as the flooring industry to meet their specific needs. Our offering includes flooring expertise, experience sharing and knowledge transfer on legal and marketing-related topics, which our customers particularly appreciate.

We also actively support the development of young professionals in the trade and offer tailor-made training courses to train specialists in flooring, parquet, screed and tile laying as well as in the interior design trade. These training courses cover new techniques, installation products and machines, which enables us to strengthen and develop professionalism in the trade.

## **Exchange with stakeholders**

Our stakeholders, including customers, employees, suppliers, investors and members of associations, the environmental and social sectors, have specific expectations of our company. We best understand the wishes, needs and concerns of our stakeholders through active dialog. We promote this dialogue through personal discussions, surveys, the use of our sales force, the involvement of various specialist departments and our training program. In particular, our key account management at UZIN UTZ ensures direct communication with customers, architects and planners in collaboration with the sales and technical team. In addition we maintain productive collaboration with cooperation partners, the flooring industry and various trade associations and strengthen close contacts with various players in the field of sustainable building, politics, business and through our customer advisory board. This enables us to identify and address relevant topics.

## **Know-how for customers: Training and trade fairs**

A major focus in 2023 was on the BAU trade fair in Munich. There we were able to present many new products and highlights from our six brands UZIN, WOLFF, PALLMANN, Arturo, codex and Pajarito. The topic of sustainability plays a major role for us, but also in the construction industry in general. We were able to make our contribution here with our new cross-brand sustainability label ECO<sub>2</sub> CHOICE as well as with many product innovations. Another highlight was the stand party to celebrate the 100th anniversary of our Pajarito brand. In the evening we welcomed around 350 customers and business partners to the official celebration at our joint stand.

In addition we again offered customer training courses at our headquarters in Ulm throughout the year. We were able to increase the number of training days to 70 in 2023 (37 in 2022). In total we welcomed almost 1,000 customers to Ulm, including international guests, who came to us for training purposes.

## **UZIN.TV**

UZIN.TV is our innovative live video format that enriches our range of consulting services with a focus on the professional installation of screed, floor coverings and parquet. In our short informative episodes customers and those interested in flooring receive in-depth insights into the proper application of UZIN products, including adhesives, primers and leveling compounds. Our experienced application technicians not only demonstrate everyday installation work, but also explain special applications

and offer valuable practical tips. This offer is an ideal complement to our telephone advice and the personal service provided by our technicians and field staff. The broadcasts are made directly from our in-house studio in Ulm and are available on YouTube and on our website at [www.uzin.tv](http://www.uzin.tv).

## **Networks and partnerships**

### **"Netzwerk Boden"**

The "Netzwerk Boden" is a unique association of Germany's leading flooring specialists. With around 75 professional and certified craft businesses it offers comprehensive specialist expertise and many years of experience in the implementation of various projects - from private living spaces to commercial and public buildings. This network represents an unrivalled cooperation between trade and industry in the flooring sector. It aims to offer all members ongoing training opportunities in their specialist areas, to integrate innovative approaches into company management and to make the most of the benefits of digitalization for their business. In addition, young talent is supported through a wide range of seminars and practical experience in the trainee and construction assistant CAMP. In close cooperation with architects and renowned industry partners, the network guarantees the highest quality standards, coordinates all project work, ensures reliable planning and creates lasting value.

Find out more at: [www.netzwerk-boden.de](http://www.netzwerk-boden.de)

### **UZIN: BOD - The floor designers**

"BOD - Die Bodengestalter" represents an exclusive customer network of professional flooring contractors, supported by the UZIN brand. The network members, all certified specialists, are characterized by their outstanding technical expertise and maintain an intensive exchange of knowledge among themselves. The main objective of this network is to provide professional support to flooring contractors in the effective communication and marketing of their services to end customers. BOD is based on four fundamental pillars: personal qualification, network & exchange, marketing & communication and exclusive experience packages.

### **codex: Tiler in the "Netzwerk der Besten"**

The codex network offers professional tilers and natural stone layers practical support in all areas of their work. As an association of the country's leading professionals, this network brings together around 1,600 members who benefit from the central pillars of marketing, knowledge and networking. Members enjoy the advantage of personal exchange as well as access to advanced knowledge about finance, construction law, current industry trends and the latest technical developments in the field of codex products. The online platform "SYSTEM X" makes it easier for members to access relevant content and products and improves personal service. The annual codex network event enriches members with specialist lectures and seminars as well as a diverse supporting program that promotes exchange and networking among participants.

Find out more at: [www.netzwerkderbesten.com](http://www.netzwerkderbesten.com)

### **PALLMANN: Parkettprofi**

For over 10 years, Parkettprofi has been the marketing offensive for parquet layers in Germany. "More success and less effort. Time to concentrate on the essentials: Laying parquet!" This is how the network describes itself in a nutshell. The platform also defines itself through the continuous expansion and improvement of its services. Parkettprofi takes on the essential, often neglected aspects such as marketing, active sales promotion, online presence and professional training for craft businesses. The approximately 350 affiliated member companies enjoy benefits such as exclusive seminars, personalized work clothing and various advertising materials, including large-format posters. They also receive exclusive rights to use the registered Parkettprofi brand. End customers can find comprehensive information about wood flooring on the website and via social media channels. A key aim of the initiative is to bring the benefits of natural wood flooring closer to consumers. Thanks to a sophisticated search function on the website interested parties can easily find qualified parquet laying specialists in their area.

Find out more at: [www.parkettprofi.de](http://www.parkettprofi.de)

## **Membership in associations and organizations**

Our commitment is aimed at shaping and promoting the future and progress in the construction industry. We are actively involved in a large number of associations and organizations, with a particular focus on the areas of emissions and health, quality assurance and promoting young talent. This close cooperation enables us to quickly gain important insights into trends and developments in the industry. This enables us to react promptly to changes and play a positive role in shaping future trends. We are also able to inform our customers immediately about relevant information and announcements from the associations. We are active in the following important industry and trade associations, among others: Adhesives Industry Association, (Industrieverband Klebstoffe, IVK), German Construction Chemicals Association (Deutsche Bauchemie e. V.), Federal Association for Parquet and Floor Technology (Bundesverband Parkett- und Fußbodentechnik, BVPF), the German Federal Association of Screed and Floor Covering (Bundesverband Estrich und Belag, BEB), the German Interior Decoration Association (Zentralverband Raum und Ausstattung, ZVR), the German Tile and Natural Stone Association (Fachverband Fliesen und Naturstein), the Association of Resilient Floor Coverings Manufacturers (Fachverband der Hersteller elastischer Bodenbeläge e.V., FEB), and the German Association of Sworn Experts for Interior Decoration (Bundesverband der vereidigten Sachverständigen für Raum und Ausstattung e. V., BSR).

## **Promoting young talent in the skilled trades**

The increasing shortage of skilled workers and young talent is a growing challenge for the floor-laying trade. As part of our membership of the Federal Association of Parquet and Flooring Technology we provide both financial support and active contributions to its advisory board in order to promote the "Das ist Bodenhandwerk" training initiative, which has been running since 2014. This initiative aims to attract young people to professions such as floor layers, parquet layers, screed layers and interior decorators and to connect them with apprenticeships and internships in trade businesses. Another aim is to raise the profile and recognition of these professions in society. We also offer financial and non-material support to master craftsmen's schools in Germany and Austria, for example by providing speakers, products, premises for training courses or organizing company tours.

## Growth and vision

We focus on sustainable growth globally, characterized by careful planning and strategic investments in new locations and buildings. These investments are substantial and demonstrate our long-term commitment. In the 2023 reporting year we took important steps to expand our locations. Some examples of these are listed below.

### **New INTR. POINT**

In June 2023 the official opening of the INTR. Point took place in the central industrial area 'De Veldkamp' in Hengelo, the Netherlands. This event attracted over 100 interior design professionals who experienced the new store at its grand opening. Jan Bos, manager of the INTR. Point branch, and Gerard Gerrits, deputy mayor of the municipality of Hengelo, jointly performed the symbolic ribbon-cutting ceremony to mark the launch of the new INTR. Points.

### **Update from Waco, Texas**

After an extensive phase of planning, construction and installation our new plant in Waco, Texas was successfully commissioned in April 2023. It has two production lines for manufacturing and filling our products. On April 20 the first production unit of NC 150 was successfully filled. In the same year we also introduced the warehouse management system (LFS), which will be extended to other locations in North America in the future.

The commissioning of this dry mortar plant in Waco marks an important step in the expansion of our business in the growth market of the USA. It not only opens up additional expansion opportunities for us, but also helps to optimize the supply chains to our customers.

## COMPLIANCE

**We maintain fair, quality- and cost-optimized business relationships with our suppliers and unlock potential together. In addition to commercial criteria, environmental and social standards are also pertinent to us during procurement.**

**We want to ensure a high level of supply security for raw materials and packaging for all our production sites.**

UZIN UTZ is committed to actions that are not limited to compliance with legal regulations, but are also based on ethical principles and a shared understanding of values. This attitude serves as the cornerstone for the trust placed in us by our employees, customers, shareholders and other stakeholders. UZIN UTZ's compliance guidelines contain essential and binding requirements for the conduct of all company employees and in interactions with business partners, shareholders and the wider community. In particular they emphasize the importance of preventing corruption and complying with antitrust regulations.

To ensure that employees are fully aware of these guidelines, they are communicated via a variety of information channels. The central compliance guidelines are also available to all interested parties on the UZIN UTZ website. The implementation of a central contact point for compliance ensures that all stakeholders have a competent contact person. Strict adherence to the aforementioned guideline is continuously monitored by a supporting reporting tool, the "Compliance Checker".

The Whistleblower Protection Act came into force in Germany on July 2, 2023. UZIN UTZ had already proactively implemented a whistleblower system, which was introduced at the end of 2021, to guarantee the highest possible transparency and security. This system makes it possible to report potential compliance violations - anonymously if desired - via an ombudsman, who then forwards them to the internal compliance office. The whistleblower system is established throughout the group and is also available to external third parties.

## **Supplier Code of Conduct**

With the introduction of our compliance guideline, UZIN UTZ is committed to fundamental standards of conduct, responsible action and sustainable business practices. We attach great importance to ensuring that our business partners also share our corporate values and act accordingly. For this reason we have developed a detailed Code of Conduct for suppliers and service providers, which serves as a central component of our compliance guidelines and sets out essential minimum standards. This code of conduct is a key element of our business relationships and plays a decisive role in the selection and evaluation of our suppliers. It requires our partners not only to comply with legal regulations, but also to firmly reject child labor, respect human rights and the protection of personal data, actively combat corruption, ensure product safety and meet the highest possible standards in environmental protection. A considerable number of our A-suppliers and also some B-suppliers have



already signed this code, which underlines our commitment to ethics and sustainability in the supply chain.

## **Risk management**

The risk management process at UZIN UTZ is carried out using a project management tool and is a central component of corporate management. Globally responsible "Risk Owner" record risks and corresponding measures in this system. The Management Board and the Risk Manager review and approve these entries.

Risk management at UZIN UTZ comprises four steps:

1. **Risk identification:** First potential risks that could affect the company are identified using brainstorming, financial data analysis, surveys and other techniques.
2. **Risk assessment:** Identified risks are evaluated in terms of their impact and probability of occurrence.
3. **Risk mitigation:** Based on the assessment, measures are implemented to minimize risks while maximizing opportunities.
4. **Risk monitoring and supervision:** The measures implemented are constantly monitored to ensure their effectiveness and adjusted if necessary.

A constantly updated risk catalog supports all "Risk Owner" at UZIN UTZ by ensuring that each company identifies certain core risks and takes appropriate measures. The risk management process is dynamic and is regularly reviewed and adapted to ensure that all UZIN UTZ companies can respond to potential risks and adapt to changing conditions.

## PRODUCTS & SERVICES

**UZIN UTZ is known for its high technical performance and innovative strength. When developing our products, we always take health and environmental aspects into consideration. We meet our customers' needs with services and new business models. To do this, we analyse specific customer needs in our core and growth markets. By 2025, we want to generate 5 % more turnover through new product developments.**

We are using and developing digital solutions to better connect us to our customers and to provide them with information and other services. And we are embracing the opportunities digitalisation offers in order to make workflows easier and more efficient for employees.

**UZIN:** Installation systems for screed, floors and wood flooring.

**WOLFF:** Machinery and special tools for substrate preparation and installation of floor coverings.

**PALLMANN:** Complete product range for installation, renovation and maintenance of wood flooring.

**Arturo:** Functional floor coatings with a wide range of design options.

**codex:** Installation systems for tiling and natural stone.

**Pajarito:** High quality painting, plastering and drywalling tools.

### Research and development

At UZIN UTZ, research and development is at the heart of our efforts to always be one step ahead and to proactively address future market requirements and customer needs. This leads to the development of products that not only meet the highest quality standards, but also fulfill strict requirements for occupational health and safety and healthy living. Our products are also a key element in the realization of ecological sustainability goals. We attach great importance to product innovation and actively promote the continuous development of our product portfolio for all brands.

In 2023 the UZIN UTZ Group invested around EUR 13.7 million (12.8) in research and development. On average, 133 (130) employees worked in this area, contributing

significantly to a product novelty ratio of 28.5 % (34) across all UZIN UTZ development sites.

At Uzin Utz SE expenditure on research and development in 2023 amounted to EUR 6.0 million (6.1). On average, 57 (59) employees were involved in the development and optimization of new products for the UZIN brand. Our development expertise is also reflected in the Uzin Utz SE novelty ratio of 36.0 % (53.1) in 2023. This rate refers to products with innovative or significantly improved properties that were launched on the market within the last five years and have a demonstrable marketing value. The novelty ratio is calculated based on the ratio of sales of these new products to the total sales of all internally developed products.

## INNOVATIONS

**Innovations are visionary and pioneering product developments. We also include process innovations, such as processes in production or logistics, in our definition of innovation.**

Innovative ideas and advanced technologies are shaping the future. Our corporate culture promotes this development by providing creative freedom to research, evaluate and consistently implement a wide range of innovative approaches. In view of changing market conditions and customer requirements as well as new challenges, the Technology Management segment plays a decisive role. It performs important groundwork for innovations and future trends within the Uzin Utz Group.

Linking sustainability with innovation leads to valuable synergies. Thanks to our strength in innovation, we develop products that not only meet the highest technical standards, but also take into account the health of the user and ecological concerns. Below we present some of our new products that demonstrate precisely this combination.

### UZIN Moisture Tolerant System

The new UZIN Moisture Tolerant (MT) range consists of a system of moisture-resistant products. The alkali- and moisture-resistant water-based universal dispersion adhesive UZIN KE 25 and the moisture-resistant, self-levelling cementitious levelling compound UZIN NC 161 were introduced for this purpose. Together with our moisture and alkali-resistant dispersion primer UZIN PE 360 Plus, these two new products form an innovative system that makes the ecologically less

favorable epoxy resin and polyurethane primers currently used as substrate preparation no longer absolutely necessary. The new system also scores points in terms of sustainability, as it has a CO<sub>2</sub> footprint that is around 50 % lower than conventional systems with reaction resin primers.

## **PALLMANN MAGIC OIL CHANGE**

Previous parquet oils consisted mainly of linseed oil, which is usually imported from Asia. The new MAGIC OIL CHANGE is based on cold-pressed hemp oil and natural waxes. This means that the oil contains 90 % renewable and regional raw materials. The hemp seeds come from farmers in the Würzburg region and the hemp oil is also pressed in an oil mill very close by. This shortens the delivery routes to the production site in Würzburg enormously. The cold-pressed oil does not undergo any of the chemical processing that is otherwise common in the industrial sector. As a result, 60-70 % CO<sub>2</sub> can be saved compared to previous parquet oils.

## **codex X-Terra line**

In 2023 the codex brand launched the new codex X-Terra outdoor range, which consists of high-performance products for gardening and landscaping. X-Terra provides tilers and landscapers with a range of products that can be used to reliably design outdoor areas from a single source. The products in the outdoor range have been specially developed for outdoor requirements, such as moisture and climatic fluctuations caused by high temperatures or frost, as well as for use under heavy loads.

## **WOLFF Asbestos SET**

WOLFF's Asbestos Kit ensures safe working with asbestos and also offers the opportunity to facilitate renovation work on old buildings. The renovation and restoration of historic buildings makes a significant contribution to promoting sustainable living by helping to use existing resources and preserve cultural heritage.

## **Arturo PU2060 floor system**

Arturo introduces a fully EMICODE EC 1 PLUS certified flooring system. The system with the lowest possible emissions meets the strictest health and environmental requirements and is even better for craftsmen and customers. "Achieving EMICODE EC 1 PLUS certification for a complete PU flooring system is unique," says Kelly Heuker of Hoek from Arturo's product management team. "We are one of the first suppliers in the synthetic resin flooring market to take this step. And with success. We are very proud of this."

## **Pajarito roller box**

Pajarito has redesigned the roller box. It is a storage box for paint rollers to prevent them from drying out and to keep them moist for several months. By reusing the paint rollers, the amount of waste that would be generated by replacing rollers is significantly reduced. In addition the roller box has been converted to 100 % recycled plastic.

## **PRODUCT STEWARDSHIP AND CUSTOMER HEALTH**

**We believe customer health and safety in the products' application and utilization phase are crucial, for example through the avoidance of harmful components, solvents, and emissions in indoor spaces.**

At UZIN UTZ protecting the health of product users and end consumers is a key focus. This approach is not only reflected in the fulfillment of legal requirements, but is also an expression of our own commitment to developing products that are both, environmentally friendly and safe, in the application and use phase. This commitment is a central component of our development and quality processes and is implemented consistently and with foresight at all our production sites and across all brands. In the manufacture of construction chemical products, the use of certain ingredients that may require labeling is often unavoidable. Thanks to our strict management of hazardous substances and the close cooperation between the product development teams and the regulatory specialists in our product safety department, we are able to identify potentially problematic ingredients at an early stage and substitute them if necessary. For example UZIN UTZ does not use any of the substances with a proven endocrine effect defined in the revised CLP Regulation in 2023, nor does it use any of the substances in the hazard class of persistent, bioaccumulative and toxic substances (PBT substances) that are to be newly labeled. This strategy not only

enables us to continuously improve the safety and health of our customers, but also to demonstrably and credibly fulfill our responsibility towards the environment.

Furthermore, our efforts are not limited to product development, but also include comprehensive training and information programs for our customers and employees. These measures ensure that everyone involved is fully informed about the safe and effective use of our products. UZIN UTZ is therefore not only committed to complying with legal requirements, but goes beyond this by continuously seeking ways to improve our products and processes in order to protect the health and safety of our customers and the environment.

## **Focus on healthy living and sustainability**

Over the course of 2023, UZIN UTZ has further strengthened its initiatives to reduce CO<sub>2</sub> emissions at product level, specifically in relation to Scope 3 emissions. The increasing use of bio-based raw materials plays a key role in these efforts, with the biomass balance method being a particularly important component. In order to increase the transparency and external communication of our efforts, we have introduced our new sustainability label ECO<sub>2</sub> CHOICE. You can find more information on this in the next section.

In parallel to our efforts to reduce CO<sub>2</sub> at product level, the reduction of volatile organic compounds - also known as VOC emissions - remains a key concern in product development. In this context 2023 was also characterized by necessary contract extensions for our Blue Angel-labeled products. This adjustment was necessary due to stricter requirements for the preservative content of dispersion products and involved around 20 different products. Finally, the EMICODE EC 1 Plus rate for the UZIN brand was once again determined in 2023 and amounted to an impressive 97.1 %, which is almost the same high level as the previous year. This rate clearly shows that, in addition to CO<sub>2</sub> reduction, we continue to attach great importance to very low-emission products. This is not only important for processors, but also for end users in particular, who want a safe and health-friendly environment in their living spaces. Further details on these initiatives can be found in the 'PLANET' section of our report.

<b>Healthy products, Uzin Utz SE (in %)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Percentage with EMICODE EC 1 Plus/Blue Angel (of sales revenue)	97.1	98.2	97.7
Percentage with EMICODE EC 1 Plus/Blue Angel (of sales volume)	96.1	97.9	97.7

## **ECO<sub>2</sub> CHOICE LABEL**

### **New sustainability label ECO<sub>2</sub> CHOICE shows CO<sub>2</sub> reduction.**

In the 'Planet Year' 2023 we wanted to prioritize our commitment to particularly sustainable product solutions. To this end UZIN UTZ has introduced its own sustainability label. The new ECO<sub>2</sub> CHOICE sustainability label is clearly visible on product packaging.

The brands UZIN, PALLMANN, Arturo and codex have defined 2023 selected products with explicitly adapted formulations that represent sustainable solutions for floor processing in a specific area. Via the QR code on the packaging or via the overview page on our website (<https://de.uzin-utz.com/eco2choice>), the user and consumer immediately receives all relevant information on the GWP value and thus the CO<sub>2</sub> footprint of the product. In addition, all background information and the CO<sub>2</sub> savings can be read.

Only products with sustainable raw materials - for example, renewable raw materials, biomass-based raw materials etc - are eligible. "With the new sustainability label, we want to make the decision for CO<sub>2</sub>-reduced building products, easier" explains Board Member Julian Utz. "Users can choose for themselves whether to give preference to a more sustainable product variant in the range." In this way, UZIN UTZ is supporting the European Green Deal, with which the EU member states aim to become climate-neutral by 2050 and reduce their greenhouse gas emissions by at least 55 % by 2030 compared to 1990 levels.

## **Sustainable construction and building certification systems**

In 2023 the focus was on sustainable building more than ever before, with social and economic benefits in addition to protecting the environment and resources. Both

national and international building certification systems such as BNB or LEED, are exemplary for the implementation of these principles. A significant further development, especially in the area of flooring installation materials, took place in 2023 with the tightening of the product evaluation criteria in accordance with the DGNB standard. To achieve the best possible DGNB quality level 4, only installation materials that are labeled with EMICODE EC 1 Plus or the Blue Angel according to DE-UZ 113 may now be used. This tightening reflects the trend towards ever stricter environmental and health standards in the construction industry. Almost all UZIN brand products, as well as other products in the brand ranges, meet the new, more demanding DGNB standards and therefore continue to achieve the highest quality level 4. We are also receiving more and more inquiries about the German government's Quality Seal for Sustainable Buildings (QNG). This seal is awarded to products that set an example in terms of environmentally friendly production and use and thus contribute to improving sustainability in the construction sector. The labeling of the product with EMICODE EC 1 Plus and/or the Blue Angel is also a reliable fulfillment criterion for this seal.

## **Product information and safety data sheets**

UZIN UTZ provides comprehensive product information such as technical data sheets and safety data sheets to ensure that our products are used correctly. UZIN UTZ manages around 7,000 safety data sheets for all Group brands in up to 20 different languages and keeps them up to date on our websites and in various product databases. At the same time safety data sheets are also made available to our customers electronically via an automatic e-mail service. In addition a range of other documents for our products are made available on our brand websites. In addition to the evidence required by regulations, these include emission certificates (e.g. EMICODE EC 1 Plus, Blue Angel, M1, building authority approvals), as well as increasingly important environmental product information such as environmental product declarations (EPDs) and sustainability data sheets. These documents can be downloaded from our brand homepages for the respective product by all interested parties without prior registration.

## **Other regulatory issues**

We also closely and proactively monitor the development of other regulatory issues in the area of chemicals legislation, both nationally and internationally. For example, the 2023 reporting year was characterized in particular by the measures to implement the newly introduced regulatory training requirement for processing



products containing isocyanates, which had to be implemented throughout the EU. This new restriction stipulates that all commercial users of products containing isocyanates must receive training on the safe handling of isocyanates from August 2023 at the latest. This obligation affects not only our customers, but also all employees of our Group companies who come into contact with these products. At the same time we are of course also supporting our customers affected by this obligation by providing corresponding information on our brand websites and offering various contact options - by telephone or email - including training courses (Arturo brand).

In September 2023 after years of preparation the EU's microplastics restriction was adopted, which provides for a ban on synthetic polymer microparticles (SPM) and mixtures containing SPM from 0.01 % in order to reduce their negative effects on humans and the environment. Due to the broad definition of SPM, products such as dispersion adhesives, primers, levelling compounds and tile adhesives with dispersion powders are also partially affected by the restriction regulation. However, as the use of these products does not result in the release of microplastics into the environment, as the plastic particles they contain are firmly bound into the resulting product matrix, these products are not subject to a ban, but rather an exception. Only certain labeling and reporting obligations must be fulfilled when placing them on the market. The products may continue to be sold and processed in the usual way. Due to the nature of the polymer particles, some of these products could even fall completely outside the scope of the restriction, which would also mean that the labeling and notification requirements would no longer apply.

Finally UZIN UTZ will continue to keep a close eye on all new developments in the field of construction products relating to chemicals legislation and the environment in the coming years, particularly those that emerge in connection with the EU's Green Deal. One example of this is the revised Construction Products Regulation. UZIN UTZ is directly affected in all Group companies by the announced font size requirement on labels as part of a further revision of the CLP Regulation, which is expected to be adopted in 2024. This will massively increase the space required for label texts, particularly on multilingual product labels and will result in the complete revision and redesign of product labels.

## DIGITALISATION

**Our superordinate goal is to turn the digital transformation to our advantage. Our processes are digitalised, so they are very structured. Automation makes work much easier in many areas, and our employees and customers can focus more heavily on their core tasks.**

### Digital services for our customers

Digitalisation is playing an increasingly important role in today's business world and UZIN UTZ has impressively demonstrated in recent years that "digitalisation in the trade" can be successfully implemented. Through progressive digitalisation and efficient data management we not only achieve added value for our company, but also for our customers. Our focus is on supporting our customers and partners with questions about our products and providing practical help on construction sites. We develop customer-oriented, digital solutions and services that help distributors and tradespeople in their day-to-day work. Our digital tools under the UZIN brand support customers in their daily work by providing advice, sharing information and making recommendations. The "Apptivator" enables our sales colleagues to use an app that provides access to the latest product-related documents such as data sheets and catalogs, which they can send directly to customers digitally. At UZIN UTZ, we strive to adapt products, services and business models even more closely to local customers' needs and to offer added value through digital solutions.

### Floor planning tender specifications for all brands

In the construction industry invitations to tender are of crucial importance for construction planners, architects and engineers. UZIN UTZ supports professionals with a comprehensive range of tender texts covering all segments of the group. These include rapid and lightweight screeds, moisture barrier systems, installation systems for textile, elastic and parquet flooring, bonded waterproofing, solutions for tile and natural stone installation and products for surface restoration. The specifications are available in all standard formats and can be specifically tailored to all requirements at <https://int.uzin-utz.com/branche/architects-planners> to provide optimum support for planning work.

## **Databases for construction products: Plan.1 and Building Material Scout**

UZIN UTZ continues to be active on the online platforms Plan.1 and Building Material Scout in order to reach architects, planners and investors in a targeted manner. These platforms not only make it possible to establish new customer relationships in a service-oriented manner, but also to address special needs and inquiries from the planning industry more effectively. Our aim is to meet the growing demand for ecological information on construction products and the need for digital services for our target groups. We offer comprehensive and detailed information on our products to meet the requirements of modern construction projects.

## **Digital work environment**

In recent years it has become clear how essential digitalisation has become for our work processes. We therefore use our intranet "Quako" for internal communication, which is based on the "Confluence" tool and serves as a central platform for knowledge sharing and collaboration within the group. With Quako, we can create and manage information pages across companies and locations, which makes coordination between different departments and communication across different locations much easier.

We use the Jira system to support task and project management. This tool proves to be particularly beneficial for cross-departmental and international projects in a dynamic working environment. With the integration of Jira into our intranet this project management tool is now available throughout the group, allowing all project members to keep track of who is working on which task at all times. Tasks can be clearly assigned and process steps made transparent so that the planning and implementation of projects can be understood by everyone involved.

## **Product data management system at UZIN UTZ**

The world of UZIN UTZ brands is represented internationally in over 50 countries with variable product portfolios in currently 17 languages. We use a Contentserv PIM/MAM system to centrally manage this complex product data. Due to the high diversity of our product data numerous multinational departments at UZIN UTZ work with the PIM/MAM systems. With the introduction of a translation plugin (DeepL) in our PIM/MAM system, we can now translate our texts in real time to make the relevant product information even more easily accessible to our customers in the form of various print formats, as well as on our websites and in the web stores. Various tools

such as our BIM plugin, the floor navigator, the consumption calculator and our digital stele (USign) are also controlled and supplied with data from PIM.

## **UZIN UTZ Building Information Modeling**

Building Information Modeling (BIM) is revolutionizing the digitalisation of construction projects by enabling detailed digital mapping of planning, execution and infrastructure right from the start. A key aspect of BIM is the sustainable disposal and recycling of building materials after their life cycle, allowing materials to be effectively recycled even after decades. The integration of BIM-compliant data from our PIM/MAM system allows product information to be managed centrally in multiple languages and in a BIM-compliant manner. UZIN UTZ has been cooperating with "BIMsystems" since 2021 to improve the offer for planners and architects through innovative solutions. From 2023 a new solution that replaces the previous plug-in will make it possible to combine our products with those of other manufacturers, such as matching floor coverings to our flooring system. These BIM components can be integrated directly into CAD programs, which optimizes the planning process for the floor structure. You can find out more at: [bim.uzin-utz.com](https://bim.uzin-utz.com)

## **Project management**

In view of the increasing complexity and number of our projects we took the initiative in 2022 to implement a standardized project management model at UZIN UTZ. Since then regular project management seminars have been held, which have already prepared over 60 employees for the tasks of a project manager. At the beginning of 2023 more than 50 managers, including our three Management Board members, also took part in a training course lasting several days. In this training course the participants were introduced to the theory and practice of project management and practised basic project management methods, tools and roles using a practical case study. Every employee now has the opportunity to learn more about managing projects through the training courses on offer. Since the start of project management training at UZIN UTZ several projects have already been launched using the newly learned methodology. The first major project was successfully completed in 2023!

## PLANET

We do not just support protecting the environment and conserving resources in our operations but throughout our products' entire value chain. The careful use of raw materials, the continuous optimization of processes, and the use of market-leading technologies ensure an efficient use of resources and contribute to improving our ecological footprint.

In addition to protecting the environment and resources, we are also particularly devoted to reducing harmful greenhouse gases. We want to create successive corporate carbon footprints for individual subsidiaries. Measures to reduce CO<sub>2</sub> emissions have been introduced based on the current situation. Our superordinate goal is to reduce harmful emissions by 25 % throughout the company by 2025.

We want to take social responsibility, especially in the local areas where we do business, for example by funding environmental, social, cultural, or sports organizations. At the same time, we want to act as a role model and motivate others to get involved.

## OCCUPATIONAL ENVIRONMENTAL PROTECTION

**We want all our production and sales facilities to be operated efficiently and in an environmentally and climate-friendly manner. This includes saving energy and water, reducing waste, and not polluting the soil, water, and air.**

### Protected the environment, resources and climate

With the climate catastrophe mankind is confronted with a major global challenge. Entire ecosystems are severely impaired and threatened, extreme weather events are becoming more frequent and irreversible tipping points in the climate system are threatening to be reached. The changes have increasing consequences for our livelihoods and pose a growing risk to economic stability.

We want to take responsibility for climate and environmental protection. This is why environmental sustainability is an integral part of our PASSION 2025 corporate strategy and plays a key role in our business processes. We want to continuously improve UZIN UTZ's ecological footprint through responsible and efficient use of the

environment and resources and continuously reduce our corporate greenhouse gas emissions as part of our environmental and climate management.

We have set ourselves the clear goal of reducing our direct emissions from business activities and our indirect emissions from energy supply by 25 % by 2025 (with reference to the base year 2019). Despite our growth we want to reduce our emissions in absolute terms in order to be able to achieve our climate targets in the long term. We also want to prepare for future business-relevant developments and increasing regulatory requirements, such as the Green Deal or the European Union's CSRD reporting obligation. As part of our environmental data management dedicated sustainability officers have been established in the subsidiaries in the core and growth countries. We have been recording individual corporate carbon footprints for these locations every year since 2019. In order to assess the achievement of our company-wide reduction target, we prepare an annual projection of our estimated greenhouse gas emissions in the target year, taking into account our corporate growth and all measures already implemented or planned. This enables us to identify important reduction levers and introduce any further reduction measures that may be necessary. Corresponding catalogs of measures have already been developed to reduce greenhouse gas emissions and their implementation is in full swing. 90 % of our subsidiaries in core and growth countries use green electricity. Thanks to the use of 100 % renewable energy two production sites are already completely CO<sub>2</sub>-neutral. In addition two new photovoltaic systems and six extensions to existing systems have been installed across the group. Further investments in photovoltaic systems are planned at various locations over the next few years. To reduce vehicle fleet emissions further measures have been introduced to electrify the fleet and numerous company vehicles have already been replaced by electric or hybrid vehicles. Many locations have put their own on-site charging stations and wall boxes at employees' homes into operation. In addition to our direct and indirect energy-related emissions, we determine the emissions of our purchased raw materials as part of a group-wide Scope 3 project in order to record our main corporate emissions. With this comprehensive environmental and climate management system we want to make our contribution to climate protection and support the achievement of the EU Green Deal targets.

### **Over 1,000 solar panels for Sifloor AG**

Just in time for the PLANET year, a new 2,000 m<sup>2</sup> photovoltaic system was installed on the roof of Sifloor AG's logistics hall in cooperation with the local electricity

provider. The system can cover almost half of the electricity consumption of the production and logistics hall as well as the office wing and the charging stations.

### **Expansion of CO<sub>2</sub>-neutral energy supply at Uzin Utz Nederland bv**

200 PVT and 80 PV modules were installed on the roof and facade of the new warehouse in Haaksbergen to generate electricity and heat water. With a nominal output of almost 115 kWp, more than 85,000 kWh of electricity has been generated since May 2023. The installation of these systems is an ideal addition to the "green factory" and further expands the CO<sub>2</sub>-neutral energy supply.

### **Successful completion of KlimaWirtschaft project**

Together with other companies from Baden-Württemberg, we as Uzin Utz SE participated in the KlimaWirtschaft project from April 2022 to September 2023. In various workshops, we exchanged ideas on the topics of climate protection and greenhouse gas reduction. In the workshop series, important steps and valuable best practice examples for the creation of climate protection targets and the implementation of climate protection measures were conveyed. In addition, the exchange of experiences with other companies was very valuable and opened up new insights and approaches for climate protection.

You can find out more about the KlimaWirtschaft project at: <https://klimaschutz-wirtschaft.de/das-projekt/> and <https://klimaschutz-wirtschaft.de/>

### **Every square meter counts**

In order to continue the nature-oriented plant design on the Uzin Utz SE site, some employees took part in the one-day workshop of Klima Connect Donautal on the topics of climate adaptation and biodiversity. Here, the connections between climate change, climate adaptation, biodiversity and species diversity were highlighted and ideas, concepts and action derivations for the Uzin Utz SE site were jointly developed. In order to preserve biodiversity, our employees created a 20 m<sup>2</sup> lean site using shovels and hoes. On the newly created area, many animal species find a suitable and unfortunately hardly existing habitat - whether in the sandarium, deadwood pile, rock pile or in the beetle cellar. The "mini-wilderness" signage makes the ecological value of the area recognizable from the perspective of the animal species. We are proud to have transformed the previously unused area into a wild biotope and to have actively

made a visible contribution to environmental and climate protection in the PLANET year.

### **Mini wilderness - small hotspots for more biodiversity**

The initiative is committed to the preservation of wild natural areas, called ruderal areas, and aims to create more awareness of these ecologically indispensable areas - for the preservation of native biodiversity. You can find out more at [www.miniwildnis.de](http://www.miniwildnis.de) and [www.dastunwir.de](http://www.dastunwir.de)

### **Parquet professional ID.Buzz combines sustainability and parquet**

Since last year, the all-electric ID.Buzz Cargo has been in use in Pallmann sales throughout Germany with the message "Love, Peace & Parquet - wooden floors that make you happy". The cargo area is equipped with all important PALLMANN machines including accessories, which means that the bus will be active as a roadshow vehicle over the next few years. Interested parquet professional companies can also take it on a test drive to the next construction site and bring the topics of parquet and sustainability on the road.

### **All-electric vehicle fleet at Uzin Utz Nederland bv**

70 % of the Dutch fleet already consists of electric or hybrid vehicles. Since the PLANET year, all new leased vehicles in the fleet will also be electric by default, with the aim of having a 100 % fully electric fleet by 2025.

### **Green fleet at Uzin Utz Belgie nv**

In order to make a contribution to ecological sustainability as a sales organization, the vehicle fleet is the biggest factor. With the conversion to fully electric vehicles so far, the CO<sub>2</sub> emissions of the fleet have already been reduced by 50 % in the past year. In the future, no more vehicles with combustion engines will be added and the sales company's fleet will be fully electric by 2025.

*“Fast charging on the road has become the perfect break. I have a coffee and a toilet break, and within 20 to 25 minutes I'm back on the road.”*

**Bart Leen**

**Produktmanager Uzin Utz Belgie nv**



## **Holistic product development**

Customers expect not only high technical quality from interior flooring materials, but also environmental compatibility and health protection. The indoor air must not be polluted by solvents or other harmful substances. We meet these requirements by developing products that are solvent-free, low in pollutants and low in emissions. In order to guarantee environmentally and health-friendly solutions, we take a holistic view of our products throughout their entire life cycle. We use life cycle assessments to analyse the environmental impact of our products at all stages, from the extraction of raw materials to production, use and disposal. In this way, we ensure that our products actually contribute to a reduction in environmental impact and that negative environmental effects are not shifted to other phases of the product life cycle.

## **Life cycle assessments**

Internally we prepare life cycle assessments as a basis for environmental comparisons, decisions and targets. For example we use the results as the basis for our climate protection targets in the area of raw materials and packaging. Life cycle assessment (LCA) is used as a method for quantifying the potential environmental impact of products and services throughout their entire life cycle. It is based on the general international standards ISO 14040 and ISO 14044 and can be divided into a total of four phases. The first phase of our analysis focuses on defining the objectives and scope. We then record all material and energy inputs and outputs that occur in the life cycle of our products. Inputs include the raw materials used and the quantities of energy and water consumed. Outputs include waste and emissions that arise both in the upstream value chain and during production, use and at the end of the life cycle. Based on this data the impact analysis is carried out and key figures such as the global warming potential (GWP), also known as the carbon footprint or CO<sub>2</sub> balance are created. In the final phase we evaluate the results: We identify potential for more efficient use of energy and raw materials and recognize environmental impacts such as pollutant emissions and waste generation. These findings enable us to develop measures to minimize the environmental impact.

## **Use of more sustainable and bio-based raw materials**

As part of PLANET we want to reduce the ecological footprint of our products and further develop resource-saving packaging and products. The use of more sustainable and bio-based raw materials makes an important contribution to this. For

over three years we have been sourcing biomass balance raw materials, which have a significantly lower carbon footprint compared to fossil-based raw materials, despite having identical chemical properties. This enabled us to reduce our greenhouse gas emissions by around 3,500 tons on the raw material side in 2023. In addition by using renewable and regional raw materials for our oils, we were able to reduce our carbon footprint by almost two thirds compared to previous parquet oils. With our ECO<sub>2</sub> CHOICE label we continue to focus on improving the CO<sub>2</sub> footprint and are constantly optimizing the products of our UZIN, PALLMANN, codex and Arturo brands.

## **Management systems and responsibilities**

Our integrated 'management system for responsible action' at Uzin Utz SE is based on the internationally recognized standards DIN EN ISO 9001 and DIN EN ISO 14001. This system structures responsibilities and operational processes, serving as a foundation for continuous improvements in the area of environmental protection. The Environmental Committee is responsible for all environmental matters at our company. This committee meets regularly to discuss current environmental legislation and relevant issues. Its members include experts in the fields of environmental management, hazardous substances, waste management, energy and water management, fire protection, occupational safety and sustainability.

## **Energy**

For over eleven years 100 % of the electricity required at our head office has been covered by green electricity, which underlines our focus on ecological sustainability. We rely on district heating as the primary energy source for heating our main buildings. In addition we use a combination of pellets and heating oil in a separately acquired building that is not connected to the district heating network. We only use gas for specific production processes and not as a heating medium. Our efficient energy management has enabled us to identify and exploit even the smallest potential savings in energy consumption in recent years. We constantly review our energy consumption and try to further increase energy efficiency at the site. In the reporting year total energy consumption fell, which is partly due to lower production volumes and more favorable weather conditions. To further reduce electricity consumption a further part of the lighting was converted to LED. In order to promote the expansion of renewable energies, a photovoltaic system was installed on several roofs, which will provide a total output of almost 250 kWp in the future.

<b>Energy, Uzin Utz SE (in MWh)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Electricity	3,839	4,164	4,173
District heating	2,423	2,462	2,684
Gas	56	64	70
Fuel	39	36	42
Pellets	219	227	263
<b>Total energy</b>	<b>6,575</b>	<b>6,954</b>	<b>7,233</b>

## Climate trainees

The 'Climate Trainees' training project teaches trainees about the connections between climate protection and their own actions in their private and professional lives. The event was organized and carried out in 2023 by the Ulm-based 'Initiativkreis nachhaltige Wirtschaftsentwicklung e. V.'. Five trainees from Uzin Utz SE were among the 15 participants. On a total of six project days lectures, excursions and workshops were held on the topics of sustainability in everyday life, nutrition, mobility, energy and biodiversity. This gave the participants a better understanding of ecological relationships, an awareness of the need for sustainable development and impetus for their own initiatives. In order to subsequently promote the topic of sustainability within their own company, our trainees launched an internal eBay platform that supports the extension of product life cycles and contributes to the reduction of CO<sub>2</sub> emissions by minimizing travel distances.

## Water

At our headquarter water consumption is mainly due to its use in sanitary facilities, as washing water for production facilities and as an ingredient in our products. The regular cleaning of our facilities, due to our diverse range of liquid products, is a key factor here. In order to reduce water consumption and waste, we optimize the production sequence, which minimizes the need for cleaning processes. By using a cistern, some of the sanitary facilities are fed with rainwater. Water consumption

continued to fall in 2023 compared to the previous year, partly due to the lower production volume of liquid products.

<b>Water, Uzin Utz SE (in m<sup>3</sup>)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Fresh water consumption	4,880	5,676	5,905

## **Waste**

Waste avoidance is our top priority in waste management. To achieve this, we rely on in-depth process knowledge to precisely identify the generation of waste. Our quality assurance checks incoming raw materials and products carefully before filling to avoid faulty batches. If waste is unavoidable, we focus on recycling and proper disposal, always aiming for a high recycling rate. Where possible product residues are fed back into the production process and packaging materials such as plastic containers, paper bags and films are recycled. The volume of waste in the reporting year was similar to the previous year. In order to further reduce the remaining amount of waste and increase the potential amount that can be used in production, internal efforts are being made to improve the separation of product fractions. In order to reduce not only waste residues in production, but also the amount of waste disposed of in the entire operating process, we provide all employees with annual mandatory training on the topics of waste separation and avoidance. A waste disposal manual supports the correct disposal of waste. In addition we at Uzin Utz SE work exclusively with certified and regional waste management companies in order to meet our high standards.

<b>Waste, Uzin Utz SE (in t)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Waste amount	1,904	1,873	2,014

## **Emissions to water, air and soil**

Our head office has not produced any products containing solvents for over a decade, which has enabled us to successfully eliminate solvent emissions. Although the processing of powdered raw materials and the manufacture of powdered products generates minor dust emissions, our modern filter systems ensure that these

emissions remain well below the legally prescribed limits. Regular maintenance of these filter systems by external specialists guarantees the long-term efficiency and functionality of our dedusting systems. Checking and compliance with the emission limits is not only ensured by our internal measurements, but also by regular emission tests carried out by TÜV.

*“The great thing is to be able to actively shape and establish an awareness of sustainability within the company. The big challenge is to integrate this awareness among colleagues as an integral part of the decision-making processes in their daily work.”*

**Jochen Röck**

**Application Technology Manager & Co-Sustainability Manager Pallmann GmbH**

## **TRANSPARENT AND SUSTAINABLE VALUE CHAIN**

**Our ‘Transparent and sustainable value chain’ key issue means we also want to have a positive impact on our upstream and downstream value chain and promote protection of the climate and environment there. To do this, we establish fair, trust-based, and constructive business relations with our suppliers and customers.**

### **Supplier management**

To ensure a comprehensive evaluation of our business relationships with the top 50 suppliers, we carry out a detailed annual assessment. We award points for criteria such as delivery and quantity reliability, product quality, pricing and reliability. These scores are weighted and combined to produce an overall result. If we fall short of the minimum number of points set, we work with the suppliers concerned to develop strategies to achieve the targets. This approach enables us to continuously maintain the quality of our supplier relationships at a high level and monitor costs at the same time. In recent years we have also integrated ecological and social aspects into our evaluation criteria. A particular focus here is on the innovative strength of suppliers in terms of green technologies and reducing the carbon footprint, which enables us to promote sustainable values in our supply chains.

## **Resource-efficient packaging**

To increase resource efficiency and protect the climate, we use alternative packaging and packaging materials to reduce packaging waste both at our plant and on construction sites.

Since 2014 we have been offering 'Cube-It-Simple' packaging in our range of liquid products. This environmentally friendly solution consists of a recycled outer carton and a plastic bag inside. The bag-in-box packaging saves up to 85 % plastic compared to conventional canisters and can be disposed of separately. As this type of packaging is not suitable for all applications on construction sites, we are constantly working on new solutions to replace conventional plastic canisters with more environmentally friendly materials.

Two years ago we successfully changed the material of our shrink film, which is used to secure our products on pallets. The new film contains 30 % recycled material. We are also using a 50 % reduction in film thickness as an inner lining in paper bags for some of our powder products, which enables us to halve our plastic consumption without compromising the storage stability of the products. The switch to a thinner film thickness for other product bags is still under review.

## **Canister and lid made of recycled plastic**

After successfully completing the conversion of our canister packaging from new plastic to post-consumer recyclate (PCR) in 2021, we had to switch back to new material in some cases from mid-2022 due to isolated leaks in some plastic canisters. To ensure the quality and safety of our products, we carry out strict quality controls, whereby only fault-free canisters are used for filling. Before switching back to recycled plastic, all canisters are subjected to intensive testing. Our long-term goal is to convert all canister packaging back to PCR. The lids made from PCR material, which we have been using for two years, are still in use.

## **Bucket made from used plastic**

We have already replaced the virgin material granulate in most of our buckets with recycled material in various proportions. Since 2016 we have been using sustainable containers made from post-consumer recyclates (PCR) and post-industrial recyclates (PIR). Since 2021 we have been offering variants for selected products that consist

of almost 100 % PCR. However due to technical requirements, the lids of these buckets are still made of new plastic material.

## **Improved bucket design of the codex brand**

The codex FG 370 and codex X-Fusion buckets have been converted to in-mold labeling (IML). With this technology the labels are shrink-wrapped directly into the buckets during production, which means that the bucket can be fully recycled together with the label. The IML container also enables an excellent print image and the full-surface display of the codex brand color.

## **PCR containers at the Haaksbergen plant**

In order to make packaging more sustainable, Uzin Utz Nederland bv has switched all adhesive buckets, canisters and B-component bottles to material made from post-consumer recycled material (PCR). The material has the same properties as virgin granulate and is used to produce recycled packaging for the Haaksbergen plant for the UZIN, PALLMANN and Arturo brands. This means that fewer fossil raw materials are required for production, which contributes to a reduction in CO<sub>2</sub> emissions.

## **Planting trees to offset packaging waste**

Since 2021 Uzin Utz North America Inc. has partnered with the National Forest Foundation (NFF) to help preserve national forests. As part of this cooperation we plant as many trees as are needed for the production of our corrugated packaging. Since the beginning of the partnership almost 10,000 new trees have been planted to date, which represents a significant contribution to the reforestation of national forests and at the same time counteracts the environmental impact of our cardboard packaging. Additionally we partner with Green Bay Packaging Inc. to ensure that our packaging fiber materials come from responsible sources. Our packaging resulting from this collaboration is labeled with the Sustainable Forestry Initiative<sup>®</sup> label, which is the leading seal for responsible fiber sourcing in the United States.

## SOCIALLY RESPONSIBLE BUSINESS

**We want to make a positive impact on our local environment, too. We ask ourselves how we can prompt local improvements to environmental protection and how we can motivate people to play their part. We want to act as a role model for other companies and be proactively involved in various local projects. Environmental, social, cultural, and sports initiatives are all equally important here.**

### Social responsibility

As a family business we attach great importance to supporting the work of local, non-profit initiatives in the areas of culture, sport, education, environmental protection and social commitment. Clubs that are characterized by voluntary commitment in particular achieve outstanding results. We recognize that the regular income of sports clubs, such as membership fees and ticket sales, is often not enough to make the necessary investments. As a family business it is important to us to strengthen the activities of these clubs as a reliable partner through donations and sponsorship. This support enables us to help clubs and organizations and at the same time offer our employees special activities. It also increases our visibility in the region as a company and employer. In times of economic uncertainty, it is particularly important for us to actively fulfill our social responsibility in the region. With a commitment of over EUR 500,000 in the form of donations and sponsorship we would like to be a supportive partner. Below you will find a selection of the projects that we and our subsidiaries support.

<b>Uzin Utz SE (in EUR)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Donations and sponsoring	568,801	625,549	398,550

### Grünfinder

Since 2017 we have been reinforcing our commitment to the region by supporting the 'Grünfinder' project, an initiative of the Ulm/Donau-Iller Children's Foundation that was developed specifically for disadvantaged children. The project is based on a nature education concept and aims to give children from socially disadvantaged



families a basic understanding of nature and the environment and to encourage them to spend their free time actively. In line with our commitment to the 'WIN Charta' we make an annual contribution of EUR 5,000 to support the 'Grünfinder' and their valuable work. Last year Julian Utz presented the donation certificate at the big anniversary and congratulated the children's foundation on its 10th anniversary.

## **Support for housing construction for low-income families**

In the U.S. low-income families are struggling to find affordable housing as local housing prices continue to rise and affordable housing options become more limited. For a sustainable community it is necessary to be involved in the community and care for the common good beyond one's own needs. That's why a team of volunteers, consisting of our employees from Uzin Utz North America Inc. in Waco, joined together on a Saturday in the workshop of the non-profit organization 'Waco Habitat for Humanity' to help an American family build an affordable home. They were able to build 42 frames for doors and windows. Our employees showed great teamwork and craftsmanship. You can find more information about the organization here: <https://www.habitat.org/>

## **Volunteering for the UHCW charity organization**

At the end of December 2023 dedicated employees of Uzin Utz United Kingdom Ltd. collected donations for the charity University Hospital Coventry and Warwickshire (UHCW) at the University Hospital Coventry. The organization supports various healthcare projects to improve the wellbeing of patients, staff and relatives. In a Christmas atmosphere, thanks to the volunteer efforts of our staff, vital donations were collected and a contribution to a better and healthier future was made. The hospital entrance was transformed into a festive stage and the sound of Christmas carols put the entire hospital environment in a festive mood. We look forward to continuing our commitment to the community in the years to come.

## **Tree planting campaign of Uzin Utz South Pacific Ltd. in New Zealand**

As a complete flooring systems supplier in New Zealand, Uzin Utz South Pacific Ltd. is aware of our responsibility to the environment. We are therefore delighted that we have been able to actively support a greener future by promoting local biodiversity. Working with a local scout group, our team at Uzin Utz South Pacific Ltd. planted

1,000 native trees in Aotearoa, New Zealand. This partnership commitment not only has a positive impact on the climate and the local ecosystem, but also on the local community.

## **Donations**

### **Christmas donation to the Ulm Vesperkirche**

Our CEO Julian Utz presented this year's Christmas donation of EUR 5,000 to Pastor Peter Heiter from the Ulm Vesperkirche. This initiative by the Evangelical Church of St. Paul provides needy and lonely people with hot meals and take-away snack bags during the cold winter months. We are happy to be able to provide encounters at eye level and a community with other people through this support.

### **„Saved“ euros for people in need**

To mark the company's 111th anniversary in 2022, the U-MOVE Challenge involved collecting training minutes from sports-loving employees. For every "MOVER" who reached the target of 111 minutes in 11 different sports, EUR 11 were to be added to the donation pot. In the year under review the amount achieved was converted into a donation and donated to the charitable project 'Tafelladen' in Ulm. The volunteers gratefully accepted our donations, which included essential staple foods and urgently needed hygiene products.

## **Partnerships**

### **UZIN UTZ continues its partnership with SSV Ulm 1846 soccer in the 3rd league**

UZIN UTZ has been supporting the traditional SSV Ulm 1846 soccer club for many years. In June 2023 the Ulm soccer players finally achieved the long-awaited promotion to the third division - this had to be celebrated, also at UZIN UTZ! The Management Board quickly invited all colleagues for a stadium sausage during the lunch break. UZIN UTZ continues to stand behind SSV as a loyal partner and literally supports the team with its logo on the jersey. Thanks to a fixed ticket contingent, all colleagues regularly have the opportunity to watch SSV's home games at the Donaustadion.

### **UZIN UTZ and ratiopharm ulm celebrate German basketball championship**

Loyalty pays off! UZIN UTZ has been sponsoring the Ulm basketball team ratiopharm ulm since 2014. The long-standing partnership cannot be overlooked in the ratiopharm arena thanks to the LED perimeter advertising, the 'Wischerkids' and the fans' own lodge. In June 2023 the team from Ulm achieved something unexpected and caused a sensation for the first time since the club was founded: ratiopharm ulm won the German Basketball Championship. The whole of Ulm celebrated with the team, including UZIN UTZ. Cup-winning photos were taken at the ice cream van and photo box at the Ulm site. In addition, after a long coronavirus break, ratiopharm ulm hosted the 'CompanyCup' corporate basketball competition, in which various companies competed against each other. The UZIN UTZ team achieved a proud third place.

### **UZIN UTZ in running fever at the Ulm Einstein Runs**

UZIN UTZ has been supporting the Ulm Einstein Runs as a sponsoring partner since the beginning of 2022. The running events in Ulm have now become an important part of our regional commitment. Thanks to the UZIN UTZ carpet mats in the start and finish areas of the runs, UZIN UTZ cannot be overlooked as a partner. At the tenth Ulm Women's Run in July 2023 around 40 running enthusiasts took to the starting line, after which they celebrated together at the UZIN UTZ stand on Münsterplatz. Around 40 employees also took part in the various running disciplines at the Einstein Marathon in the fall. Delicious refreshments awaited the UZIN UTZ running team in the finish area and all finishers were able to take a souvenir photo in the photo box at the stand.

## PEOPLE

Our dedicated and qualified employees are one of the most important success factors. As a result, we invest in further education, development and health of our employees. We appreciate them and want to be a responsible and attractive employer for our current and potential employees. A respectful corporate culture with a fixed system of values gives us a clear basis for action.

We want to cultivate our culture of trust and innovation, based on our purpose, core values, and principles and promote an open communication. Transparent processes and the exchange of knowledge across national and brand companies are particularly important for increasingly international teams.

We regularly conduct employee surveys to get an idea of how satisfied our employees are. Our aim is to achieve a recommendation rate of 90 % of those surveyed through our commitment.

## CULTURE AND VALUES

**Our culture of trust and open communication is the foundation for a passionate and performance-driven workforce that makes us a top employer.**

Our success is based on a shared commitment to core values and principles. These values are not only the basis of our joint cooperation, but also decisive success factors. They define our standards and benchmarks for our actions. They are binding for everyone in our company, regardless of the location in Germany or anywhere else in the world where UZIN UTZ is present. Our identity is expressed in our **sense of direction** our **core values** and the **principles**, by which we operate.

### **Our common purpose**

The North Star symbolizes our common sense of direction. It guides us not only to PASSION 2025, but also beyond to new heights. We have jointly defined how we want to face the comprehensive economic and social challenges.

For us working environments are living environments in which people can develop further, realize their potential and thus actively write our shared history.

Our declared aim is to achieve an even better, more sustainable approach to our entrusted planet and its resources for future generations.

## **Our shared core values**

These core values are the central factors for our success that makes us strong and on which we base our actions and decisions.

## **Our common principles**

To make it easier to implement the core values in day-to-day business, we have supplemented them with principles. The principles are the compass for our behavior and our cooperation. This is how we live community.

## **Employees**

Our employees are the foundation of our success. At UZIN UTZ we place great value on a culture of appreciation and the continuous development of our teams. These elements are crucial for a dynamic and motivating working environment. One indicator of this is the average length of service of our employees. In the reporting year this was 9.5 (9.2) years. We want to act as a reliable employer and offer our employees fair remuneration and job security. We therefore hire as many employees as possible with permanent employment contracts. In 2023, 89 % (92 %) of all employees at UZIN UTZ were on permanent contracts.

To ensure that we can also offer long-term security, we plan our personnel requirements with foresight so that we do not have to make any compulsory redundancies, even in periods of economic weakness. We also invest in the next generation by offering a wide range of training and dual study programs. We are constantly updating our training programs to adapt them to the changing requirements of the market. In the reporting year we guided 44 (47) young talents into their professional future. With this strategy, we are proactively addressing challenges such as the shortage of skilled workers and demographic change.

## **Celebrate successes!**

Every success that we celebrate together shows us that commitment and teamwork lead to the goal. These successes are not only a reason to celebrate, but also a motivation to constantly improve and strive for new goals. They remind us that significant progress is possible with joint efforts and continuous work.

## **Pajarito celebrates 100th anniversary**

In 2023 Pajarito, a manufacturer of high-quality painting, plastering and drywall construction tools, celebrated its 100th anniversary. A variety of events were organized throughout the year to celebrate this outstanding milestone together with customers, business partners and employees.

Highlights included the joint appearance of UZIN UTZ at the BAU 2023 trade fair, a PR day at the company headquarters in Mettmann, a family day and extensive social media campaigns that put Pajarito in the spotlight in this special year.

Discover more about the campaigns carried out and take a look at the history of Pajarito on the special anniversary website at <https://de.pajarito-tools.com/100-jahre-pajarito>.

## **UZIN UTZ is market leader in Austria**

According to the evaluations of the industry radar for flooring and parquet adhesives, UZIN UTZ was able to significantly expand its market share in Austria in 2023 and even took over the market leadership. To mark this success, our CEO Philipp Utz and Sales Manager UZIN Austria, Claus Ebetsberger, traveled to the land of mountains and lakes to celebrate this achievement together with our customers.

## **Remuneration**

The remuneration of employees at Uzin Utz SE is based on the collective agreement of the chemical industry. In addition to these collectively agreed salaries, the company also offers variable remuneration components that go beyond the collectively agreed payments. In addition, Uzin Utz SE has salary structures that are not covered by the collective agreement.

<b>Employees, Uzin Utz SE</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Number of employees (as of 12/31)	524	515	493
Proportion of women at the company (as of 12/31)	33.7 %	30.5 %	32.1 %
Permanent contracts (as of 12/31)	85.9 %	90.3 %	95.9 %
Proportion of new recruits	9.5 %	8.0 %	7.1 %
Staff costs (EUR million)	41.0	40.8	37.5
Average age of our employees (as of 12/31)	41	38	40
Proportion of people with severe disabilities (as of 12/31)	1.59 %	1.14 %	1.60 %

## Occupational safety and health

Safeguarding the health of our employees in the workplace is our top priority. To this end we have implemented a range of protection and safety measures. These range from occupational health and safety assessments of workplaces to the creation of operating instructions for hazardous substances as well as for machinery and equipment. A central aspect of our commitment to occupational health and safety is regular, comprehensive training. This training covers basic areas such as occupational safety, fire protection and waste disposal and is supplemented by further instruction tailored to specific needs or areas.

<b>Occupational safety and health at Uzin Utz SE</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Average number of days of absence per employee per year	9.9	6.8	3.2
Number of accidents at work or while commuting to work	17	7	7
Number of first-aiders	68	70	36

## **CPR training at Uzin Utz Nederland bv**

In 2023 Uzin Utz Nederland bv organized CPR (cardiopulmonary resuscitation) training as part of its vitality program. The employees were taught how to recognize a cardiac arrest and how to perform first aid measures. The training enabled the participants to refresh their knowledge and learn how to behave correctly in such an exceptional situation. They can now contribute to greater safety in both their private and professional lives.

## **E-learning**

E-learning is changing the way in which learning content is made accessible by making it possible to access this content at any time and from anywhere. This flexibility is a key advantage of the format. Users can select learning materials according to their personal needs and work through them at their own pace. We have been using a digital training tool for years to provide our employees with comprehensive and legally compliant training in the areas of occupational health and safety. The training content is illustrated using presentations and short videos and comprehension questions are used to reinforce what has been learned. Managers have the opportunity to monitor the progress of the training and identify any gaps. We have also introduced a digital training program for all German companies in collaboration with PINKTUM, an innovative and award-winning e-learning provider. The focus is on the didactic development and high-quality production of video-based, interactive training media. This program expands the existing training opportunities of our Horizonte program, particularly in the area of soft skills. It makes it possible to supplement traditional face-to-face events with digital learning content thus promoting an integrative learning experience.

## **Training and cooperation**

Our range of apprenticeships and dual study programs provides a strong basis for starting out in the professional world. We attach great importance to support young people in their professional development, as this is important for both their and our future. We want to ensure that we continue to have well-trained employees in the future with programs in company training and dual studies. At the start of training in September we organize induction days to help the new trainees settle in well with us and strengthen team spirit. This includes tours of our production facilities,



introductions to the teams, presentations of our products and training on various topics. We want our trainees to gain a lot of experience. That's why we also offer them the opportunity to study abroad for a period of time to expand their knowledge.

<b>Training at Uzin Utz SE</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Number of trainees	28	28	26
Trainee rate (as of 12/31)	5.3 %	5.4 %	5.3 %
Proportion of hires once training was completed	83 %	86 %	83 %

Uzin Utz SE is also intensively involved in the promotion of future specialists by supporting university scholarships. For years we have been a proud partner of the Deutschlandstipendium, with which we support students at the University of Ulm and the Neu-Ulm University of Applied Sciences. Our aim is to be perceived as a visionary employer that offers students attractive career prospects. We also cooperate with the universities in Biberach and Neu-Ulm, with which we regularly carry out projects.

We also offer pupils and students the opportunity to gain valuable practical experience through internships, student traineeships or by writing their theses at our company. In 2023 we welcomed a total of 30 interns, working students, master's and bachelor's students, who were able to put their knowledge into practice and gain valuable insights into our working environment.

Training fairs offer another opportunity to strengthen contact with potential, qualified applicants. We are regularly represented at these. We also maintain partnerships with local schools. A current example of this is our school partnership with the Albert-Einstein-Realschule in Ulm.

## **JuzinIOR**

Since its foundation in 1996 JuzinIOR, the "company within the company", has offered our trainees a unique learning experience. In this project the trainees and dual students take on real company tasks in areas such as purchasing, accounting, sales or marketing, regardless of their area of training. The JuzinIOR team manages its company independently, which gives in-depth

insights into corporate strategies and the functionality of value chains. Throughout the year participants develop and implement innovative business ideas, activities and offers for employees. They also contribute to various events and represent the company on company tours. This practice-oriented learning method not only promotes professional qualifications and skills but also creativity and team spirit. 50 % of the profits generated by JuzinIOR are donated to charity (link to PLANET). The remaining 50 % is reinvested to strengthen team spirit, for example through joint leisure activities.

## **Personnel development and health management**

Professional qualifications and social skills create the best conditions for our employees to be able to drive forward the company's goals independently, responsibly and purposefully. We therefore pursue numerous measures to further develop and promote our employees. In addition the health of our employees is particularly important to us. We strengthen this with a wide range of offers.

## **Horizonte**

The professional skills and personal strengths of our employees are essential to the success of our company. In order to increase productivity and maintain our innovative strength, continuous training is essential. In our in-house academy "Horizonte", we offer a comprehensive training program that enables our employees to expand their skills in a wide range of areas. The focus is on improving personal skills, particularly in areas such as communication, stress and time management, leadership, coaching and digitalization. We offer both digital and face-to-face events to enable employees at other German locations as well as in Switzerland, Austria and the Netherlands to participate in virtual training. With a growing range of digital courses we are expanding our location-specific training options to include cross-location training opportunities. A central component of the cross-location offering is "Working efficiently with..." - A training program for handling frequently used software. We offer around 50 expert exchanges at various knowledge levels (bronze, silver, gold) each year.

## **Occupational health management**

The health of our employees is our top priority. Our occupational health management (OHM) is designed to actively promote the well-being and health of our workforce. We sensitize our employees to health issues and offer support in various life situations through targeted measures and offerings as part of our occupational health management. We seamlessly integrate health-promoting projects into everyday working life and the company structure and are constantly developing them further. One example are the sports facilities at our locations in Ulm and Würzburg, where employees can use fitness equipment to improve their health.

Since 2021 we have been working with the corporate fitness network EGYM Wellpass, which offers our employees access to over 8,000 high-quality sports, fitness and wellness facilities. In addition over 4,000 online courses are available. This offer is available to all employees our German companies and is financially supported by the employer to provide them with professionally guided fitness opportunities.

In 2023 our occupational health management was specifically dedicated to the topic of sleep. Over the course of the year we offered various presentations on this topic. The highlight was a health day under the motto "Healthy sleep", where employees were able to attend lectures as well as consultations and various health check-ups.

## **U Work**

In recent years our company has experienced significant growth, which has allowed us to welcome many new employees to our team. However, with the increasing number of employees and the creation of new departments, it is becoming increasingly difficult to keep track of the specific areas of responsibility of each department. To counteract this, we introduced the "U Work" concept in 2023. It serves as a platform on which departments can present both their day-to-day tasks and their current projects. The events are held online so that employees from all German-speaking locations can participate. In addition we have set up a special area on our intranet where departments can publish brief profiles of their team members and their areas of responsibility. This also gives colleagues who were unable to attend the digital events the opportunity to find out more about the various departments. In 2023 the Sustainability team and the People & Organization Development (POD) department already used this platform to introduce themselves

## WORK-LIFE-BALANCE

### Balance between work and leisure, for example through flexible working hours and remote working.

Well-being and performance are closely linked. In order to maximize both, a good balance between leisure and work is crucial. We accept the central challenge of a modern employer and create conditions and offers that enable our employees to reconcile their personal life planning with their career. With a variety of working time models, we enable our employees to adapt individually to new phases in their lives. Where possible, we offer part-time jobs and flexible working hours. In addition the options for mobile working have been expanded. For special life circumstances our employees also have the opportunity to take time off, for example for care, parental leave, early retirement, further training or sabbaticals. Within the lifetime working time account our employees can save money, vacation days or time credits to use later for the time off. In addition Uzin Utz SE supports the accumulation of the credit balance with an annual contribution. In 2023 almost 90 % (88 %) of employees participated in this program.

<b>Work-life balance at Uzin Utz SE</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Part-time contracts (as of 12/31)	16.8 %	15.5 %	15.2 %
Parental leave claimants	26 mothers	26 mothers	22 mothers
	10 fathers	14 fathers	14 fathers
Return rate after parental leave (mothers)	15.0 %	15.4 %	31.8 %

### Company social counseling

At UZIN UTZ we take the well-being of our employees very seriously and know that everyone faces individual challenges and crises. To support our employees in difficult times, we offer professional company social counseling through cariwork. Cariwork, a service offered by Caritas Ulm-Alb-Donau, provides our employees with experienced counselors. This interdisciplinary team, consisting of pedagogues, psychologists and addiction counselors, offers help and support in a variety of life situations - from everyday worries and health restrictions to partnership conflicts or professional challenges. Advice from cariwork can be provided by telephone, digitally

or in person in Ulm and aims to find solutions together with those affected and provide a new perspective on existing problems. Short-term appointments, regular further training for advisors and a comprehensive network for obtaining further information guarantee effective support for every concern. Cariwork is available to our employees as a neutral and independent point of contact to help them navigate through life's challenges. This new service, introduced in 2023, replaced our previous cooperation with the Kepler Foundation in Ulm and expands the range of advice on offer beyond care issues.

## Employee satisfaction and responsibility

In order to develop the full potential of our employees, we create a working environment that is characterized by appreciation. The professional development of our employees is specifically promoted through annual appraisal interviews with line managers. These meetings provide important guidance for personal and professional development and enable the planning of customized training measures that are tailored to both the needs of the company and the individual skills of the employees. We are convinced that continuous, transparent feedback on performance and development opportunities is crucial for professional success.

<b>Employee satisfaction at Uzin Utz SE</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Average period of employment (years)	10.6	10.13	10.3
Churn rate (notice given by employee or employer)	5.5 %	3.9 %	2.4 %

## Employee surveys

We attach great importance to a distinctive corporate culture and the satisfaction of our employees. Just like our workforce, we are in a constant process of development. Our annual employee survey is a key tool in this process. This serves as a key indicator of how our employees perceive our current performance and where there is potential for improvement. This survey provides us with valuable feedback on key topics such as working atmosphere, leadership culture and our PASSION 2025 strategy.

In the first quarter of 2023 the annual employee survey was conducted in the companies in the core and growth markets, with a group-wide response rate of 58 % (62 %). Here 88 % (89 %) of the global workforce stated that they enjoy going to work

in the morning. 86 % (90 %) of employees would choose UZIN UTZ again as an employer and 85 % (88 %) would recommend it to friends and acquaintances. The health rate was calculated using the ratio of actual working days to target working days and was 95.1 % (94.4 %) in 2023.

We are pleased that the health rate has been maintained at a high level, but we also recognize that there have been declines in individual areas. For the recommendation rate in particular we have set ourselves the target of achieving a value of 90 %. In order to counteract the downward trend, a number of measures were already implemented in 2023. The cornerstone of these measures is the newly established values and culture process. Based on this, a large number of training courses and workshops were held this year. As a result, the defined core values, principles and our sense of direction were brought to life, valuable topics were developed and team spirit was strengthened.

## **Welcome Day**

We have launched the "Welcome Day" to make it easier for our new employees to get started. In the first few months new team members face the challenge of familiarizing themselves with new areas of responsibility, processes and structures as well as an unfamiliar working environment. The Welcome Day offers them the opportunity to meet the Management Board in person, gain insights into various areas of the company, familiarize themselves with our product and brand world and take part in a workshop on the onboarding process. This event is an excellent opportunity to make new contacts and build up initial networks within the company.

## **Generation Plus**

Our "Generation Plus", which consists of retired former employees, is very important to us. We express our appreciation for the work they have done and their many years of commitment through regular events. In 2023 we organized three get-togethers in addition to the traditional Christmas party. A special event was the annual day trip, which this year took in several stops in Ulm.

## OPEN COMMUNICATION

**To us, open and transparent communication means keeping all stakeholders (customers, the public, locals, industry peers, employees, etc.) totally informed of all business activities in a credible, understandable, and timely manner.**

### Internal communication

Our "Open Communication" approach forms the foundation for an effective exchange of information between management and employees as well as between the various departments and divisions. Clear and simple communication is crucial in order to make the corporate strategy understandable for all employees. To support this goal, our PASSION U-NITED event was held for the third time. At this event, the Management Board provides information on important strategic topics, goals and priorities for the coming year in order to prepare employees for the new challenges and goals of the next twelve months. This event is broadcast annually in German and English to all employees worldwide and thus makes a significant contribution to internal communication. Training and event rooms will be set up for employees who don't have access to a computer so that they can follow the presentations in a pleasant, movie theater-like atmosphere. In addition, continuous communication takes place on the intranet.

Our intranet "Quako" not only serves as a communication platform, but has also developed into a comprehensive work tool. All employees across all locations have access to Quako and can take part in Quako training courses. The intranet enables blog entries to be written for specific target groups and interactions such as likes, comments and content sharing. A special 360° news section, similar to an online magazine, has been set up to communicate current topics. Posts can be linked to the topic areas of our PASSION 2025 strategy to enable easy assignment and an overview of current topics. We attach great importance to ensuring that relevant information reaches our employees worldwide before it is made public. In addition to communication functions, Quako integrates a variety of project management tools. Specific areas and pages for certain topics and projects facilitate the exchange of information and project organization. Quako thus simplifies collaboration and the exchange of knowledge within teams and project groups and is fully integrated into the day-to-day work of most employees. The intranet is therefore a central system that supports the exchange, collaboration and flow of information and allows us to grow closer together as the UZIN UTZ family.

## **External communication**

Our Investor Relations segment communicates effectively through ad hoc announcements, quarterly reports, the annual report, investor days, the Annual General Meeting and the annual press conference. These measures aim to inform investors and shareholders in detail about the company's development and key financial figures. In addition press releases are published on all relevant UZIN UTZ topics, which can be viewed in the press section of our website. Inquiries from the business and regional press are answered promptly by the Management Board in order to strengthen our external communication. We are increasingly using online communication as an effective channel to reach our target groups such as job seekers, customers and investors.

To further improve our digital communication, we are sending out newsletters and maintaining a presence on social media such as Facebook, LinkedIn, Instagram and YouTube. We have been using these platforms for years to inform our target groups, get in touch with them and offer them opportunities for interaction. We also present our extensive product range on our brand pages, supplemented by data sheets and safety and application information.