# INTEGRATED PROCESSES
# **RESOURCES IN FOCUS**

austrocel hallein
We add value to wood.

SUSTAINABILITY REPORT WITH
INTEGRATED ENVIRONMENTAL STATEMENT 2024

# CONTENTS

# FOREWORD

We base our corporate strategy on the principles of responsible action with regards to the environment and society. We have already achieved significant progress here in the past. For example, our plant is already supplied with 99 % energy from renewable sources. Key here is our commitment to zero waste, which we also regard as a strong driver of innovation. The material and energy flows arising in connection with our production process represent valuable resources for generating value added downstream. That is why our product portfolio has continuously grown to currently include pulp, green electricity, district heating and alternative fuels such as bioethanol.

We are proud to have been operating Austria's largest wood-based biorefinery for the past three years. By-products of cellulose production allow us to produce second generation bioethanol, which contributes to us covering around one percent on Austria's petrol requirements. With a $CO_2$-saving ratio of nearly 98 %, we are setting new benchmarks for organic fuels and underlining our top priority of achieving complete resource utilisation based on a circular economy. We aim to implement our zero-waste approach to the entire production process and are therefore working intensively to further use the remaining waste materials, such as in the building materials sector.

In 2023, we worked hard to further systemise our sustainability management. We adhered here to the process defined by the Global Reporting Initiative. The ongoing developments over the course of the year associated with the Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards have been integrated into our ongoing process wherever this was possible. Our efforts to date and potential actions in future have been appropriately subjected to a comprehensive materiality analysis. This also entailed us taking the opinions of our stakeholders into account in order to obtain an overview which is as far-reaching as possible.

**WOLFRAM KALT**

**CEO AUSTROCEL HALLEIN**

This process also highlights our responsibilities towards our employees and other people in our area of influence. A company can only be successful in the long term if its activities are consistent with occupational safety, the environment and society as well as a responsible approach to the necessities of life and commercial profitability.

Our Green Spirit has allowed us to become a pioneer in the organic transformation of the pulp industry. We are proud to be contributing to the step-by-step and sustainable change of an industry.

GRI 2-2
GRI 2-3
GRI 2-4
GRI 2-5

# ABOUT THIS **REPORT**

AustroCel has long been committed to sustainable management, which forms a cornerstone of our corporate culture. Our values reflect our in-depth sense of responsibility and we are firmly convinced that it is mandatory to take action today in order to maintain quality of life for future generations. This requires a reasonable balance between commercial, environmental and social goals.

This report provides a comprehensive overview of our efforts in the area of sustainability and reflects our commitment to transparent communication and a responsible approach to the actions we take.

In contrast to past reports, this report has been prepared based on the guidelines of the Global Reporting Initiative (GRI) and offers a more in-depth and comprehensive insight into our sustainability practices and efforts. The EMAS guidelines are also adhered to.

This report, covering our 2023 financial year, aims to inform readers about the continuously development of our sustainability efforts. We report on the activities which we have implemented since the last reporting period and provide an outlook of our plans for the coming years. Particular attention here has been paid to preparations to comply with the requirements defined by the Corporate Sustainability Reporting Directive (CSRD), which will be relevant to our company from our 2025 financial year and beyond.

**In preparation for the CSRD, internal and external stakeholders have been brought on board to**

- Specify the context
- Perform an ESG opportunities and risk analysis
- Develop and validate a stakeholder matrix
- Analyse our business model
- Map our value chain
- Perform a materiality analysis (based on GRI) and, ultimately,
- Develop a list of material topics

Based on these findings, strategic approaches and, subsequently, goals were defined for every material topic which can be reflected using suitable key performance indicators.

Our sustainability program, appropriately named **Roots of the Future**, will continue to play a central role in our internal and external communication in years to come. The results of our materiality analysis, and therefore the list of material topics, is on a par with the Roots of the Future for AustroCel. This provides a holistic overview of our efforts to develop sustainably.

An interdisciplinary sustainability team was established in the course of our preparations for meeting the requirements defined by the CSRD. This team consists mainly of management team personnel and additional experts who take part in the various workshops depending on the issue addressed. The management team of AustroCel is also firmly anchored in the sustainability team and takes an active and defining role in the implementation of a holistic sustainability management system.

Our sustainability report is already published every year in order to ensure continuity and up-to-date reporting. With the exception of the EMAS environmental statement, which is provided in the annex, the report has not yet been externally audited.

In order to comply with CSRD requirements, the non-financial report will be integrated into the management report from our 2025 financial year onwards.

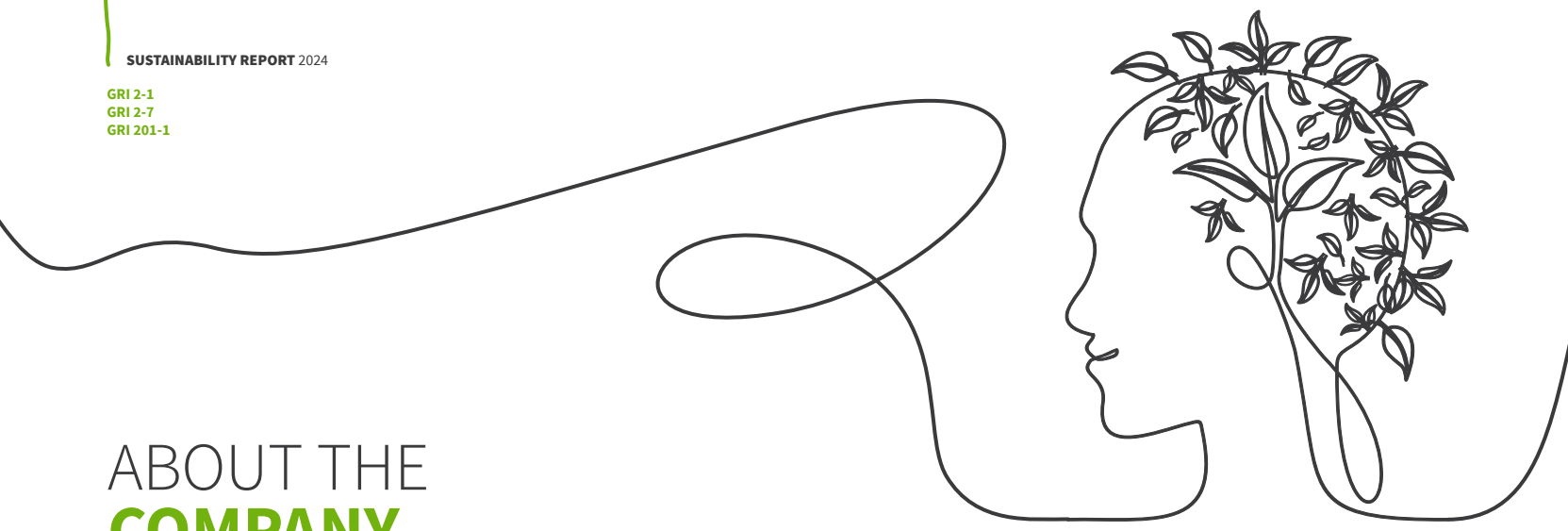
This report, which was published in August 2024, relates to the company AustroCel Hallein GmbH, with premises at Salzachtalstraße 88, 5400 Hallein, Austria.


**Management systems and certifications**

We regularly undergo audits and certification procedures performed by renowned organisations in order to guarantee the quality and sustainability of our processes. We comply with the following standards: PEFC, B Corp, EMAS, ISCC, SURE and the relevant ISO standards 9001, 14001, 45001 and 50001. In 2023, we also achieved the Ecovadis **Status GOLD**.

The 2023 AustroCel Sustainability Report can be found here (only available in German): https://www.austrocel.com/wp-content/uploads/2023/08/AC_NB_2023_web-2.pdf

GRI 2-1
GRI 2-7
GRI 201-1



# ABOUT THE **COMPANY**

AustroCel Hallein has existed since 1890. Over a century later, we are proud to be among Austria's most innovative industrial players. Over this time we have undergone a fundamental transformation from a purely lineal producer of pulp to a modern, integrated biorefinery. Rather than being a coincidence, this transformation has been the result of a strong commitment to a circular economy and a responsible approach to managing our natural resources. In TowerBrook Capital Partners, we have a strong shareholder on board which shares our visions and supports us in further developing our plans for the future. We are jointly pursuing the ambitious goal of tapping the potential latent in the valuable resource wood both commercially and environmentally.

**159** million € in revenues

**338** employees

**34** hectares of the site

**99** GWh of district heating generated per year

**82** GWh of biogas generated per year

**110** MW recovery boiler

**143,000** tonnes per year of capacity

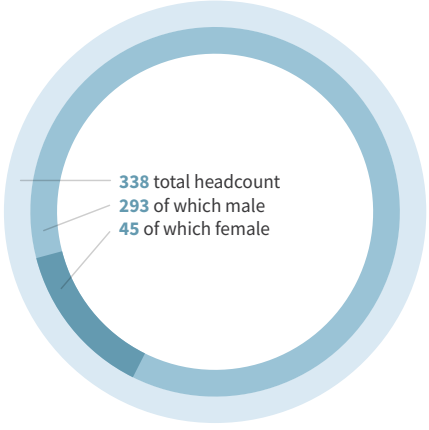
**315,000** tonnes of production wood per year

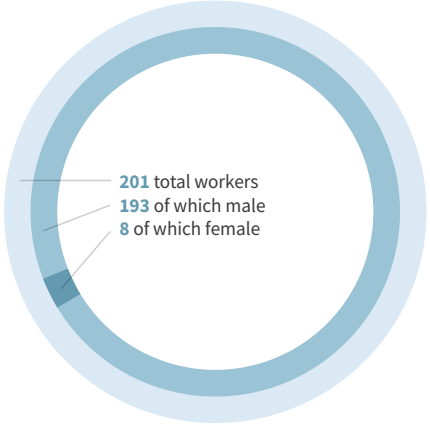
**74** GWh of green electricity supplied per year

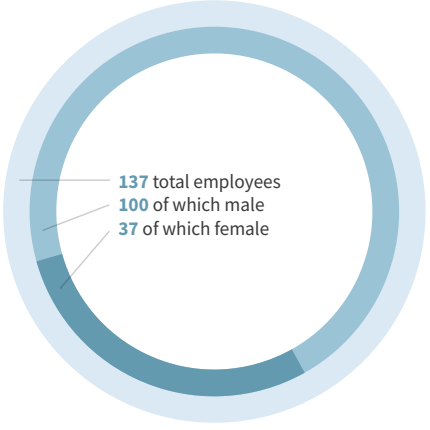
**35** MW biomass CHP system

**200,000** PE of waste water treated

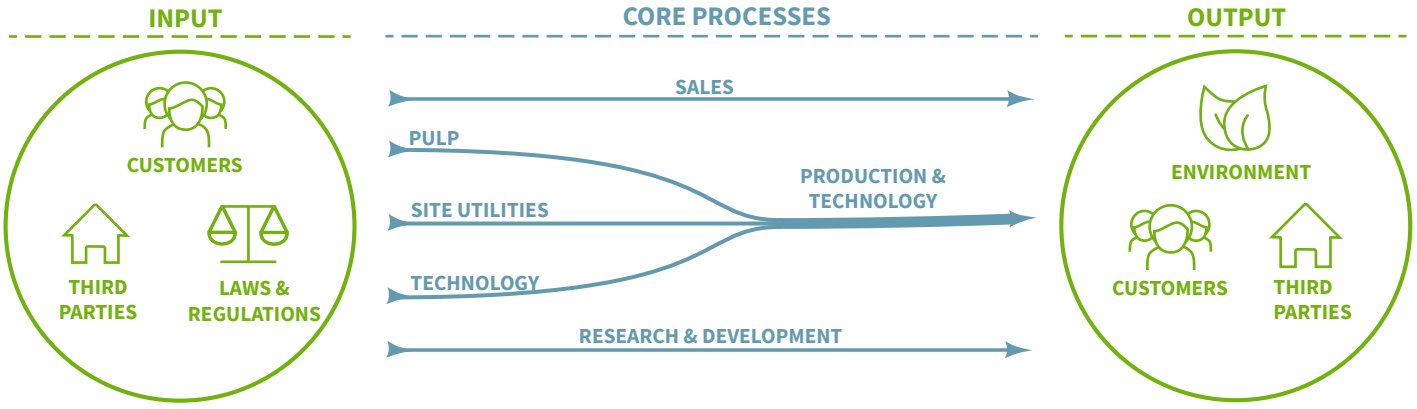
**10,000** m² of photovoltaics



# BUSINESS MODEL / VALUE CHAIN




## CORE PROCESSES AT AUSTROCEL

**Sales**
Sales forms an essential element of the company by providing valuable insights relevant to the corporate strategy and product development based on customer expectations.

**Production and technology**
The production process at AustroCel can be divided into three integrated phases:

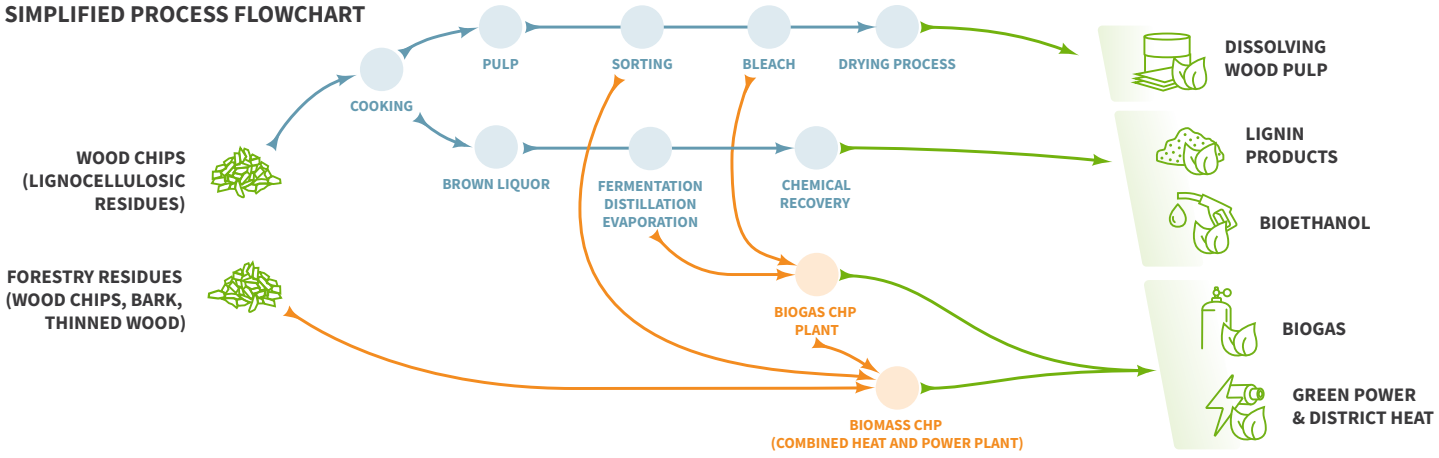
Our **pulp production** encompasses the entire process from the procurement of wood stored in the timber yard to the picking of rolls and bales after drying.

The **Site Utilities** provides all the media, energy and chemicals that are required in pulp production. It also manages the exploitation of by-products associated with production in order to recover materials or energy. The facilities such as the waste water treatment plant, the biogas plant, the recovery boiler and the bioethanol plant are also operated by this division. The focus here is always on continually improving safety and processes.

The **technology** division constructs new and converts existing facilities, develops automation solutions and therefore improves system and process reliability. Maintenance and repair work on existing systems and infrastructure is also taken care of by this division.

**Research & Development (R&D)**
The R&D department is responsible for the development of formulations for new pulp grades as well as the optimisation of existing processes. This is where new materials and chemicals are tested and technical processes as well as limits are monitored and analysed.

## SIMPLIFIED PROCESS FLOWCHART



GRI 2-22
GRI 2-23

# OUR **GREEN SPIRIT**

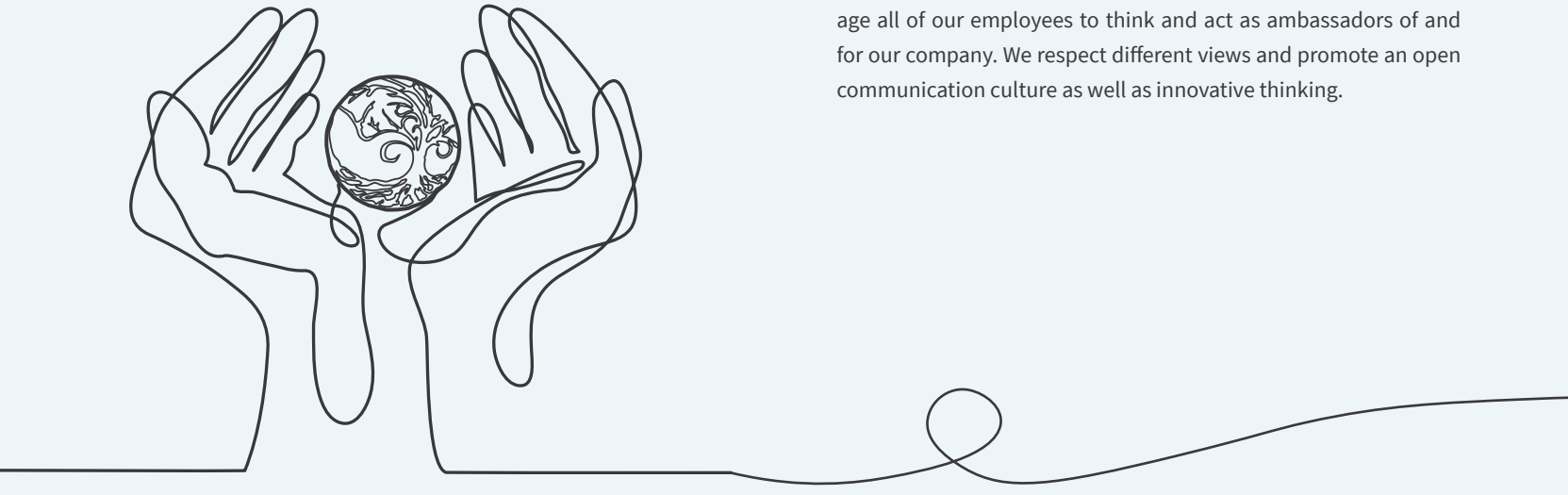
Our Green Spirit is at the heart of everything we do. It is how we see ourselves as part of society, how we contribute to solving current and future problems by means of innovation, and how we accept responsibility for our actions and for the people close to us. This Green Spirit is an underlying theme running through our normative principles, such as our purpose, vision, mission and value system, and is ultimately reflected in our sustainability program Roots of the Future. We are convinced that sustainable development is a continuous process which regularly needs to be evaluated, questioned and redefined.

**PURPOSE**
As a biorefinery, our aim is to efficiently use domestic timber and its contents. In the interests of maximising the processing of materials, based on a cascade principle, we prioritise material rather than thermal usage. We identify and implement continuous improvement steps which optimise our products and processes. We design our business processes to make them even more sustainable, for the benefit of the environment and society.

**VISION**
Zero-waste throughout the entire production process.

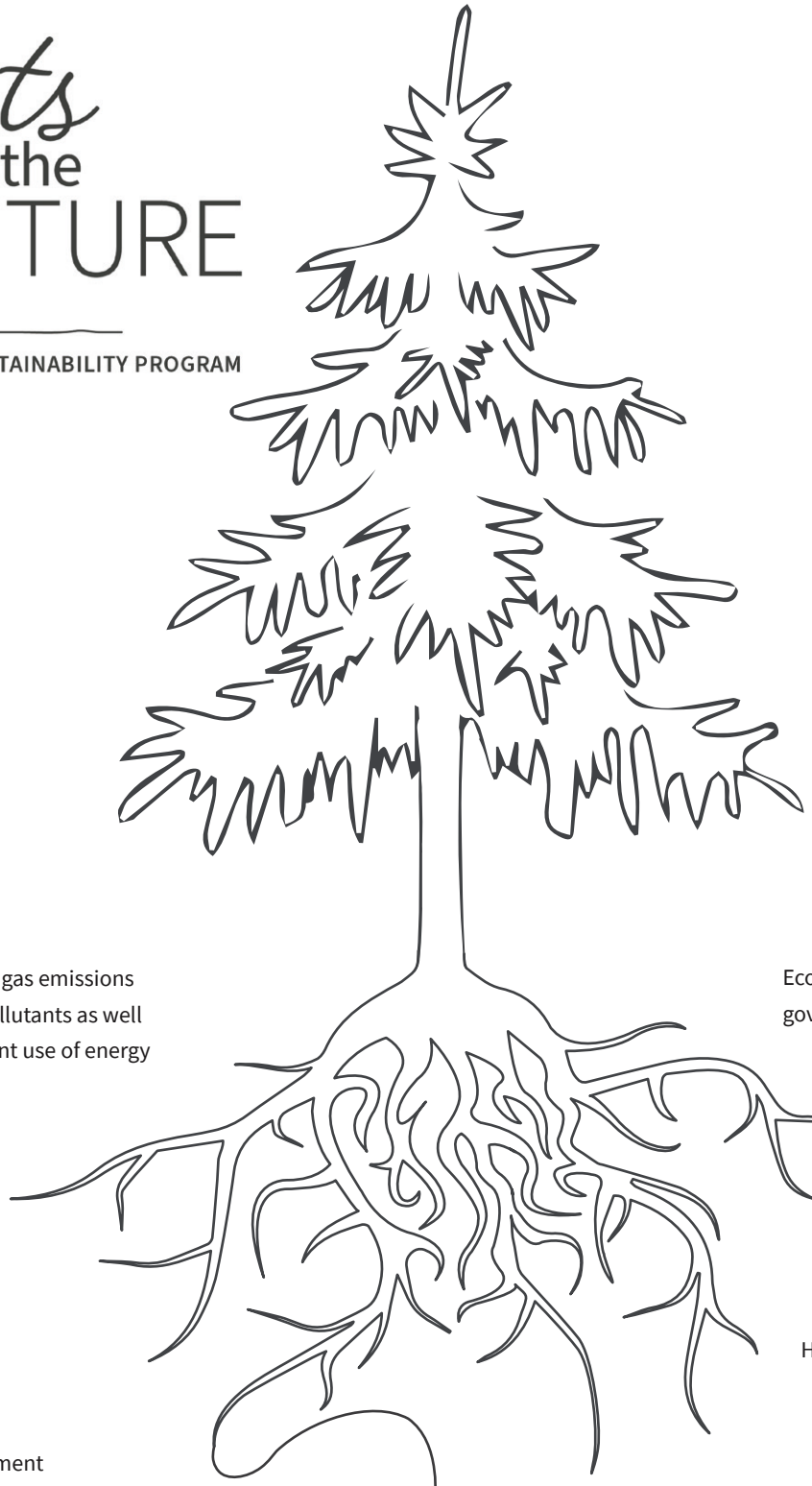
**MISSION**
Our mission is to be a reliable and trustworthy partner to our customers, employees, suppliers, shareholders and the community. Safety, social responsibility, integrity, creativity and foresight form the principles underlying our activities.

**VALUES**
Respect and teamwork form central elements of our corporate culture. We appreciate honesty and humility at all levels and encourage all of our employees to think and act as ambassadors of and for our company. We respect different views and promote an open communication culture as well as innovative thinking.



# Roots of the FUTURE

THE AUSTROCEL SUSTAINABILITY PROGRAM



Reducing greenhouse gas emissions and other airborne pollutants as well as ensuring the efficient use of energy

Economic performance and governance

Quality, water withdrawals and use

Compliance

Circular economy

Healthy and safe products

Sustainable procurement

Occupational health and process safety

Stable employment, education and training

The AustroCel sustainability strategy Roots of the Future can be found here:
https://www.austrocel.com/en/nachhaltigkeit/

GRI 2-22
GRI 2-23
GRI 2-24
GRI 2-28

# OUR UNDERSTANDING OF **SUSTAINABILITY IN A GLOBAL CONTEXT**

## UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The Sustainable Development Goals (SDGs) form the core of the Agenda 2030, the global development and sustainability strategy of the United Nations. This report aims to highlight how we contribute to the achievement of these SDGs. For this reason, the various sections of this report include the relevant SDGs in order to make our contributions to achieving these goals transparent. To focus even more clearly on the SDGs relevant to AustroCel and to develop appropriate action, in this reporting period we again evaluated them in a workshop attended by the interdisciplinary sustainability team and with support from the management team in order to perform a new assessment. The following SDGs have emerged as those most important to AustroCel:


## MEMBERSHIP ASSOCIATIONS

Successful and sustainable development requires a common understanding as well as cross-industry and cross-border collaborations. It is for this reason that we have voluntarily committed to take the ten principles of the United Nations Global Compact (UNGC) into account and have been a member since 2023. These principles include, for example, supporting and respecting the protection of internationally proclaimed human rights, supporting a precautionary approach to environmental challenges and performing compliance audits. We are also a proud partner to the Salzburg 2050 climate and energy strategy.

**Other AustroCel memberships:**

- Austropapier (the association of the Austrian paper industry)
- Federation of Austrian Industries (Salzburg)
- ÖZEPA (the Austrian association of pulp and paper chemists and engineers)
- ÖWAV (the Austrian water and waste management association)
- Naturschutzbund Österreich (Salzburg, Austrian Nature Protection Association)
- Verein Steyrermühler Papiermacher
- Zellcheming (association of pulp and paper chemists and engineers)
- IG - Holzkraft

Our photovoltaic system delivers 1,483 kWp

GRI 2-9
GRI 2-12
GRI 2-13
GRI 2-14
GRI 2-23

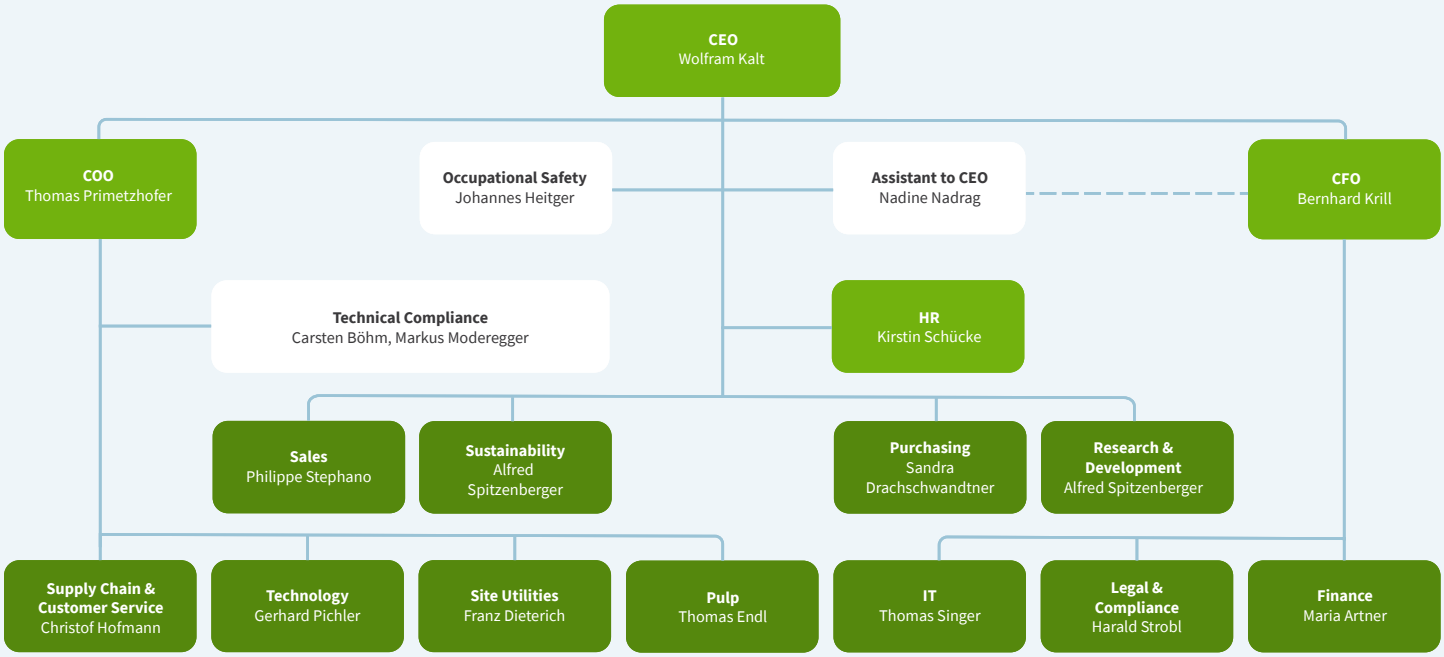
# SUSTAINABILITY AND **MANAGEMENT**

Sustainability management at AustroCel is not restricted to a single department or individual but has in fact been established as a cross-departmental function covering all areas and levels of our organisation. An interdisciplinary ESG committee was established as early as 2022 in order to ensure that the most important sustainability issues are continuously developed further and implemented. This committee currently consists of 11 people, meets regularly (i.e. around three to four times a year) and is structured to cover various (functional) areas, such as: energy and greenhouse gases, occupational safety, strategy, products, social dialogue, etc. The ESG committee is chaired by the Chief Sustainability Officer (CSO). The majority of ESG Committee members are also members of the AustroCel management team. The management team is firmly established within the ESG Committee, which ensures that the committee has decision-making authority and is able to reach these decisions quickly. This organisational structure means that we can actively pursue our sustainability goals.

**Code of conduct and corporate policy**

Our corporate policy and Code of Conduct (CoC) contain clear requirements with regard to safety, the environment, ethics and compliance. In the interests of this, we also expect ethically appropriate behaviour on the part of our business partners along the entire value chain. We have therefore also established the policy that our suppliers have to sign our CoC. The training of employees with regard to the rules defined in the CoC forms part of our awareness and prevention concept. Nearly 100 % of our employees were trained on the CoC in 2023 and also informed about our UNGC membership. Further training is planned for the coming reporting period in order to ensure a standardised understanding of the behavioural principles defined in our CoC.

Our compliance policy can be accessed at:
https://www.austrocel.com/en/compliance/



# MATERIALITY ANALYSIS

## MATERIALITY ANALYSIS PROCESS

The Corporate Sustainability Reporting Directive (CSRD) attaches further importance to the materiality analysis, particularly due to the binding concept of double materiality. It is necessary to evaluate an issue from various perspectives in order to assess its importance: outside-in and inside-out.

The outside-in perspective considers external factors such as climate change and its potential impacts on the company. These could be major financial consequences in the form of sustainability **risks** or **opportunities**. ESG criteria need to be added to the risk and opportunity management systems already established at the company in order to be able to evaluate these issues. The entire materiality analysis process needs to be transparently disclosed in the sustainability report both in line with the GRI criteria as well as, and in particular, in accordance with the requirements set out in the CSRD.

The inside-out perspective is new to most companies. This requires that every company identifies those **impacts on society and the environment** resulting through its activities.

Involving the most important stakeholder groups adds an addition perspective in order to confirm the material topics included in the materiality analysis. This is the key to establishing a holistic and balanced overview of the company's environmental, business and social development.

This report serves to prepare the company for the requirements set out in the Corporate Sustainability Reporting Directive (CSRD). That is why the concept of double materiality, as defined in the CSRD, has been adopted in order to identify material topics.
The basis here was a list (Full Set) of potential sustainability issues in line with the standards of the Global Reporting Initiative (GRI).
An initial analysis performed by the sustainability team evaluated the entire list of possible issues in terms of their **relevance** and **impacts** on our company. This culminated in an initial limitation of possible sustainability issues (Selected Set) for which a risk and opportunity assessment was then performed. The results of this were supplemented by the findings of the stakeholder survey.

The entire process of the materiality analysis was undertaken in the course of several workshops organised with the sustainability team and further sustainability experts and needs to be transparently disclosed in the sustainability report both in line with the GRI criteria as well as, and in particular, in accordance with the requirements set out in the CSRD.

GRI 201-2
GRI 2-29

## ESG RISKS AND OPPORTUNITIES

Determining and evaluating sustainability-relevant risks and opportunities makes it possible to identify potentially positive and negative ESG impacts on our business activities and to subsequently manage these proactively. The risk and opportunities analysis considers physical and transitional ESG risks and opportunities in terms of their company-specific probabilities of occurring and their financial impact. In this context, the following risks and opportunities were identified (selection):

**Opportunities:**

- Energy efficiency and self-sufficiency
- Material use
- Resource efficiency and alternative raw materials
- Sustainable consumption
- Zero-waste
- Being an attractive employer due to sustainability

**Risks:**

- Raw material scarcity
- Water consumption and waste water
- $CO_2$ and raw material prices
- Declining demand for energy products
- Labour shortages
- Rising temperatures
- Production shutdowns, e.g. due to extreme weather
- Increasing land use

## STAKEHOLDERS

We are aware of the fact that certain stakeholders are affected by our activities in various ways and, vice versa, that various stakeholders influence our business processes to varying extents. It is important for us to be aware of our most important stakeholder groups and to integrate these groups responsibly into our decision-making processes. It was for this purpose that we performed a comprehensive stakeholder analysis which consisted of the following steps:

- Identifying relevant stakeholder groups
- Describing and evaluating these stakeholder groups (influence and interest)
- Mapping responsibilities towards the various groups on a stakeholder matrix

During the course of the process described above, we also identified employees, customers and suppliers, as well as banks, public authorities and local residents, as important stakeholder groups in addition to our shareholders and Supervisory Board.

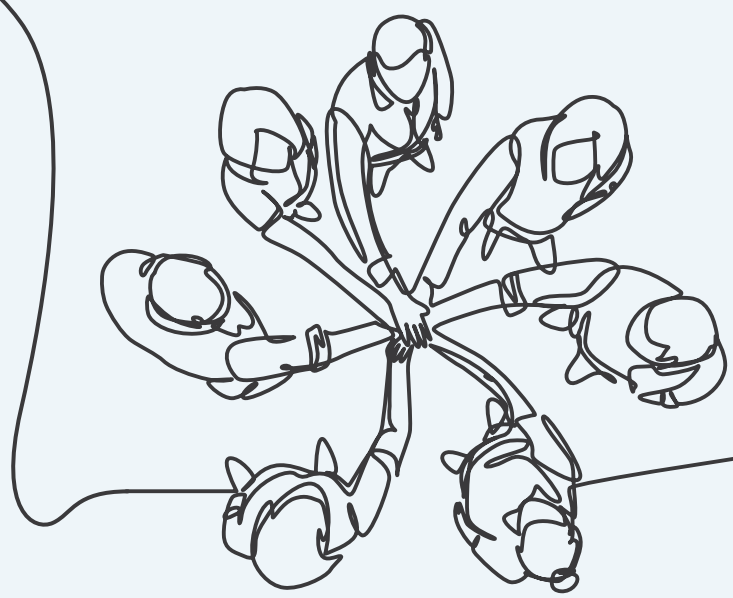
**Most important internal stakeholders:**

- Shareholders and Supervisory Board
- Management team and key personnel
- Employees
- Works council members
- Trainees and apprentices

**Most important external stakeholders:**

- Customers
- Suppliers
- Banks
- Local residents
- Public authorities
- NGOs
- Cooperation partners

GRI 2-26
GRI 2-16



**Dialogue**

An online stakeholder survey was conducted to gather stakeholder opinions. A total of 140 respondents took part in this survey between the middle of April and the end of June 2023.
In addition to this targeted survey, we are also in regular contact with various stakeholder groups:

**Employees**

Regular information meetings, as well as communication via email, our intranet and notices, are organised to ensure that our employees always receive key information directly. There are also regular jour-fix meetings between the Works Council and Management.
In order to prepare for crises and emergencies, the company has comprehensive action plans and a crisis management manual which is regularly updated. Besides this, drills are regularly performed based on various crisis scenarios and the on-site fire brigade ensures its readiness by means of frequent exercises.

**Local residents**

As one of the largest and most traditional companies in the Tennengau region, we engage in a constant exchange of information with local residents, the municipal council and public authorities. Transparent dialogue ensures that good relationships are maintained. The most important forum for this is regular meetings with local residents. As part of our so-called Good Neighbourhood initiative, we regularly organise information events for local residents. Three times a year, company representatives, including the CEO, COO, CSO, Environmental Manager and Public Authorities Manager invite local residents to inform them about various issues and to promote dialogue with our neighbourhood. At these meetings, we provide information about current issues, updates on the economic situation of the company and present our considerations for further development and investment plans. We also offer local residents the opportunity to ask questions. In July 2023, we organised an Innovation Day event which provided our business partners, representatives of local authorities, the provincial governor, our local residents and many other invited guests the opportunity to take part in a tour of the company and discover more about our innovations.
On the company's website, there is a dedicated section for regularly informing the neighbourhood and a hotline which is staffed around-the-clock and available to raise any issues (e.g. odours, noise, light pollution) or general questions at any time.
In addition, we have also introduced notice boards which are located at the gatehouse and in the nearby sports club. These notice boards provide information about our environmental efforts. We take complaints and factors potentially disturbing the community seriously and investigate them since for us this forms the basis for further developing the site successfully and for maintaining good neighbour relationships.
We also maintain contacts with schools, universities, local politicians, public authorities and other important organisations.

**Reporting critical issues**

We have set up an online tool to ensure that critical issues can be reported. This tools enables all employees, as well as customers, suppliers and third parties, to report issues. Access to this tool has been improved by making it available directly on the website under the section on compliance. The aim here is to promote an open and transparent communication culture which takes problems seriously and to enable these to be resolved.

Our whistleblower system
can be accessed at:
austrocel.integrityline.com/?lang=en

Compliance training courses also take place to ensure that all employees are familiar with the guidelines and know how they can report critical issues.

# MATERIAL TOPICS
# AND STRATEGIC DIRECTIONS

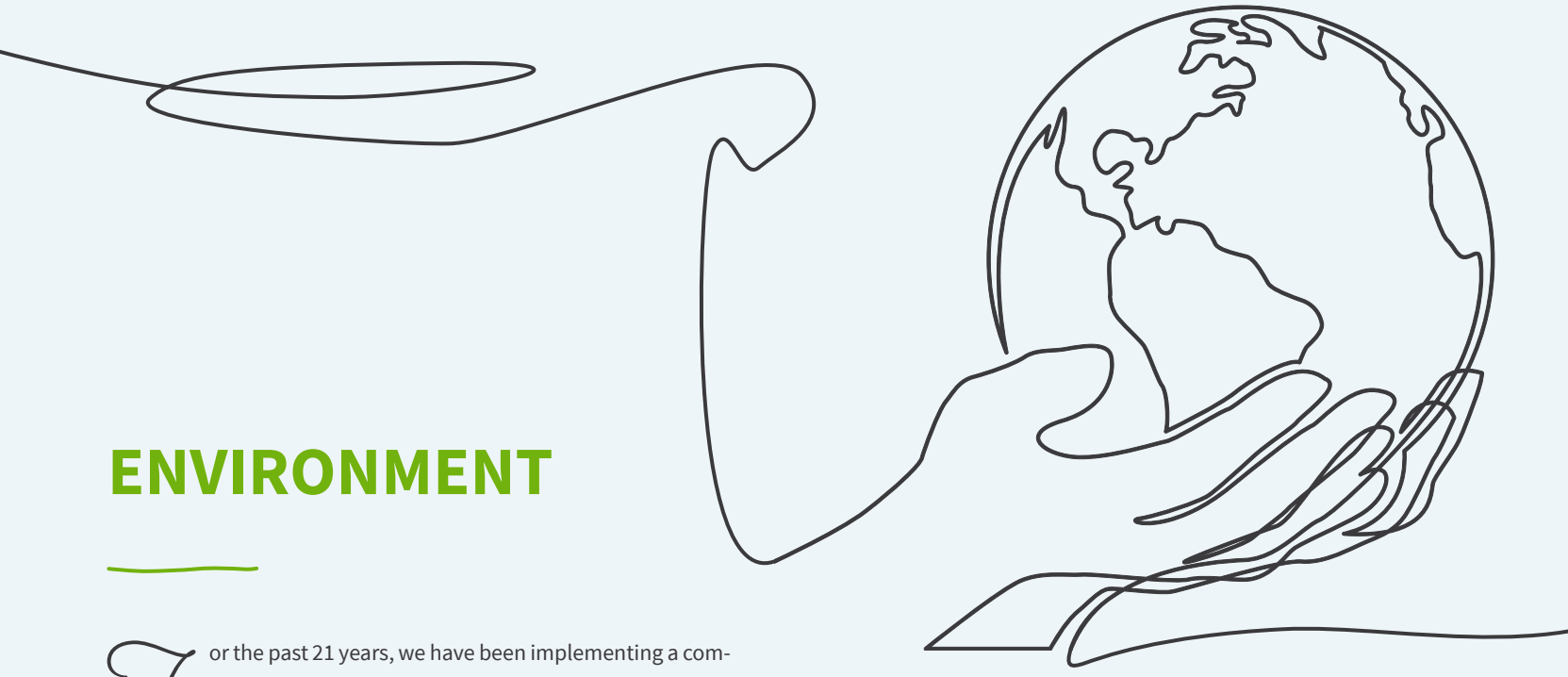
The output of the materiality analysis is a list of material topics relevant to AustroCel. The following tables include a column on the right containing the current name of the relevant material topic as presented in this report. These can also be found in our Roots of the Future sustainability program. The goals we are pursuing in these areas and which action is being taken will be described in more details in the course of this report. The first two columns of the following table clarify the linkage between the GRI standard and our previous Roots of the Future program (2023). Goals and activities related to every material topic were defined in order to implement our Roots of the Future sustainability program. Given that the issue of climate change is regarded as a top priority, an interim goal has also been defined for this issue: By 2030, AustroCel aims to further reduce its dependence on fossil fuels and is working on a project to sequester $CO_2$.

| **Environment** | | |
|---|---|---|
| **Material topic (GRI nomenclature)** | **Issue in the Roots of the Future 2023 sustainability program** | **Nomenclature of material topic in this report (2024)** |
| Energy emissions | Reducing transportation, combating climate change, reducing $CO_2$, improving the environment, boosting efficiency | Reducing emissions of greenhouse gases and other airborne pollutants as well as ensuring the economical use of energy |
| Water | Improving the environment | Quality, water withdrawal and use |
| Resource efficiency | Circular economy, zero waste, innovations | Circular economy |
| Business practices and environmental & social evaluation of suppliers | Transport, circular economy | Sustainable procurement |

| **People** | | |
|---|---|---|
| **Material topic (GRI nomenclature)** | **Issue in the Roots of the Future 2023 sustainability program** | **Nomenclature of material topic in this report (2024)** |
| Occupational health and safety | - | Occupational health and process safety |
| Employment | Teamwork | Stable employment, education and training |
| Education and training | - | |
| Customer health and safety | - | Healthy and safe products |

| **Commerce and governance** | | |
|---|---|---|
| **Material topic (GRI nomenclature)** | **Issue in the Roots of the Future 2023 sustainability program** | **Nomenclature of material topic in this report (2024)** |
| Compliance with laws and regulations | - | Compliance |
| Business performance | Community | Economic performance and governance |

GRI 3-3
GRI 302
GRI 305



# ENVIRONMENT

For the past 21 years, we have been implementing a comprehensive environmental program in the context of our EMAS certification (see page 47). Our goals and measures related to environmental material topics are based (in part) on previously defined activities of this EMAS environmental program, which is why we refer to these repeatedly in the following sections. In the coming years, we will be pursuing the goal of integrating our environmental program into our overriding sustainability strategy with its defined material topics.

## REDUCING GREENHOUSE GAS EMISSIONS AND OTHER AIRBORNE POLLUTANTS AS WELL AS ENSURING THE EFFICIENT USE OF ENERGY

We aim to reduce greenhouse gas emissions and airborne pollutants as well as ensuring the efficient use of energy. We take a holistic view of our $CO_2$ footprint, including raw materials, suppliers, employee mobility and transportation. Besides Scope 1 and 2, reducing gas emissions at AustroCel therefore concentrates on the entire value chain and consequently also on Scope 3, which has not yet fully been taken into account. We rely on interdisciplinary cooperation to identify potential emission reductions and take appropriate action.

We adopt an efficiency and resource-saving approach to achieve the efficient use of energy. In the context of energy consumption, we concentrate primarily on system optimisation, targeted shutdowns of power systems, minimal lighting, efficient use of heating and minimising the use of pressurised air. Environmental and energy-related issues are firmly anchored in our business policy and are continuously improved. This in turn is also evident in our ISO 14001 and ISO 50001 certifications. Optimising the use of energy increases our profitability, cuts costs and reduces our dependence on fossil fuels, which boosts long-term stability in the face of energy price and supply volatility.

**Opportunities:**

- Potential for further energy modules (reducing energy wastage)
- Potential to reduce pressure in water and pressurised air systems
- Numerous possible projects to optimise energy usage
- Biogenic $CO_2$ sequestration (using EtOH system)
- Impact of Renewable Gas Act (EGG); feeding biogas into the public grid; added value opportunity

**Risks:**

- FGD – airborne pollution limits of BAT
- Odours
- Cost increases due to energy-intensive raw materials (caustic soda and magnesium oxide)
- Risk of $SO_2$ discharge
- NOx flue gases
- $NH_3$ flue gas

**Coordinators**

- Energy manager
- Site Utilities
- Sustainability manager
- Environmental management
- Compliance manager

**Activities and achievements in the reporting period**

- Holding energy meetings (quarterly) and environment meetings (half-yearly)
- Installing an energy module related to the evaporation plant
- Converting cooling water supply pumps to run on a frequency-regulated basis to save 25 - 40 kW
- Revitalising Steam Turbine 7 to sustainably generate power from excess steam
- Refer to the section on our environmental program for more activities

**Excerpt from our environmental program: Goals and measures**

- Independence from fossil fuels by 2030

| Measures | Deadline |
|---|---|
| Calculation of GHG emissions (Scope 1 to 3) | 2024 |
| GHG reduction path, focus on Scope 3 | 2024 |
| Building renovations | 2024 – 2026 |
| Increasing energy efficiency by focusing on reducing energy losses | 2025 – 2030 |
| Stabilisation of energy consumption | 2025 – 2030 |
| Reduction of airborne pollutants | 2025 – 2030 |

**Energy management system**

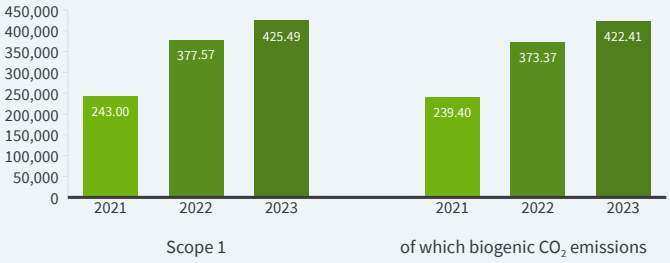
- Our energy management system is certified in accordance with ISO 50001. A clear organisational structure has been established with regard to organisational issues and responsibilities. This structure is based on an interdisciplinary team which is headed up by a specially appointed energy manager. This ensures the effective coordination and implementation of energy efficiency measures in all areas of the company.
- Our energy management system also entails regular monitoring activities (audits), readings and evaluations of our energy consumption. This enables us to identify potential energy savings and take targeted action to improve energy efficiency.
- We also hold regular energy and environment meetings. Internal and external communication via our energy management system is both transparent and effective.
- We have introduced notice boards which have been located at the gatehouse and at the nearby sports club since February 2024. These notice boards provide information about our environmental efforts. Refer to our environmental program for details about other activities.

**GHG emissions**

The chart below highlights that Scope 1 emissions rose in the 2021-2023 period. This increase is attributable, on one hand, to a production shutdown from June 2021 to February 2022, which meant that, in 2021 only half, and, in 2022 only 90 %, of the available production capacity could be utilised.

A further factor is that more speciality products have been added to our portfolio, with these products requiring additional energy inputs.

Scope 1 emissions in t $CO_2$-eq




Starting up our plant also requires additional energy from fossil fuels. Nonetheless, it is encouraging to note that the share of biogenic $CO_2$ emissions is also rising, meaning that we are getting closer to our goal of becoming independent of fossil fuels. $CO_2$ emissions from biogenic fuels however remain an issue at AustroCel. In this context, the aim is to continue improving energy efficiency on the basis of the measures mentioned above.

Our Scope 2 emissions are already nearly zero according to our electricity provider, which has declared that the power supplied is associated with 0.0g $CO_2$-equivalent per kilowatt hour.

We are currently preparing a complete analysis of our Scope 3 emissions and also working on a holistic climate strategy which includes potential GHG reductions and development paths in the form of scenarios.

# QUALITY, WATER WITHDRAWAL AND USE

The issue of water is avoidably central to a pulp mill such as AustroCel. Water is required not only as process water and a coolant but also as a source of energy in the form of the steam we generate in-house. Clean fresh water is particularly indispensable for the production of high-grade chemical pulp.

Our geographic location in an area with ample water ensures that we have reliable supplies. At the same time however, we have undertaken considerable efforts to continuously improve our treatment of waste water. Our two-step waste water treatment plant complies with state-of-the-art European standards and is one of the largest such plants in Austria.

A further important aspect here is the integration of waste water treatment plant into the company's energy cycles. Up to three quarters of the waste water burden is converted to produce biogas. This enables us to supply numerous local households with green electricity and district heating. The sewage sludge accumulated is also incinerated as a source of energy.

**Opportunities:**
- The extraction of heat from waste water
- Opening up new areas of business

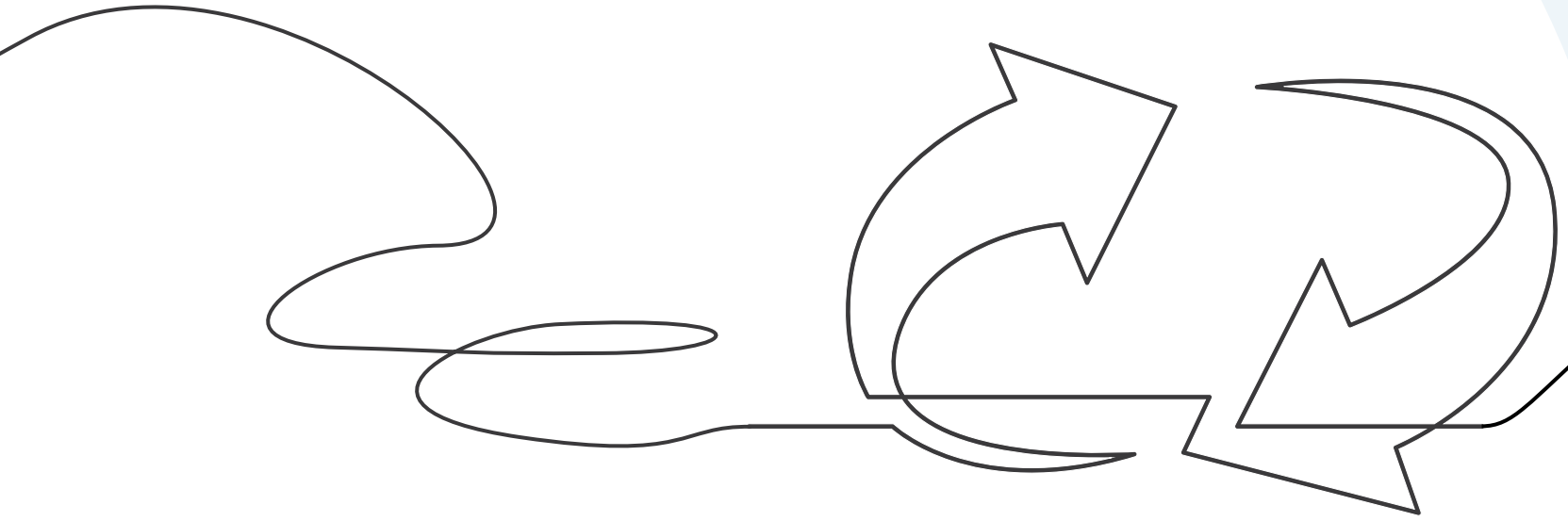
**Risks:**
- Increasing waste water output
- Increasing use of potable water

**Coordinators**
- Plant supply and waste management team
- Regular in-house and third-party audits
- Internal monitoring of environmental management

**Activities and achievements in the reporting period**

- Pilot waste water treatment plant for R&D trials
- Temporary measures to slow down production to avoid peak waste water discharge
- Regular in-house and external inspections of waste and ground water
- Refer to the section on our environmental program for more activities

Our biotope in neighbouring Gamp



**Excerpt from our environmental program: Goals and measures**

- Zero environmental incidents (exceeded limits) and further reductions in emissions in the long term in order to safeguard the viability of the site.
- Reducing the level of specific waste water burden so that peaks associated with the production of high-grade pulp can be compensated.

| Measures | Deadline |
|---|---|
| Regular ground water testing by a certified laboratory | Ongoing |
| Developing and implementing a technical solution for further compliance with the consensus values during the production of high-grade chemical pulp | By the end of 2025 |
| Determining the potential to further reduce water consumption in all production areas | Ongoing until the end of 2026 |

**Waste water treatment**

Water supplies and waste water treatment are essential for production. The waste water treatment plant however represents a bottleneck, particularly in light of our plans to produce high-grade chemical pulp which is associated with more contaminated waste water. That is why we are expanding this facility to meet future requirements and not to have to limit production. The development work in this area initiated in the last year will continue in future.

We are working in close collaboration with renowned plant manufacturers on the further development of our waste water treatment plant. During operational trials (using precipitating and flocculating agents), there were several unforeseen incidents of limits being exceeded. These were reported to the competent local authority and did not entail any environmental damage. On the other hand, this led to the discovery that one of the trials did not deliver the improvements hoped for.

# CIRCULAR ECONOMY

At AustroCel, there is a clear focus on a circular economy and the cascade-based usage of the raw material wood. The overriding priority is to give preference to using wood as a material rather than for heat production and to closing cycles step by step. A key factor here is converting residual materials from the pulp industry into materials for other industrial sectors. Methods to reduce resource consumption are being continuously researched and developed in collaboration with our R&D and production departments. Innovative solutions are developed and implemented in cooperation with external partners.

An outstanding example of the implementation of these principles is the construction of a large wood-based bioethanol plant, which represents an important milestone related to the circular economy and underlines our vision of being a pioneer in this field.

The circular economy is one of our most important core competences and is also a key driver behind our future development as a company. Circular economy aspects are at the heart of every project.

We are a biorefinery which specialises in converting organic waste materials into new products. This involves tapping the full potential so as to work in a resource-sensitive manner and close material cycles. Our aim is to act as a role model for sustainable industrial processes by demonstrating how effectively and efficiently an environmentally sensitive and commercially profitable circular economy can work. Our employees have a major stake in our successes since their specialist knowledge and diverse expertise are decisive contributing factors when successfully developing new solutions.

**Opportunities:**

- Integrated systems with plans to maximise the use of raw materials and energy
- High levels of technical skills and pioneering spirit
- Social and legal requirements to save resources

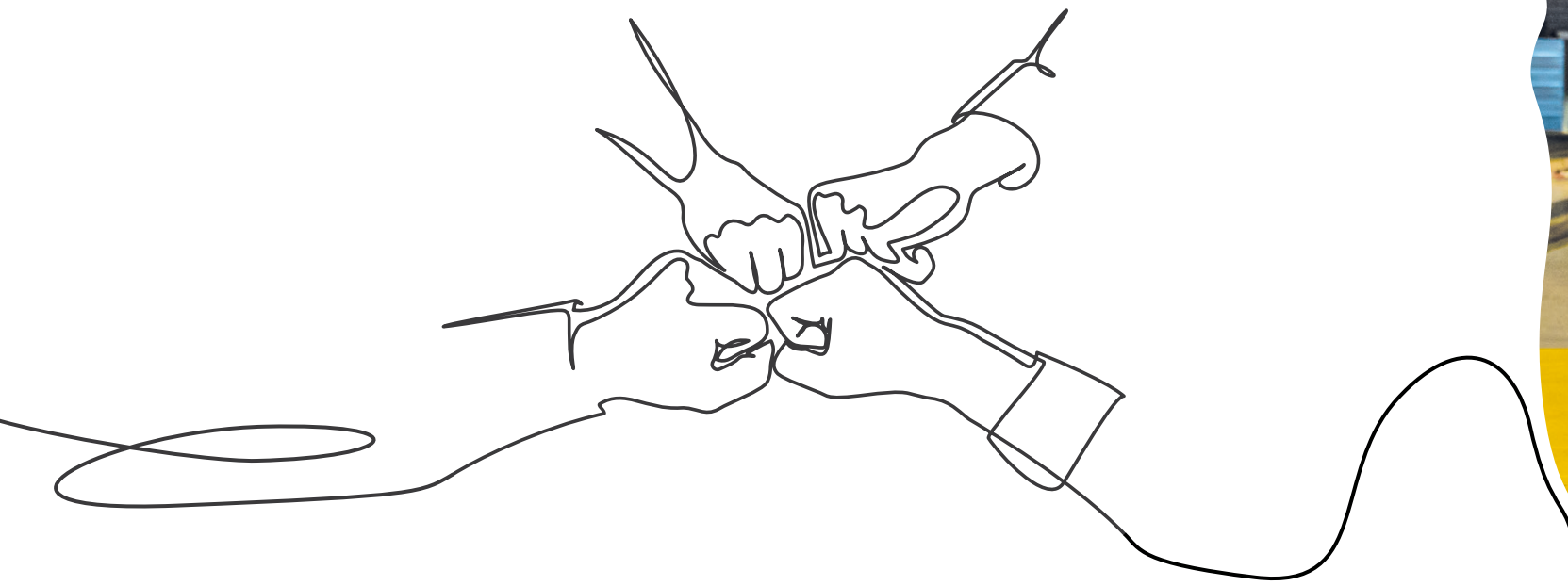
**Risks:**

- Technological risks
- Capital requirements
- Competition for residual materials and by-products
- Unforeseeable legislative changes

**Coordinators**

- Management
- An inter-disciplinary team of experts from environmental and waste management, research and development, production departments and public authority management

GRI 3-3
GRI 301
GRI 306



**Activities and achievements in the reporting period**

- **Successful upcycling of ash from the biomass heating plant**
  By means of an end-to-end analysis and identification of possible uses in new value chains, it has been possible to reclassify a significant portion of materials as usable which was previous classified as waste. This ash will in future be used as recyclable material in various industrial processes such as in the cement industry. This leads to savings of around 70 % in terms of waste disposed of externally and therefore significantly contributes to reducing the burden on the environment.
- **Residual wood now internally collected to use for thermal recycling**
  We are implementing the internal collection of wood residues which was previously disposed of externally. Switching to a system of internally collecting and thermally recycling residual wood will not only reduce disposal costs but also promote the use of renewable energy sources.
- Refer to the section on our environmental program for more activities

**Excerpt from our environmental program: Goals and measures**

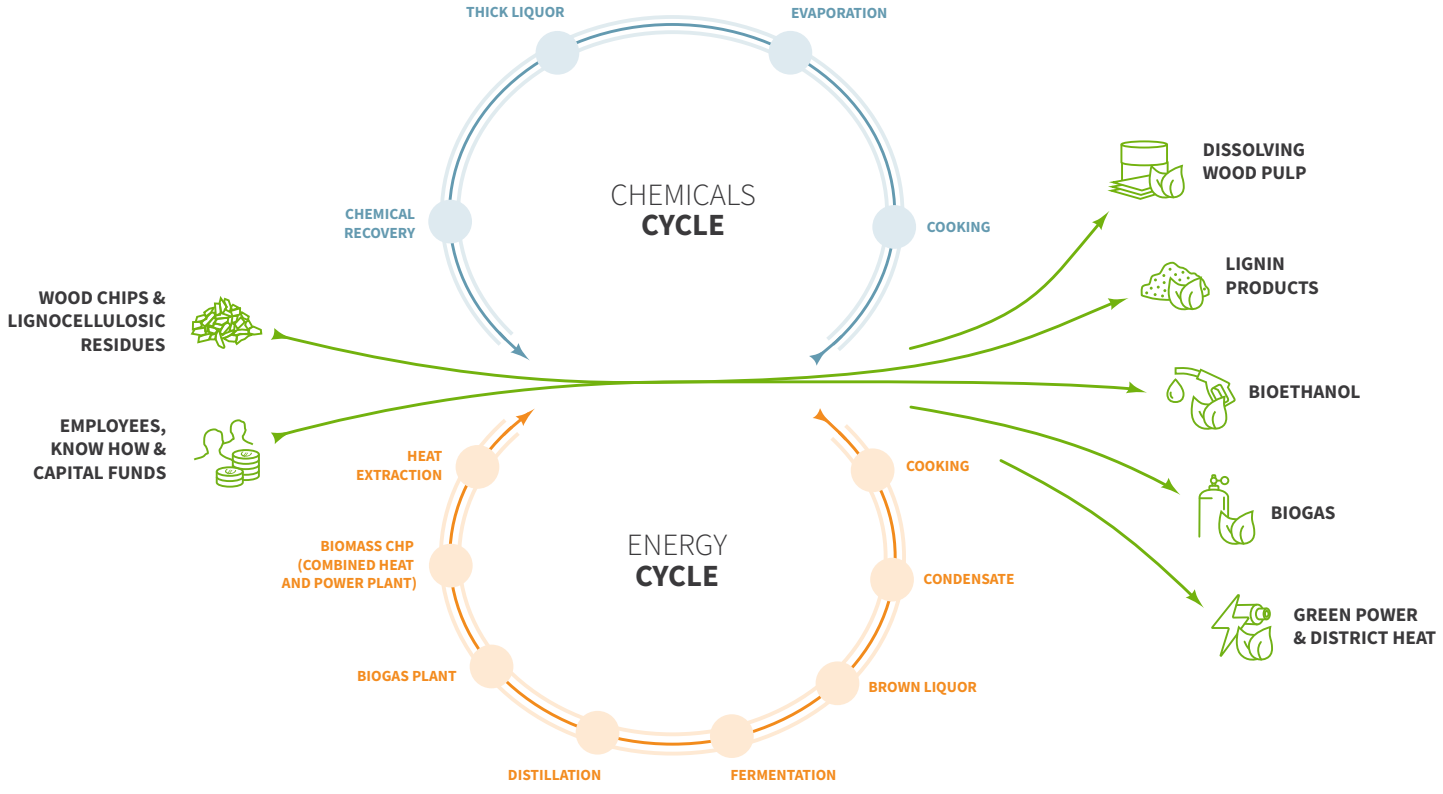
- Completely closing cycles to achieve zero-waste goal

| Strategic measures | Deadline |
|---|---|
| Developing a concept for using biogenic $CO_2$ from by-products (bioethanol and biogas plant) | Concept development 2024 |
| Making modified lignin a product for use in agriculture | 2024/25 |

**Our internal cycles**

The chart to the right illustrates two internal cycles: one for energy and one for chemicals. It also explains our main inputs. We process wood chips and cellulose waste materials to obtain fibres. In order to extract the fibres, we use cooking liquor in which the majority of the wood used is dissolved. After being used to extract the fibres, this is incinerated in-house to manufacture bioethanol from xylose or to obtain lignin products. It is even possible to feed essential chemicals back into the cycle after being used to extract energy. The chemicals in question are extracted from the exhaust fumes, e.g. by means of scrubbing and electrostatic filters. In the case of magnesium sulphate, for example, this process achieves a recovery rate of over 90 %. The chemicals recovered are again used in the manufacture of the cooking liquor.

These processes make it possible to manufacture a wide range of products, such as bioethanol, biogas, green electricity, district heating, pulp, etc., and also contribute to a circular economy. Fully closing these cycles will enable us to reach our zero-waste goal.


THICK LIQUOR
EVAPORATION
CHEMICAL RECOVERY
CHEMICALS CYCLE
COOKING
WOOD CHIPS & LIGNOCELLULOSIC RESIDUES
EMPLOYEES, KNOW HOW & CAPITAL FUNDS
DISSOLVING WOOD PULP
LIGNIN PRODUCTS
BIOETHANOL
BIOGAS
GREEN POWER & DISTRICT HEAT
HEAT EXTRACTION
BIOMASS CHP (COMBINED HEAT AND POWER PLANT)
BIOGAS PLANT
DISTILLATION
FERMENTATION
BROWN LIQUOR
CONDENSATE
COOKING
ENERGY CYCLE

GRI 3-3
GRI 204-1


# SUSTAINABLE PROCUREMENT

Sustainable procurement is an important element of our commitment to social and environmental responsibility. It is for this reason that our procurement strategy is based on four cornerstones:

- Security
- Profitability by focusing on the gross margin
- Sustainability
- People and culture

The integration of these cornerstones enables us to develop a holistic procurement strategy which promotes both environmental and social goals. A key element of this strategy is the responsible management of the raw materials we use, particularly wood and sodium hydroxide, which act as the main inputs in our production activities and account for around 75 % of AustroCel's procurement volume.

When sourcing wood, we attach particular importance to ensuring that this comes from forests which are near-natural and sustainably managed. Around 85 % of our wood for production purposes is fully PEFC-certified and we source this within a range of around 190 kilometres in order to minimise transportation and support the local economy. We also essentially avoid sourcing wood from primeval as well as protected or endangered forests in order to protect biodiversity.

This approach also delivers long-term commercial advantages. By means of sustainable procurement, we can mitigate reputation and compliance risks as well as optimise our operating costs. This enables us to ensure that our business activities are both ethically and environmentally justifiable and at the same time promote our company's long-term success.

**Opportunities:**

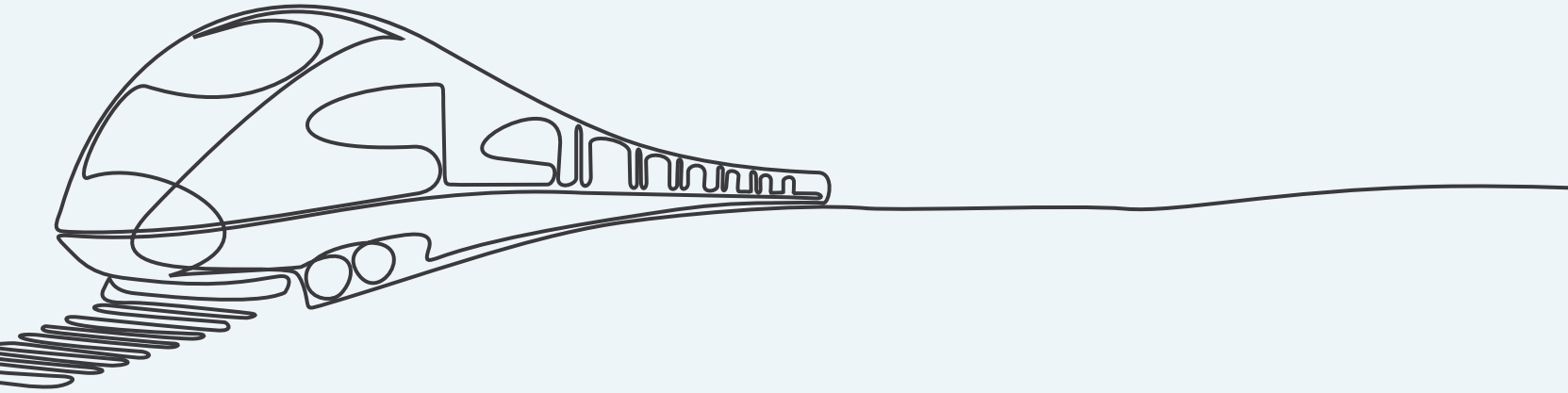
- Competitive advantages
- Possible cost savings
- Innovations
- Stronger supplier relationships

**Risks:**

- Dependencies on certain suppliers, e.g. for green sodium hydroxide
- Additional costs
- Complexity in the supply chain

**Coordinators**

- Purchasing
- Compliance management and other specialist areas



**Activities and achievements in the reporting period**

Including the Ecovadis rating in our requests for offers and the first-time consideration of the TOP5 chemicals when awarding contracts mark important starting points in our procurement strategy.

### Goals and measures

- Expanding supplier management with regard to ESG criteria

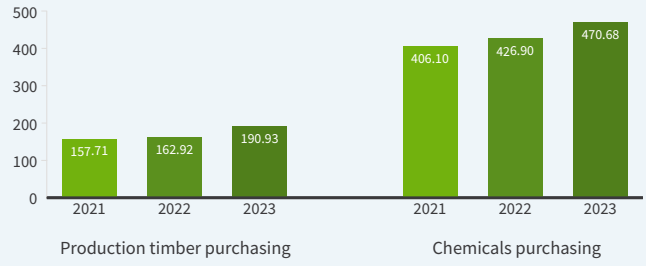
| Measures | Deadline |
|---|---|
| Reducing risk associated with purchasing by increasing the number of suppliers in the various product group | Already implemented or ongoing |
| Introducing policies and standards for sustainable procurement. | Q4/2024 |
| Evaluating suppliers in terms of their sustainability efforts. | The first evaluations already exist |
| Integrating sustainability criteria into the procurement process and decisions. | 2025 |
| Training employees in sustainable procurement practices. | Q3/2024 |
| Promoting innovation in the supply chain in order to improve sustainability. | 2025 |
| Establishing partnerships with suppliers and other stakeholder groups to promote best practices. | 2025 |
| Continuously monitoring, measuring and reporting on progress made in reaching sustainable procurement goals. | Ongoing |

## RISK MANAGEMENT IN THE SUPPLY CHAIN

Regularly performing risk assessments, audits and on-site inspections, as well as certifications of sustainable forestry management by means of independent third parties, support us in our efforts to prevent deforestation and contribute to ensuring responsible procurement practices.

If we become aware of any wood originating from disputed sources, the supplier in question is immediately requested to revise their practices in line with our wood procurement policy. If the response is not satisfactory, we reserve the right to delist the supplier from our supply chain subject to appropriate lead times. It is important to note here that there has not been a case such as this in recent years.

Timber and chemical purchasing, average distance [km]




The increase in the average distances covered when sourcing wood and chemicals is attributable to the fact that new suppliers have been contracted in order to ensure security of supply. The situation in Ukraine has also led to price increases and supply chain bottlenecks. That is why we have decided, for strategic reasons, to expand our network of suppliers.

GRI 3-3
GRI 403

# PEOPLE

## OCCUPATIONAL HEALTH AND PROCESS SAFETY

Safety and the concept of Safety First are also among the top priorities within the corporate strategy of AustroCel. Occupational safety focuses on the goal of our employees returning home healthy and unharmed in the same condition as they came to work in the morning. At AustroCel, this means not only complying with legal requirements but also every single individual taking responsibility for themselves and their colleagues.

This responsibility extends from Management, represented by the CEO and COO, to every individual employee. Our safety organisation covers all levels and ensures outstanding safety standards at our company.

A safe working environment creates not only a better but also more efficient working conditions. The focus of our managers here is always firmly on our employees and their health.

**Opportunities:**

- Employees who are satisfied, healthy and safe at work

**Risks:**

- Occupational accidents: We take determined action to reduce the risk of occupational accidents and offer our employees a safe working environment

**Coordinators**

- Legal responsibility rests with the CEO
- Safety specialist
- Safety-related tasks are assigned to the COO and the plant manager at the operational level
- More safety officers are appointed than required by law
- Occupational first aiders
- Occupational physician on site


<60V
N 6
Zulauf WPZ
Stoff zu Z-Stufe


LCK 138
1–16 mg/L TN

**Activities and achievements in the reporting period**

Workplace evaluations and first-aid training have further improved occupational safety. This is also evident in the higher number of reported near accidents (rising to 164 in 2023) compared to 85 in 2022. 84 % of the measures defined on the basis of these reported incidents have already been implemented.

Safety/tidiness/cleanliness inspections in the form of cross audits, as well as a successful drill on 18 October 2023, ensure that legal safety standards are complied with and also review the effectiveness of our crisis management.

On the issue of health protection, we have also established an internal working group which meets regularly. Four key issues have already been defined: movement, relaxation, nutrition and orthopaedic complaints.

**Goals and measures**

- Implementation of the occupational safety strategy (zero-accident concept) – no accidents requiring mandatory notification (> 3 lost days)
- Promoting employees' psychological and physical health by means of setting up and expanding health programmes

| Measures | Deadline |
|---|---|
| Implementation of digital documentation with an in-built audit trail | By the end of 2024 |
| Continuous reporting based on ÖZEPA standards | Ongoing |
| Raising in-house awareness by means of regular communication activities | Ongoing |
| Training (AUVA forum on prevention, etc.) | Ongoing |
| Setting up a campaign-based, annual planning process for occupational health and personal health promotion concepts | By the end of 2024 |
| Relaunch of the implementation of the ÖGK (sick fund) program with an activity-based event | By the end of 2024 |

**Workplace evaluation and investigation of incidents**

Workplace evaluation:

Workplace evaluation is a key process aimed at ensuring the health and safety of employees. We regularly perform these evaluations in order to identify hazards and stress factors and to define appropriate action to avoid these risks.


**The above flowchart explains our methodical approach**

1. **Evaluation:** Identifying and evaluating risks and stress factors takes place in the course of close cooperation between employees from various departments and with the involvement of external experts such as occupational physicians, safety specialists and works councillors. Evaluations take place for all workplaces and consider various operating conditions. Risks are evaluated on the basis of the severity, the exposure of employees and the likelihood of these incidents occurring.
2. **Implementation:** The top priority is to eliminate sources of risks. This involves analysing activities, processes and workplaces. Various causes, such as machines, chemicals, noise, work organisation, etc. are all taken into consideration.
3. **Findings of the evaluation and defined measures:** Findings are appropriately documented in writing. The evaluation committee, made of the assessor, the safety officer in the relevant department, the occupational physician, the safety specialist, the fire protection officer, works councillors and, where necessary, other in-house experts, then discuss and approve the finished document. If it is not possible to eliminate hazards, mitigating technical, organisational and individual-based measures are defined and prioritised. Responsibilities and deadlines are also defined in the safety and health protection document.
4. **Informing** employees: Employees are informed about the findings and appropriately trained. Documents are displayed in the relevant departments in order to ensure access to this information.
5. **Review and updates:** The defined measures are regularly reviewed with regard to their efficacy and revised where necessary, particularly after accidents, work-related illnesses or operational changes such as new or different equipment, processes and systems.

GRI 403-2
GRI 403-4
GRI 403-5

**Investigating incidents**

All employees are obligated to immediately report unsafe activities, situations and occupational accidents to their managers. Near accidents, critical events and damage to property must also be reported. First aiders are required to provide medical care in case of injuries.

**How we respond to occupational accidents**

1. Employees report the accident to their line manager and inform the first aiders.
2. The relevant manager arranges medical care if required and also reports the accident.
3. The plant manager and safety specialist conduct a detailed analysis and define preventative action.
4. The safety specialist notifies AUVA (accident insurer) if the incident is subject to mandatory notification.

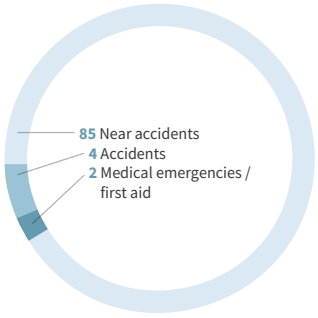
**The procedure is similar in the case of near accidents* and incidents of damage to property**

1. Employees report the incident to their line manager or the safety officer.
2. The manager completes an internal report form documenting the causes and action taken.
3. The plant manager and safety specialist conduct an analysis and update the safety documentation if necessary.

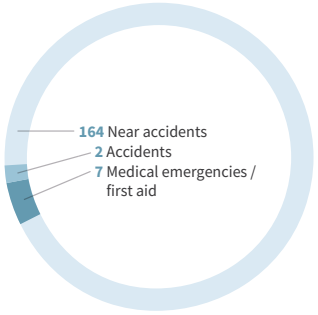
Both of the above procedures also apply to third-party companies. After the analysis, this information about accidents and incidents is distributed to all departments at the site. Report forms are handed out and information about the causes and action is passed on to the workforce. Our aim is to ensure the safety of our employees and minimise risks by means of clear reporting systems, thorough analysis and prompt action.

Our statistics highlight an increase in the number of near accidents reported. We regard these reports as extremely important since they enable us to take preventative action early in order to avoid real accidents occurring. It goes without saying that we also strive to reduce the number of near accidents, but this culture of reporting incidents helps us act preventively and reduce the number of accidents. In the year under review, we noted a slight rise in the number of medical emergencies or first-aid incidents at the company. Our aim is to rely on internal communication to increase awareness among employees so that the number of such incidents declines again.

Accident Statistics 2022




Accident Statistics 2023




*Near accident: A situation which could potentially lead to an accident but which passed without damage or injury. Intensified reporting from 2023.

**Employee involvement and consultation**

We highlight the importance of open communication between our employees and the organisation by involving employees in the issue of occupational safety and health. Our employees are actively called upon here to pass on to us their ideas, concerns and evidence of potential hazards or situations. We attach significant importance to ensuring that all employees feel safe raise their concerns concerns, whether these are related to working conditions, workplace safety or any other relevant issues. This open communication allows us to identify potential risks at an early stage and take appropriate action to mitigate the risk or improve working conditions. At the end of the day, this is how we boost our employees' trust and promote a culture of safety, transparency and collaboration within our organisation.

**Safety and occupational health training**

On-boarding instructions by safety specialists and ongoing training performed by line managers about specific workplace risks are essential. Our priority here lies on the safety of our employees, which is why we invest in comprehensive training. This enables our employees to work safely and productively and also promotes a safe working environment.

**Occupational health services**

In accordance with Austrian law, occupational medicine is a service which plays a central role in promoting health and safety at the

workplace. The main tasks of this service include giving advice and support to employers and employees, regular inspections to identify health risks, investigations of workplace accidents and illnesses, evaluating workplaces and processes as well as preparing expert opinions and recommendations. Training and campaigns raise employees' awareness of health-related risks. The occupational health services department is equipped with its own practice room in which employees can regularly be seen.

Our occupational physician carries out various legally required and other preventative health care examinations. These include, as examples:

- Respiratory protection examinations for workers on call and at the company's in-house fire brigade
- Hepatitis vaccinations for employees working at the waste water treatment plant
- Recruitment examinations
- Welding and fume examinations
- Hearing tests
- Vaccination campaigns to prevent tick-related infections and the flu

**Service providers**

The same safety rules apply to service providers as those applicable to our employees. This includes comprehensive initial training for all contractual partners to ensure that they are familiar with the applicable safety standards. We have also introduced the issuing of work permit certificates in order to make sure that all work is performed in accordance with the safety guidelines and potential hazards are minimised.

**Health promotion**

The toolbox to promote occupational health provided by the ÖGK sick fund offers a wide range of courses to underpin employees' health. During working hours, employees can take part in courses on the importance of exercise, nutrition, mental health, management and communication, kicking addictions and quitting smoking. There are also courses for apprentices and trainees. It is also possible to attend courses outside of working hours. Employees simply notify their line manager of their interest in taking part in these courses. As such, this toolbox makes it possible to flexibly participate in health promotion courses as required.

**Sports community**

Our in-company sports community offers not only our current employees but also pensioners and other interested parties the opportunity to engage in sports and we also allow many other sports clubs in the vicinity to use our sport facilities. This promotes community-based sport in Hallein and the surrounding area. Among others, we offer bowling, table tennis, an air rifle shooting range and darts.

GRI 3-3
GRI 401
GRI 404

# STABLE EMPLOYMENT, EDUCATION AND TRAINING

The issues of stable employment as well as education and training cover various aspects relevant to the working environment and development opportunities at AustroCel. The main aspects include:

- Secure jobs due to a profitable and 'green' corporate strategy
- Promoting satisfaction among employees by means of high safety standards and healthy working conditions, including flexitime options and a five-shift model
- Diverse educational and promotion opportunities, including a qualification matrix, a skill model for the timber yard and a leadership development program as well as qualification and trainee programmes

**Coordinators**
- Management
- Head of HR
- HR Business Partner
- Legal & Compliance Manager
- Employer Branding Expert

Investing in education and training enables us to attract and retain highly qualified managers and specialists. This is particularly important for building a highly skilled and motivated team. The various training offered makes it possible for our employees to develop further and boost their skills in various areas. This is a win-win situation since the skills acquired are deployed at the company, loyalty encouraged and satisfaction levels raised as a result.

This is also increasingly communicated both in-house and externally. Externally, for example, via social media, company presentation events coinciding with International Women's Day and other events aimed at encouraging women in technical professions, as well as school career fairs and regional events. Employees are regularly informed about company news by means of town hall meetings, internal newsletters and notices. Work anniversaries are celebrated in the course of a company event and milestone birthdays with a breakfast together.

**Opportunities:**
- Clarity and transparency about promotion prospects and development opportunities
- Role model, authenticity and new values are preconditions for changing our corporate culture
- Maintaining skills and knowledge by means of clear succession planning
- Reputation gains
- Higher satisfactions levels among employees

**Risks:**
- Higher employee turnover due to dissatisfaction
- Loss of knowledge and expertise
- Loss of reputation

**Activities and achievements in the reporting period**

- Introducing a skill model for the timber yard to promote employee development and creating transparency with regard to remuneration.
- Implementing succession planning at management level, including identifying potential candidates and targeted preparation for future positions. The management of succession planning in production departments is supported by means of qualification matrices.
- A reformulation of our corporate values in a participatory process involving employees and works councillors in order to nurture our corporate culture.
- Preparing a structured communication plan for internal and external communication, including a schedule and key issues, in order to inform employees and foster the company's reputation.

**Goals and measures**

- Anchoring the value system and establishing a practised leadership culture

| Measures | Deadline |
|---|---|
| Introducing leadership behaviour commitments | 2025 |
| Introducing a corporate and leadership culture based on defined values | 2025 |

Number of training courses


The chart illustrates the number of training courses held at Austro-Cel. In comparison with 2022, we were able to increase this number and are working on continuously improving participation rates and training figures.

## HEALTHY AND SAFE PRODUCTS

Safety is at the heart of our corporate strategy – a value we not only claim internally but one that we uphold in all our products delivered to our customers. Our aim is to establish stable customer relationships and we are convinced that trust forms the basis here. We create this trust by providing consistently reliable quality, transparent processes and partnership-oriented communication.
Our goal is to be a dependable supplier. This means that our customers must be able rely 100 % on the quality and safety of the products we supply.

**Coordinators**

- Technical customer service
- Supported by the departments: Purchasing, R&D and Quality Control
- This issue is reported to Management during monthly meetings

**Opportunities:**

- Gaining market shares by means of high quality, expertise, safety and reliability

**Risks:**

- Entering new application areas requires a wider understanding of the applicable regulations. This requires resources and new processes

GRI 3-3
GRI 416

**Activities and achievements in the reporting period**

Very few complaints were reported during the reporting period. Of these complaints, around half related to damage while in transit. In the remaining cases, it was successfully proven that our products were in accordance with the relevant specifications.

**Goals and measures**

- Ensuring compliance with strict production standards and the high quality of products

| Measures | Deadline |
|---|---|
| Hiring a new technical customer service manager | 2024 |
| Increasing professionalism and integrating specifications and change management | Q2/24 |
| Fine tuning the statistics for monitoring quality | Q3/24 |

**Continuous improvement**

We attach particular importance to clarifying product specifications with our customers at an early stage in order to ensure that these comply with their requirements from the outset. In addition, we prepare safety data sheets in line with applicable standards so that our products make a further contribution to safety and transparency. We carefully inspect the materials we purchase with regard to their specifications in order to ensure that our products comply with the highest safety standards. During the entire production process, we constantly monitor a wide range of required parameters and perform standardised quality tests. In early 2024, internal instructions were revised to ensure that our processes continue to comply with the highest quality and safety standards. Training courses are held for R&D employees to improve their understanding of the latest technologies and best practices. Our Compliance Management team is actively involved in projects to guarantee that all action taken complies with applicable regulations. In addition, a working group has also been established for marketing and communication activities, although these are still subject to approval from Management to make sure that all of these activities are in accordance with applicable policies.

**0** Violations of regulations and/or voluntary codes of conduct in connection with the impacts of products and services on health and safety in 2023

**0** Breaches of regulations and/or voluntary codes of conduct associated with product and service information in the financial year 2023

GRI 2-27
GRI 3-3
GRI 205
GRI 206

# ECONOMIC PERFORMANCE AND **GOVERNANCE**

## COMPLIANCE

Compliance and ethically correct behaviour serve as the cornerstones of all our business activities. We comply strictly with legal requirements and internal rules, particularly our Code of Conduct, which acts as a core policy document. We also expect our suppliers to adhere to the Code of Conduct for suppliers, which ensures environmental and social responsibility is accepted along their supply chains. Ethical behaviour, such as honesty, fairness, transparency and mutual respect, form the basis of our business relationships, both internally and externally. Our Compliance Management team provides a framework for autonomous action and supports our employees in complying with these standards.

Compliance acts as a means of avoiding risks and preventing damage, and also protects the company, Management and employees from liability as well as associated financial claims and loss of reputation. Furthermore, compliance also increases levels of trust in the company, our competitiveness, commercial success and the appeal of the company to employees and business partners.

These are key factors in safeguarding long-term stable employment. In addition, we are firmly committed to the ESG goals and accept responsibility beyond our own business activities.

**Coordinators**

- Compliance Management
- Senior Compliance Manager
- Junior Compliance Manager
- Public Authorities Manager
- Data Protection Officer
- Compliance Committee: advisory body (Head of HR, CFO, Compliance Management and works councillors in the case of internal investigations)

**Opportunities:**

- Risk avoidance and damage prevention
- Protecting the company and its employees

**Risks:**

- Fines
- Loss of reputation
- Loss of trust

GRI 2-27
GRI 3-3
GRI 205
GRI 206

**Activities and achievements in the reporting period**

We have undertaken major steps to boost our compliance organisation and lay a stable foundation for responsible company management. These include defining a comprehensive system of compliance management. In this context, it is particularly worth mentioning the development of policies and holding training courses related to compliance. Our first annual report on progress in this area was prepared in the second quarter of 2024.

**Goals and measures**

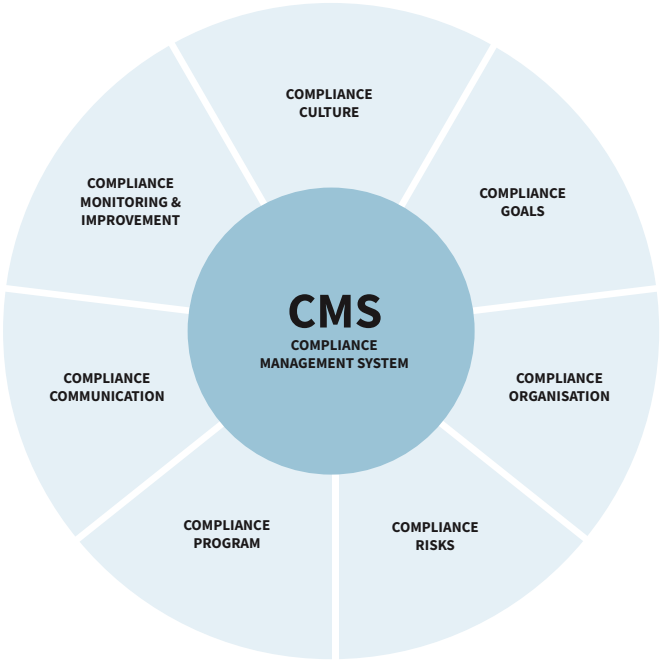
- Boosting our compliance culture within the company
- A zero-tolerance policy for breaches of the law

| Measures | Deadline |
|---|---|
| Implementing a new legal management system | Q2/2024 |
| Establishing a learning management system (LMS) | Q3/2024 |
| Preparing an annual compliance report | Q2/2024 |
| Performing training | Ongoing |
| Further developing the CMS (risk analysis, training plan, policies, etc.) | Ongoing |

## COMPLIANCE MANAGEMENT SYSTEM

Correct ethical behaviour is the underlying basis of our business, particularly honesty, fairness, transparency and mutual respect. This applies both within the company as well as to contacts with our business partners, customers and other third parties. Our Compliance Management team provides a framework for autonomous action and aims to support our employees to this end. Establishing an effective compliance management system (CMS), aligned with the company values and the corporate strategy, is regarded as a strategic task.

The structure of the CMS is based on international standards and consists of the following elements:



The CMS relies on action aimed at identifying inappropriate behaviour and defining countermeasures at an early stage. The structure and the constant further development of the CMS is based on the PDCA (Plan-Do-Check-Act) cycle, with the goal being to establish a value-based, integral compliance culture within the company.

The Compliance Management team supports Management in establishing, maintaining, evaluating and continuously improving the CMS. Compliance Management reports directly to Management, is independent and has access to sufficient resources and skills.


**(Environmental) conformity management**

We rely on a legal management system to ensure compliance with laws and regulations. This involves automatic reminders to ensure and regularly review compliance with over two thousand regular tasks relating to AustroCel based on various official decisions, legislation and manufacturers' guidelines. The Technical Compliance department is integrated into the process in a coordination role responsible for the plant-specific inspection requirements associated with manufacturing orders.

As an EMAS-certified company, AustroCel holds a consolidated permit as prescribed by the Austrian Environmental Management Act (UMG).

Compliance with laws, internal policies and ethical principles is the basis of business relationships. Issues such as product safety and information security are also evaluated in order to guarantee legal certainty and the company's integrity.

# ECONOMIC PERFORMANCE AND GOVERNANCE

Our economic performance is based on four pillars:

- **Safety**
  Safety has been defined as a top-level value at the company and one which clearly defines the conduct and courses of action available to everyone involved. We analyse all safety-relevant investments and implement these based on a priority system. We also apply a systemic approach (asset integrity strategy) in order to improve our asset base and ensure that process and safety-related risks are minimised.

- **Profitability by focusing on the gross margin**
  Accelerated change from a premium-quality but endangered mass producer to a diversified speciality cellulose manufacturer and a biorefinery with a clear focus on gross margins and complexity.

- **Sustainability**
  Transition from an initiative-based to a strategic approach taking into account the transformation or diversification of the existing business model to establish a circular model. Transparency, facts and no greenwashing.

- **People and culture**
  People and culture contribute to competitiveness. This is why our value system is regularly further developed to reflect social changes and requirements. We will support people from other regions to work at our company (nationally and internationally, men and women).

**Opportunities and risks**

- Opportunities and risks arise in connection with all of the issues we have mentioned in this report. They contribute both positively and negatively to our economic performance.

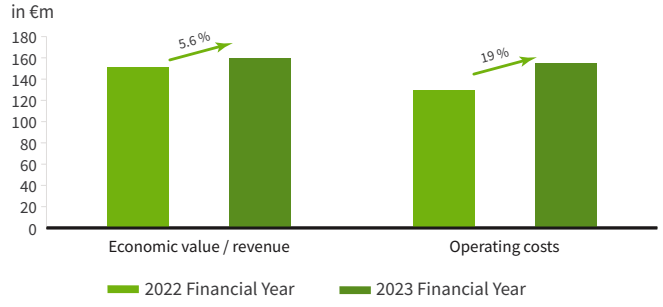
**Goals and measures**

- We strive to safeguard the safety of our employees, customers and stakeholders, to protect the environment and also the financial stability of the company.
- By means of continuous improvements and investments, we aim to increase the profitability of our company without compromising safety. All of the steps mentioned here are intended to directly or indirectly improve our profitability through sustainable business practices.

**Activities and achievements in the reporting period**

- CAPEX and OPEX-related efforts to safeguard plant safety
- Further diversification of pulp grades and biorefinery products

Economic performance




| Economic performance | Unit | 2022 | 2023 | Change in % |
|---|---|---|---|---|
| Revenue | €m | 150.9 | 159.3 | 5.6 |
| Operating costs | €m | 129.8 | 154.4 | 19.0 |

**Community engagement as a contribution to Economic performance**

**E-car sharing**

The e-car sharing project with the city of Hallein in collaboration with the company FAMILY OF POWER has been ongoing since November 2021. Two electric cars are available in Hallein which can be used at any time of day or night. These vehicles can be collected and charged at the pick-up points at Schöndorferplatz 14 in Hallein or Wiesenweg 2 in Rif. When fully charged, the cars have a range of around 250 kilometres and can be charged at all compatible charging stations as required. We co-financed this project and therefore contribute actively to access to low-$CO_2$ mobility.

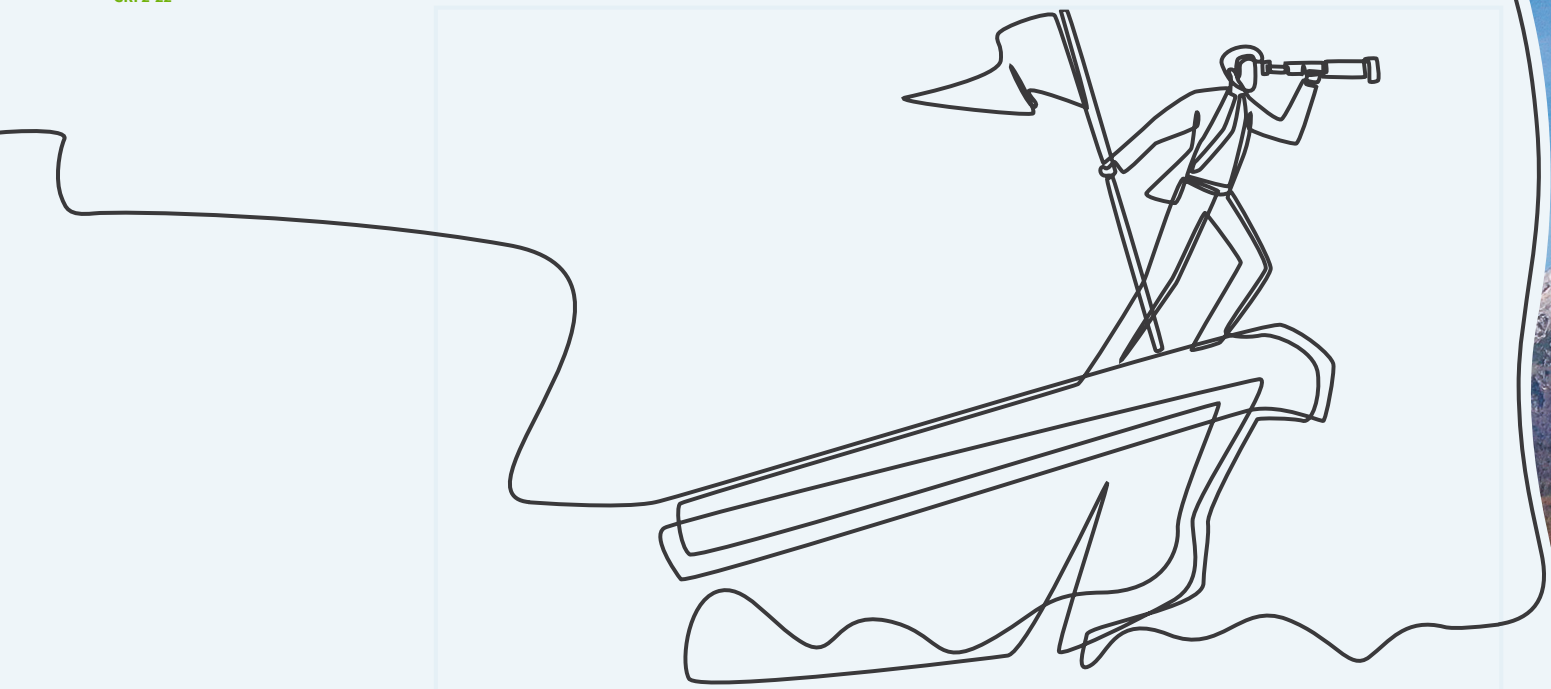

**Company fire brigade**

Since being founded in 1902, our company fire brigade has not only been on call for the company around the clock but also provides support in connection with incidents in nearby municipalities within the entire Tennengau district.

Headed by Commander Reinhold Weiss, the team has grown from an initial nine to a current strength of 42 active personnel. Leadership of the team transferred to the new fire brigade commander Roland Rettenbacher in January 2024. Regular exercises and special training courses ensure that the knowledge and skills of the fire brigade personnel always remain up to date in order optimally guarantee safety. The fire brigade is extremely well-equipped and also performs various tasks outside the company.

**Promotion of childcare**

The childcare facility at the sports club was established in 2012 and currently provides care for 32 children in four groups aged from 18 months to school-entry age. Daycare takes place at our premises in order to support local childcare services.



# OUTLOOK

Due to the new disclosure obligations of the European Green Deal, we will use the time available before the new disclosure obligation comes into effect to continue preparing for the requirements of the Corporate Sustainability Reporting Directive and the associated European Sustainability Reporting Standards. One key focus area here will be further fine tuning the materiality analysis and the systematic integration of stakeholder groups. The intention is to focus in particular on those issues, goals and actions through which we can generate the most positive impact on the environment and society. Irrespective of this, we will continue to focus on those core areas which we already consider to be indispensable based on our current strategic considerations:

- Our vision of zero-waste in the entire production process will continue to be pursued in the coming years and we will develop new solutions to integrate further materials into our business cycles.
- In order to counter the impending climate crisis, we will continue our efforts to replace fossil-based energy sources with sustainable sources and work on projects to sequester $CO_2$. We will also work intensively to reduce our emissions in all scopes and define an appropriate climate path which is aligned to the goals of the European Green Deal.
- Occupational and product safety are top priorities associated with everything we do. We can build here on a solid status quo and constantly develop optimisation steps. To promote the general wellbeing and health of our employees, we are currently developing a range of preventative options to boost their psychological and physical health.
- A positive corporate culture contributes to satisfaction levels among our employees as well as the company's economic performance. Based on our Green Spirit, we are taking clearly defined steps to make our values and corporate culture more tangible and relevant to everyday life.

Despite the many challenges we face, we remain optimistic about the future and keen to shape it. We have proven in the past that we see problems as opportunities, grasp them and transform ideas into action. Our Green Spirit and Roots of the Future set out in this report form the basis for the sustainable development of AustroCel in a direction which respects the interests of all generations and the climate. We will also remain firmly committed to these principles in future.

# POLICIES
# ON MATERIAL TOPICS

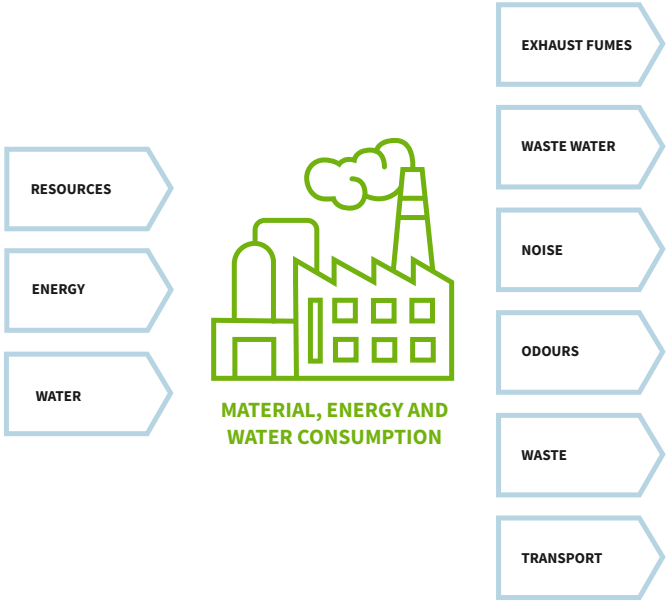
- Corporate strategy
- Corporate policy
- Code of conduct
- Suppliers' code of conduct
- ISO 9001
- ISO 14001
- ISO 50001
- ISO 45001
- ISCC, SURE, EZG
- PEFC
- Wood purchasing policy
- Environmental Management Act (UMG)
- EMAS certification
- HR strategy

Other legal and public authority regulations

- Employment contracts
- IT policies
- Works agreements
- Safety data sheets
- Product data sheets
- Anti-discrimination policy
- Anti-corruption policy
- Whistleblowing policy
- Anti-competition policy
- Data protection policy
- Sanctions policy
- Compliance policy
- Technical policies

# ENVIRONMENTAL ASPECTS

Environmental aspects can be defined through our daily actions and interactions with the environment. In the case of direct environmental aspects, the impact of these can and are assessed by the company itself. In contrast, however, indirect environmental aspects cannot be fully assessed by the company. These arise through interactions between the company and third parties such as customers and suppliers. The relevant (direct and indirect) environmental aspects are identified, constantly evaluated and revised where necessary on the basis of the existing environmental register. In order to evaluate the environmental impact of our aspects, we apply a scale-based system of A- (high), B- (medium) and C- (low) and define action as short, medium or long term in nature. Among other factors, this evaluation is used to define action for the environmental program and, therefore, the goals for 2024.




| Direct environmental aspects | Description of the environmental aspects |
|---|---|
| Waste | Waste generated by the site, whether disposed of externally or used on-site |
| Waste water | Waste water as a result of pulp production |
| Soil and ground water | Contamination of the soil and ground water due to abnormal events at the site |
| Energy | Energy consumption at the site (power, heat, natural gas, biogas) |
| Noise | Noise pollution due to operating plant |
| Air | Airborne emissions related to energy systems ($SO_2$, $CO_2$, $NO_x$, dust, CO) and abnormal events related to pulp production or Site Utilities |
| Resources | Consumption of raw materials and excipients (wood, chemicals, etc.) |
| Water | Ground water from on-site wells |

| Indirect environmental aspects | Description of the environmental aspects |
|---|---|
| Procurement | Environmental aspects related to suppliers |
| Transport | Environmental aspects related to transportation |
| Mobility | Environmental aspects related to employee mobility |

# ENVIRONMENTAL PROGRAM 2024

| | Goals | Measures |
|---|---|---|
| Air | A revision of emissions in Scopes 1 - 3 and the definition of medium/long-term GHG reduction targets | Capturing key performance indicators; collaboration with an external consultant on implementation and calculations |
| | Utilisation of biogenic $CO_2$ | A plant and collaboration concept for the utilisation of carbon dioxide from the bioethanol plant and the $CO_2$ fraction of biogas. |
| | Reducing emissions associated with production-related incidents | Continuing a project to reduce rich gas emissions in collaboration with R&D |
| Resource consumption | Optimising the use of rich gas in pulp production | Preparing a rich gas record; projects to optimise the rich gas system |
| Resource consumption / energy | Reducing rejects from pulp production | Building a further storage tower; completion planned in 2025 |
| | Reducing waste materials from pulp production | Developing a novel online measuring tool for timely quality assurance |
| | Reducing energy and water consumption in all production areas | A study to identify latent potential |
| Resource consumption / waste water | Guarantees compliance with the consensus values due the production of high-grade chemical pulp | Developing and implementing a technical solution |
| Resources | Increasing the utilisation of by-products with external partners | A project to utilise the lignin fraction as a material with an industrial partner; pilot production |
| | Increasing the internal use of by-products | Regular projects to utilise further by-products as materials or energy sources |
| | Optimising the utilisation of by-products in the production of bioethanol | Process optimisation with the aid of R&D |
| | Increasing the utilisation of by-products associated with bleaching | A technical feasibility study as part of an industrial dissertation |
| Water | Maintaining the quality of ground water | Regular ground water testing by certified laboratories |
| Energy | Reducing energy losses | Commissioning a so-called energy module as part of the evaporation plant to efficiently manage pressure cascades in the steam distribution system |
| | Increasing energy efficiency in the area of steam production; reducing the use of high-pressure steam for soot blowing | Evaluation of potential energy savings and implementation project |
| Noise | Continually reducing noise emissions at the site | Proactive improvement of noise emissions; immediate response to observations; annual noise surveys |
| Local residents | Intensifying the exchange of information with and consideration of local residents' concerns | Local residents' meetings three times / year |
| Biodiversity | Rejuvenating and managing trees on the site | Climate-sensitive replanting in three steps; starting in 2024 |
| Environmental management system | Guaranteeing the requirements for environmental management | Passing the internal environmental audit as per the standard |
| | Preventing environmental incidents | Recording near misses related to environmental incidents; employee training |

# STATUS OF TARGET ACHIEVEMENT AND ACTION RELATED TO THE ENVIRONMENTAL PROGRAM 2023

| Environmental aspects | Goals | Measures | Status |
|---|---|---|---|
| Waste | Zero-waste | Preliminary investigations of the manufacturing order for FGD gypsum | Currently on hold |
| Waste generated in operations | Zero-waste | Evaluating a possible upcycling of flue ash from the recovery boiler | Internal use and therefore currently on hold |
| Waste generated in operations | Improved waste separation<br>Reduction of residual waste volumes | Optimising waste collection infrastructure and employee training | Currently on hold<br>Resource scarcity |
| Waste generated in operations | Minimising the volume of waste | Conclusion of upcycling process for ash | Successful upcycling of ash as the products Austrolit F and Austrolit K |
| Waste and material use | Reduction of waste volumes disposed; greater use of waste to generate heat; biomass CHP plant fired with wood residues | Procurement and grading of in-house wood residues for energy production | Goal achieved<br>Untreated wood residues is now prepared and used on-site |
| Waste water | Reducing the CSB burden | Optimising production processes and testing filtration systems | Ongoing activities in an innovation focus project;<br>Continuation of Environmental Program 2024 |
| General aspects | Expanding legal compliance structure | Naming a new compliance manager; optimising and expanding the monitoring of legal framework conditions; training all employees; updating corporate policies | Goal achieved |
| Biodiversity | Expanding biodiversity at the company | Tree care services, replanting and thinning | Ongoing activities based on a 3-step planting plan.<br>Continuation of Environmental Program 2024 |
| Energy | Increasing energy efficiency in the area of steam production; reducing the use of high-pressure steam for soot blowing | Upgrading and recommissioning the plant and reviewing efficacy | Ongoing activities<br>Continuation of Environmental Program 2024 |
| Energy | Increasing energy efficiency; optimising DT4 (steam turbine) bleeding | Upgrading and recommissioning the plant and reviewing efficacy | Ongoing activities<br>Continuation of Environmental Program 2024 |

| Environmental aspects | Goals | Measures | Status |
|---|---|---|---|
| Energy | Homogenisation of steam volumes to increase energy efficiency | Preparing a concept to reduce peaks in steam production; basic engineering | Improved monitoring of energy peaks and troughs; calculation of storage activities;<br>The revitalisation of condensation steam turbine DT7 has been completed |
| Energy | NG2BIOGEN natural gas savings | Substituting most natural gas with technical alcohol | Temporarily on hold |
| Noise | Eliminating certain exceptional sources of noise | Inspection and possible renewal of sound absorbers; enclosing pumps; implementing noise suppression for new energy module | Ongoing activities<br>Continuation of Environmental Program 2024 |
| Air and dust | Reducing fine particulate air pollution in surrounding area | Organisational steps; pilot project for further sustainable improvements (pile feeding) | Employee training has taken place |
| Air and dust | Material utilisation of biogenic $CO_2$* | Planning of production-related $CO_2$ sequestration | Discussions with potential technology partners to advance projects<br>Continuation of Environmental Program 2024 |
| Resource consumption | Zero-waste and higher in-house share of energy supplies | R&D projects to use rejected products in-house | Work in the laboratory has been concluded<br>Continuation of Environmental Program 2024 |
| Transport / mobility | Reduction of GHG emissions associated with mobility | Additional e-charging points for employees; conclusion of agreements regarding the railway underpass at the Burgfried station | Purchase of additional electric company cars; the agreement regarding the railway underpass has been concluded, work scheduled to start in late 2024 |
| Local residents | Reduction of impacts on local residents and community | More regular communication with local residents; improvements to internal processes related to reports via the environmental hotline | Reorganisation of the environmental hotline;<br>Organising local resident information evenings; dedicated tracking of complaints, action taken, giving feedback;<br>Continuation of Environmental Program 2024 |

*Formulation redefined since prior year

# KEY PERFORMANCE INDICATORS

## REDUCING GREENHOUSE GAS EMISSIONS AND OTHER AIRBORNE POLLUTANTS AS WELL AS ENSURING THE EFFICIENT USE OF ENERGY

| Emissions* (GRI 305-1, 305-2, 305-3, 305-4) | | Unit | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| Direct GHG emissions (GRI 305-1) | Scope 1 | t $CO_2$ | 243,002 | 377,573 | 423,819 |
| | Of which biogenic $CO_2$ emissions | t $CO_2$ | 239,405 | 373,377 | 420,741 |
| Energy indirect GHG emissions (GRI 305-2) | Scope 2** | t $CO_2$ | 0 | 0 | 0 |
| Other indirect GHG emissions (GRI 305-3) | Scope 3 | t $CO_2$ | - | - | - |
| | Biogenic $CO_2$ emissions | t $CO_2$ | - | - | - |
| Total GHG emissions (Scope 1, 2 and 3) → presently the total of Scope 1 and 2* | | t $CO_2$ | 243,002 | 377,573 | 423,819 |
| GHG emissions intensity (GRI 305-4) | Per thousand euros of revenues | t $CO_2$ | 3.00 | 2.50 | 3.36 |
| | Per employee | t $CO_2$ | 823.74 | 1,165.35 | 1,253.90 |
| Standards, methods and calculation programmes used | | Austrian Emissions Certificate Act (EZG, Article 9) | | | |
| Gases included in the calculation | | $CO_2$ | | | |

*The figures presented relate only to Scope 1 and 2. 2021 and 2022 were years in which production was interrupted, as a result of which the figures are incomparable or difficult to compare.

**Our Scope 2 emissions are already zero since we source our power from providers which claim to emit no $CO_2$ emissions.

## SUSTAINABLE PROCUREMENT

| Purchasing wood for production purposes | 2021 | 2022 | 2023 |
|---|---|---|---|
| 0 - 50 km | 1.2 % | 1.9 % | 3.1 % |
| 50 - 100 km | 46.1 % | 36.4 % | 28.8 % |
| 100 - 150 km | 2.2 % | 7.4 % | 7.7 % |
| 150 - 200 km | 14.7 % | 20.4 % | 18.4 % |
| 200 - 250 km | 23.8 % | 24.9 % | 23.0 % |
| 250 - 300 km | 0.6 % | 2.9 % | 5.7 % |
| >300 km | 11.4 % | 6.1 % | 13.2 % |
| Distance, average | 157.7 km | 162.9 km | 190.9 km |

| Chemicals | 2021 | 2022 | 2023 |
|---|---|---|---|
| Sodium hydroxide | 148 km | 137 km | 241 km |
| Hydrogen peroxide | 692 km | 807 km | 692 km |
| Magnesium oxide | 907 km | 907 km | 907 km |
| Sulphur | 172 km | 172 km | 172 km |
| Oxygen | 112 km | 112 km | 112 km |
| Distance, average | 406 km | 427 km | 471 km |

# OCCUPATIONAL HEALTH AND PROCESS SAFETY

ISO 45001 applies at the entire site to all employees, including those of third-party companies. (GRI 403-8)

| Occupational health and safety (GRI 403-9) | Unit | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| Accidents | number | 1 | 4 | 3 |
| Near accidents reported | number | 40 | 85 | 164 |
| Medical emergencies, care, first-aid | number | 4 | 2 | 7 |
| Lost time incident frequency (LTIFR**) | per million working hours | 1.99 | 6.80 | 5.15 |
| Average number of loss days per occupational accident | average | 8 | 7 | 51 |
| Injury-related absences in working days | per million working hours | 15.94 | 42.53 | 262.00 |
| Fatal accidents | number | 1 | 0 | 0 |
| Hours worked | hours (rounded) | 501,900 | 587,900 | 583,000 |

**Lost-time injuries frequency rate: The number of accidents resulting in at least one lost day (excluding day of accident) per million hours worked.

# STABLE EMPLOYMENT AND ADEQUATE EDUCATION AND TRAINING OPPORTUNITIES

Total headcount and break down by gender and region (GRI 2-7, GRI 2-8, GRI 401-1)

| 2021 | Region | | | | | Total |
|---|---|---|---|---|---|---|
| | Austria | Male | Female | Diverse | Not disclosed | Total |
| Number of employees with contracts for an indefinite period (headcount) | 289 | 271 | 28 | - | - | 299 |
| Number of employees with contracts for a limited period (headcount) | 1 | 1 | - | - | - | 1 |
| Number of full-time employees | 275 | 261 | 21 | - | - | 282 |
| Number of part-time employees | 15 | 11 | 7 | - | - | 18 |

| 2022 | Region | | | | | Total |
|---|---|---|---|---|---|---|
| | Austria | Male | Female | Diverse | Not disclosed | Total |
| Number of employees with contracts for an indefinite period (headcount) | 311 | 283 | 40 | - | - | 323 |
| Number of employees with contracts for a limited period (headcount) | 1 | 1 | - | - | - | 1 |
| Number of full-time employees | 294 | 274 | 29 | - | - | 303 |
| Number of part-time employees | 18 | 10 | 11 | - | - | 21 |

| 2023 | Region | | | | | Total |
|---|---|---|---|---|---|---|
| | Austria | Male | Female | Diverse | Not disclosed | Total |
| Number of employees with contracts for an indefinite period (headcount) | 322 | 293 | 45 | - | - | 338 |
| Number of employees with contracts for a limited period (headcount) | 16 | - | - | - | - | 16 |
| Number of full-time employees | 293 | 277 | 29 | - | - | 306 |
| Number of part-time employees | 29 | 16 | 16 | - | - | 32 |

| Employees by age group | 2021 | 2022 | 2023 |
|---|---|---|---|
| Age group < 30 | 25 % | 26 % | 28 % |
| Age group 30 - 50 | 48 % | 48 % | 46 % |
| Age group > 50 | 27 % | 26 % | 26 % |

| Employee fluctuation by age group | 2021 | 2022 | 2023 |
|---|---|---|---|
| Age group < 30 | 22 % | 31 % | 47 % |
| Age group 30 - 50 | 26 % | 36 % | 35 % |
| Age group > 50 | 52 % | 33 % | 18 % |

| Employee hires by age group | 2021 | 2022 | 2023 |
|---|---|---|---|
| Age group < 30 | 55 % | 48 % | 56 % |
| Age group 30 - 50 | 36 % | 37 % | 33 % |
| Age group > 50 | 9 % | 7 % | 11 % |

| Governance bodies (GRI 405-1) | 2021 | 2022 | 2023 |
|---|---|---|---|
| Number of employees in governance bodies | 13 | 13 | 12 |
| Of whom female (in %) | 15.39 % | 23.04 % | 25 % |

| Percentage of employees receiving regular performance and career development reviews (GRI 404-3) | 2021 | 2022 | 2023 |
|---|---|---|---|
| Number of performance reviews performed* | 34 | 45 | 52 |
| Number of employees | 114 | 130 | 138 |
| Performance reviews as a % of headcount | 29.80 | 34.60 | 37.70 |

*Figures have been estimated

| Other employee data (GRI 2-8, 2-30, 404) | 2021 | 2022 | 2023 |
|---|---|---|---|
| Average number of hours invested in education and training per year* | 2,884 | 2,822 | 3,416 |
| Number of training courses | 92 | 90 | 120 |
| Number of participants* | 60 | 70 | 85 |
| Number of workers who are not employees (average headcount over 12 months in the reporting period) | 1 | 2 | 1 |
| Share of employees with collective bargaining agreements | 100 % | 100 % | 100 % |

*Figures have been estimated

# HEALTHY AND SAFE PRODUCTS

| Customer health and safety (GRI 416-1, 416-2) | Unit | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| Total number of violations of regulations and/or voluntary codes of conduct in connection with product and service-related information | % | * | * | * |
| Total number of violations of regulations and/or voluntary codes of conduct in connection with the impacts of products and services on health and safety in the reporting period | Number | 0 | 0 | 0 |

*AustroCel cannot currently provide the percentage of key product and service-related categories which have been evaluated for impacts on health and safety. Surveys were conducted with regard to PFAS, CMR materials and food safety. These surveys however were not verified by means of tests or investigations being only subjected to plausibility testing on the basis of their pulp technologies. Moreover, we also asked suppliers with regard to the presence of PFAS in their products the answers to which were “to the best of our knowledge”. We are working to be able to report on this KPI in future.

| Marketing and labelling (GRI 417-2, 417-3) | Unit | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| Total number of violations of regulations and/or voluntary codes of conduct in connection with product and service-related information | Number | 0 | 0 | 0 |
| Total number of violations of regulations and/or voluntary codes of conduct in connection with marketing and communication, including advertising, sales promotion and sponsoring | Number | 0 | 0 | 0 |

## COMPLIANCE

| Compliance (GRI 2-27, 206-1) | Unit | 2021* | 2022* | 2023 |
|---|---|---|---|---|
| Total number of major violations of laws and regulations during the reporting period | Number | n.a. | n.a. | 0 |
| Legal actions for anti-competitive behaviour, anti-trust and monopoly practices | Number | n.a. | n.a. | 0 |

| Anti-corruption (GRI 205-1, 205-2, 205-3) | Unit | 2021* | 2022* | 2023 |
|---|---|---|---|---|
| Operations assessed for risks related to corruption | Number | n.a. | n.a. | 1/1 |
| Total number and percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to | Number | n.a. | n.a. | 6/6 |
| Total number and nature of confirmed incidents of corruption | Number | n.a. | n.a. | 0/0 |

*The relevant figures are not available for the years 2021 and 2022. These figures have been recorded since the establishment of the legal compliance department.

## ECONOMIC PERFORMANCE AND GOVERNANCE

| Economic performance (GRI 201-1, 201-4) | Unit | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| Direct economic value generated (revenues) | T € | 80,730 | 150,920 | 159,360 |
| Operating costs | T € | 75,210 | 129,800 | 154,410 |
| Payments to government (taxes / charges) | T € | 82.26 | 84.92 | 88.50 |
| Investment grants | T € | 429.88 | 0.00 | 10.50 |
| R&D grants (e.g. research grants) | T € | 252.86 | 170.67 | 441.38 |

# GRI
# CONTENT INDEX

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 2 | General Disclosures 2021 | |
| GRI 2-1 | Organisational details | Section: About the company<br>AustroCel Hallein GmbH is one of the leading companies manufacturing high-grade speciality pulps and biorefinery products. Gamma (Fiber) Holdings Three GmbH holds 92 % of the shares in AustroCel, with Gamma (Fiber) Holdings Four GmbH holding the remaining 8 %. Gamma (Fiber) Holdings Four GmbH is wholly owned by Gamma (Fiber) Holdings Three GmbH. All of the above-mentioned companies maintain their registered offices at Salzachtalstraße 88, 5400 Hallein, Austria |
| GRI 2-2 | Entities included in the organisation's sustainability reporting | Section: About this report<br>AustroCel Hallein GmbH alone is covered by this report |
| GRI 2-3 | Reporting period, frequency and contact point | Section: About this report<br>The reporting period of this report covers the 2023 financial year. The sustainability report is published every year in order to ensure continuity and up-to-date reporting |
| GRI 2-4 | Restatements of information | Section: About this report |
| GRI 2-5 | External assurance | Section: About this report |
| GRI 2-6 | Activities, value chain and other business relationships | Section: Business model / value chain<br>Sector: Chemical pulp, bioenergy |
| GRI 2-7 | Employees | Section: About the company<br>Section: Key performance indicators |
| GRI 2-8 | Workers who are not employees | Section: Key performance indicators |
| GRI 2-9 | Governance structure and composition | Section: Sustainability and management |
| GRI 2-12 | Role of the highest governance body in overseeing the management of impacts | Section: Sustainability and management<br>Section: Materiality analysis |
| GRI 2-13 | Delegation of responsibility for managing impacts | Section: Sustainability and management<br>Section: Materiality analysis |
| GRI 2-14 | Role of the highest governance body in sustainability reporting | Section: Sustainability and management |
| GRI 2-16 | Communication of critical concerns | Section: Reporting critical issues |
| GRI 2-22 | Statement on sustainable development strategy | Section: Foreword<br>Section: Our Green Spirit<br>Section: Our understanding of sustainability in a global context<br>Section: Outlook |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 2-23 | Policy commitments | Section: Foreword<br>Section: Our Green Spirit<br>Section: Code of Conduct and corporate policy<br>Section: Our understanding of sustainability in a global context |
| GRI 2-24 | Embedding policy commitments | Section: Our understanding of sustainability in a global context |
| GRI 2-25 | Processes to remediate negative impacts | Section: Reporting critical issues<br>Section: Compliance |
| GRI 2-26 | Mechanisms for seeking advice and raising concerns | Section: Reporting critical issues<br>Section: Stakeholders |
| GRI 2-27 | Compliance with laws and regulations | Section: Compliance |
| GRI 2-28 | Membership associations | Section: Our understanding of sustainability in a global context |
| GRI 2-29 | Approach to stakeholder engagement | Section: Stakeholders |
| GRI 2-30 | Collective bargaining agreements | Section: Key performance indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 3 | Material Topics 2021 | |
| GRI 3-1 | Process to determine material topics | Section: Materiality analysis |
| GRI 3-2 | List of material topics | Section: Material topics and strategic directions |
| GRI 3-3 | Management of material topics | Described separately under every material topic |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 201 | Economic Performance 2016 | |
| GRI 201-1 | Direct economic value generated and distributed | Section: About the company<br>Section: Key performance indicators |
| GRI 201-2 | Financial implications and other risks and opportunities due to climate change | Section: ESG risks |
| GRI 201-4 | Financial assistance received from government | Section: Key performance indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 204 | Procurement Practices 2016 | |
| GRI 204-1 | Proportion of spending on local suppliers | Section: Sustainable procurement |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 205 | Anti-corruption 2016 | |
| GRI 205-1 | Operations assessed for risks related to corruption | Section: Compliance |
| GRI 205-2 | Communication and training about anti-corruption policies and procedures | Section: Key performance indicators |
| GRI 205-3 | Total number and nature of confirmed incidents of corruption | Section: Compliance |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 206 | Anti-competitive Behaviour 2016 | |
| GRI 206-1 | Legal actions for anti-competitive behaviour, anti-trust and monopoly practices | Section: Compliance<br>Section: Key performance indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 301 | Materials 2016 | |
| GRI 301-1 | Materials used by weight or volume | Section: EMAS core indicators |
| GRI 301-3 | Reclaimed products and their packaging materials | Section: EMAS core indicators<br>Packaging materials are not relevant in this context. |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 302 | Energy 2016 | |
| GRI 302-1 | Energy consumption within the organisation | Section: Reducing emissions of greenhouse gases and other airborne pollutants as well as ensuring the economical use of energy<br>Section: EMAS core indicators |
| GRI 302-3 | Energy intensity | Section: EMAS core indicators |
| GRI 302-4 | Reduction of energy consumption | Section: EMAS core indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 303 | Water and Effluents 2018 | |
| GRI 303-1 | Interactions with water as a shared resource | Section: Quality, water withdrawal and use<br>Section: EMAS core indicators |
| GRI 303-2 | Management of water discharge-related impacts | Section: Quality, water withdrawal and use |
| GRI 303-3 | Water withdrawal | Section: EMAS core indicators |
| GRI 303-4 | Water discharge | Section: EMAS core indicators |
| GRI 303-5 | Water consumption | Section: EMAS core indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 305 | Emissions 2016 | |
| GRI 305-1 | Direct (Scope 1) GHG emissions | Section: Reducing emissions of greenhouse gases and other airborne pollutants as well as ensuring the economical use of energy<br>Section: Key performance indicators |
| GRI 305-2 | Energy indirect (Scope 2) GHG emissions | Section: Reducing emissions of greenhouse gases and other airborne pollutants as well as ensuring the economical use of energy |
| GRI 305-3 | Other indirect (Scope 3) GHG emissions | Section: Reducing emissions of greenhouse gases and other airborne pollutants as well as ensuring the economical use of energy<br>Section: Key performance indicators |
| GRI 305-4 | GHG emissions intensity | Section: Reducing emissions of greenhouse gases and other airborne pollutants as well as ensuring the economical use of energy<br>Section: Key performance indicators |
| GRI 305-5 | Reduction of GHG emissions | Section: Reducing emissions of greenhouse gases and other airborne pollutants as well as ensuring the economical use of energy |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 306 | Waste 2020 | |
| GRI 306-1 | Waste generation and significant waste-related impacts | Section: Circular economy |
| GRI 306-2 | Management of significant waste-related impacts | Section: Circular economy |
| GRI 306-3 | Waste generated | Section: EMAS core indicators |
| GRI 306-4 | Waste diverted from disposal | Section: EMAS core indicators |
| GRI 306-5 | Waste directed to disposal | Section: EMAS core indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 401 | Employment 2016 | |
| GRI 401-1 | New employee hires and employee turnover | Section: Key performance indicators |
| GRI 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Section: Stable employment, education and training |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 403 | Occupational Health and Safety 2018 | |
| GRI 403-1 | Occupational health and safety management system | Section: Occupational health and process safety |
| GRI 403-2 | Hazard identification, risk assessment and incident investigation | Section: Occupational health and process safety |
| GRI 403-3 | Occupational health services | Section: Occupational health and process safety |
| GRI 403-4 | Worker participation, consultation and communication on occupational health and safety | Section: Occupational health and process safety |

| | | |
|---|---|---|
| GRI 403-5 | Worker training on occupational health and safety | Section: Occupational health and process safety |
| GRI 403-6 | Promotion of worker health | Section: Occupational health and process safety |
| GRI 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked to business relationships | Section: Occupational health and process safety |
| GRI 403-8 | Workers covered by an occupational health and safety management system | Section: Key performance indicators |
| GRI 403-9 | Work-related injuries | Section: Key performance indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 404 | Training and Education 2016 | |
| GRI 404-1 | Average hours of training per year per employee | Section: Stable employment, education and training<br>Section: Key performance indicators |
| GRI 404-2 | Programmes for upgrading employee skills and transition assistance programmes | Section: Key performance indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 405 | Diversity and Equal Opportunity 2016 | |
| GRI 405-1 | Diversity of governance bodies and employees | Section: Key performance indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 416 | Customer Health and Safety 2016 | |
| GRI 416-1 | Assessment of the health and safety impacts of product and service categories | Section: Healthy and safe products<br>Section: Key performance indicators |
| GRI 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | Section: Healthy and safe products<br>Section: Key performance indicators |

| GRI no. | GRI reference | Section in report/remark |
|---|---|---|
| GRI 417 | Marketing and Labelling 2016 | |
| GRI 417-2 | Incidents of non-compliance concerning product and service information and labelling | Section: Key performance indicators |
| GRI 417-3 | Incidents of non-compliance concerning marketing communications | Section: Key performance indicators |

# CORPORATE POLICY
# AUSTROCEL HALLEIN

The corporate policy of AustroCel Hallein GmbH is based on the **vision**, the **corporate values** and the **corporate strategy**. This is how Management, together with the leadership team, lays down the principles for defining and pursing the corporate goals.

These principles are aligned with the following issues:

**Safety interests**

- Our priority here is that employees work and act in a safety-conscious manner.
- We offer our employees safe workplaces. We aim to avoid accidents and injuries and minimise the impact of hazardous chemicals.
- We actively encourage our employees to report dangerous situations and acts and to initiate appropriate improvements.

**Environmental interests**

- We attach significant importance to protecting the environment. We avoid environmental impacts and constantly improve our environmental performance.
- We attach considerable importance to selecting our suppliers on the basis of their environmental performance, particularly that of wood suppliers.

**Energy interests**

- We use the energy we produce ourselves responsibly.
- We rely on innovation and technological optimisations to constantly improve the energy efficiency of our systems and machinery.

**Workforce interests**

- We promote and demand knowledge and expertise.
- We train and motivate our employees to perform their tasks safely and to be aware of environmental aspects.
- We promote a working environment which is characterised by mutual respect and tolerance. We treat each other with politeness and honesty and respect individuals' personalities.

**Customer interests**

- We take customer requirements and expectations into account by means of outstanding innovation, expertise and quality.
- We discuss and implement improvements together with our customers.
- We regard long-term customer relationships, high levels of customer satisfaction and expanding business relationships as the keys to our success.
- We satisfy our customers' demands for sustainable energy in our role as an important supplier of heat and power from renewable energy sources.

**Shareholder interests**

- We safeguard the forecast success of the company by acting commercially and sustainably.
- We strive for long-term and sustainable growth and the associated return on investment for our shareholders.
- We rely on our innovative strength to offer our customers sustainable and top-quality products and services.

**Interests of other partners**

- We evaluate the context in which the company operates to identify the issues which the company can have a meaningful impact on.
- We inform our suppliers, providers, public authorities, local residents and community interest groups on a needs-related basis and in a timely manner about events at the company by involving them in defined standards.
- We can assure all of our partners that all binding obligations are complied with.

Wolfram Kalt
CEO AustroCel Hallein

Bernhard Krill
CFO AustroCel Hallein

# BEST AVAILABLE **TECHNOLOGIES (BAT)**

| BAT comparison | | | |
|---|---|---|---|
| | Unit | 2023 figure | BAT [1]/AEV [2] |
| **Waste water** | | | |
| Waste water flow volume | $m^3/t$ | 55.5 | 40 – 60 |
| COD [3] | kg/t | 51.5 | 40 – 70 |
| BOD [4] | kg/t | 1.9 | 3 |
| Filterable substances | kg/t | 2.8 | 3.75 |
| TNb [5] | kg/t | 0.4 | 0.75 |
| TPb [6] | mg/l | 1.0 | 2 |
| **Recovery boiler** | | | |
| Dust | $mg/nm^3$ (5 % $O_2$) | 3 | 5 – 20 |
| $SO_2$ [7] | $mg/nm^3$ (5 % $O_2$) | 58 | 50 – 250 |
| $NO_x$ [8] | $mg/nm^3$ (5 % $O_2$) | 217 | 100 – 270 |
| Pulp processing operations | hours p.a. | 265 | 240 |

The BAT concept was developed by the OECD in 2010 and has been implemented in many countries around the world including in the EU. The aim is to minimise and better control emissions into the air, water and soil.

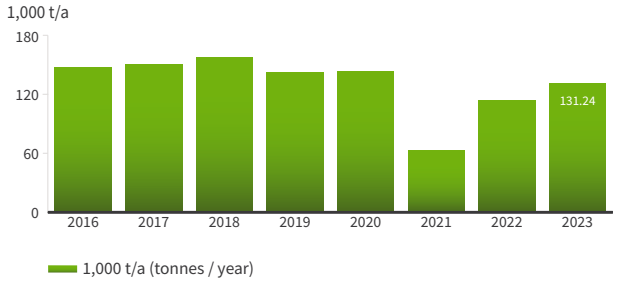
[1] BAT [Best Available Technology] according to the implementation decision of the Commission (2014/687/EU)
[2] AEV [Waste Water Emissions Ordinance] for Pulp and Paper 2018
[3] Chemical oxygen demand
[4] Biological oxygen demand
[5] Total nitrogen bound
[6] Total phosphorous bound
[7] Sulphur dioxide
[8] Nitrous oxides

| BAT comparison – technologies* | |
|---|---|
| BAT | implementation |
| **Waste water** | |
| Sorting of the unwashed pulp in a closed cycle and highly efficient brown stock washing | The brown pulp is separated from the remaining components of the brown liquor. The filtrate is collected and continuously fed to the evaporation plant (EP) |
| TCF – total chlorine free | The company switched to chlorine-free bleaching in 1994 by means of its Environmental Protection Project 2 |
| Stripping and recovery from the condensates of the EP | The first EP condensate stripping system was constructed during the Environmental Protection Project 2 in 1994 |
| **Reduction of sulphurous and odorous emissions** | |
| Combustion in a recovery boiler | Odour-relevant by-products are incinerated in the recovery boiler |
| **Energy consumption and energy efficiency** | |
| High dry matter content due to effective pressing or drying | Pulp can be dried to form wet pulp (45 % dry matter) and dry pulp (85 % dry matter) |
| Closing water cycles, including those in the bleaching plant | Cycles are closed, excess waste water is cleaned and fed into the outlet channel |

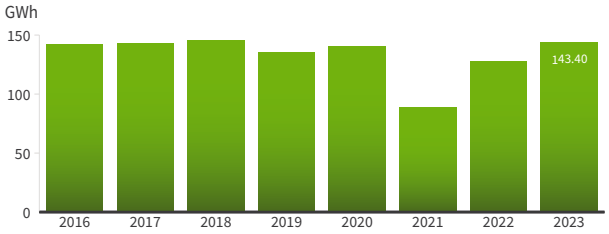
*Extract from implemented technologies in the BAT Directive

# EFFICIENCY – **ENERGY AND MATERIALS**

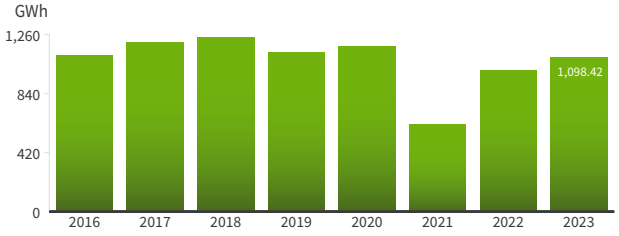
Pulp production



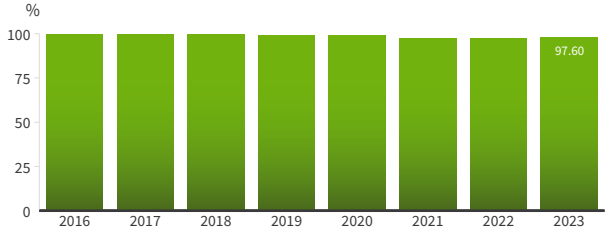

Power consumption



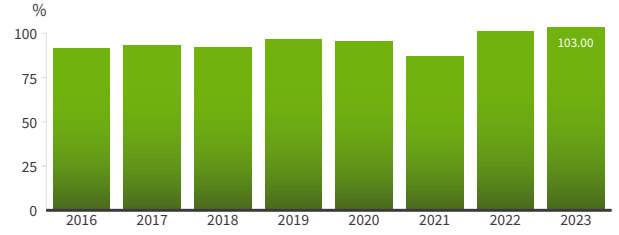

Fuel consumption



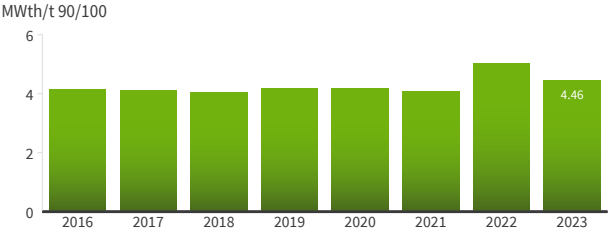

Renewable energy



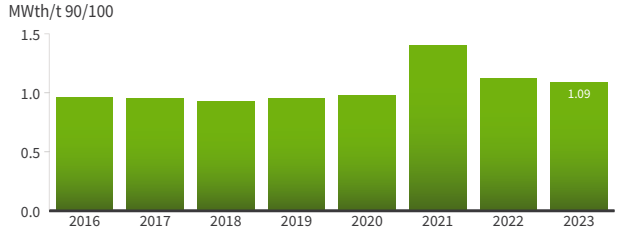

Energy index (Basis 2013 = 100 %)



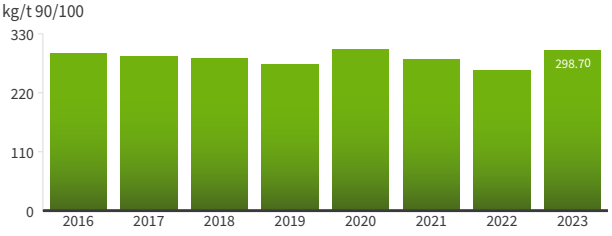

Specific heat consumption in pulp production




Specific power consumption



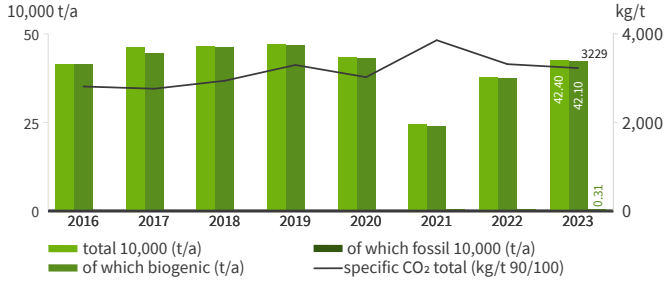

Specific consumption of chemicals and excipients



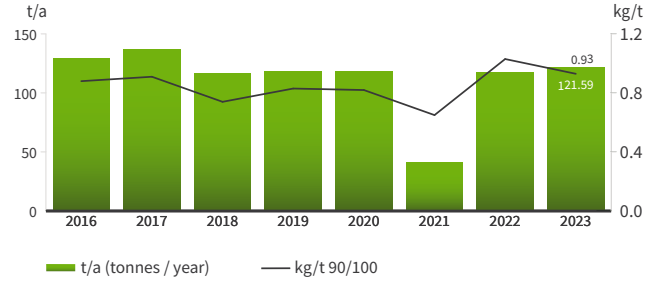
GRI 302-3
GRI 302-4

# AIRBORNE **EMISSIONS**

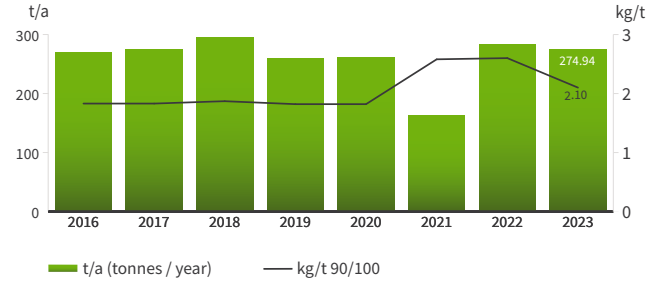
Carbon dioxide ($CO_2$)



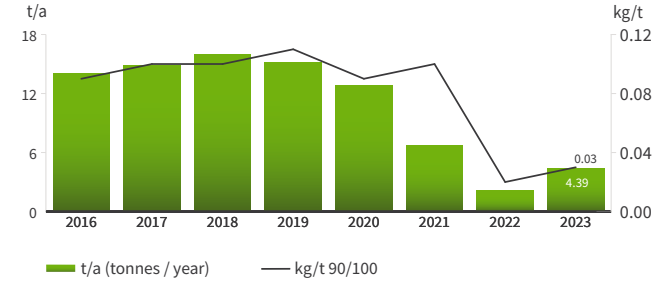

Sulphur dioxide ($SO_2$)



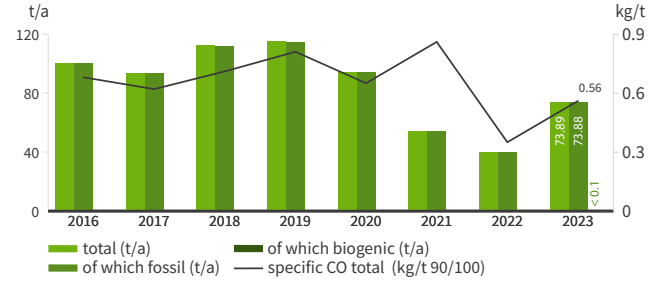

Nitrogen oxides ($NO_x$)




Dust



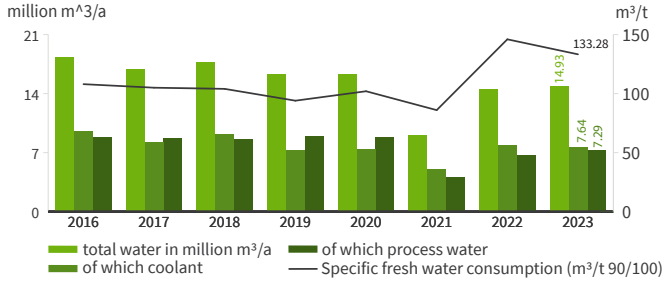

Carbon monoxide (CO)



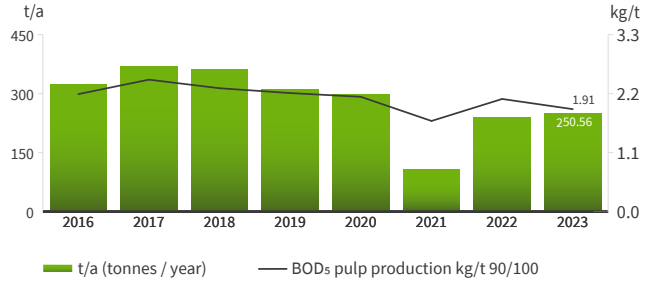
GRI 303-1
GRI 303-2
GRI 303-3
GRI 303-4
GRI 303-5

# WATER
# CONSUMPTION

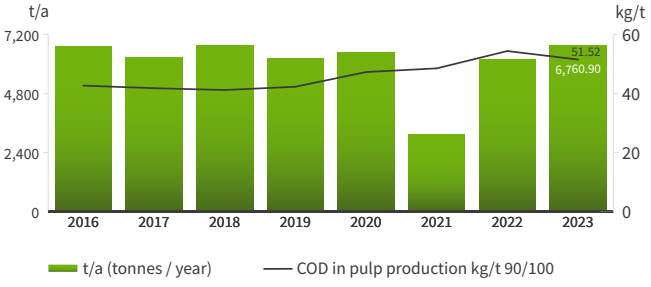
## Water consumption



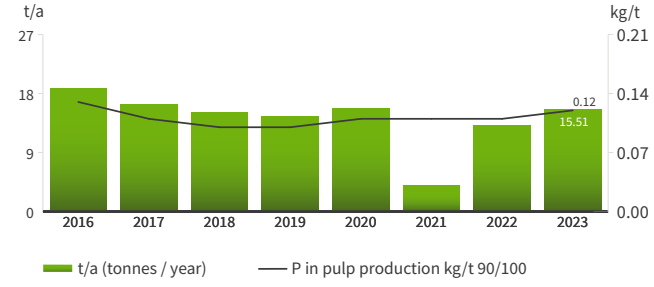

## Biochemical oxygen demand ($BOD_5$)



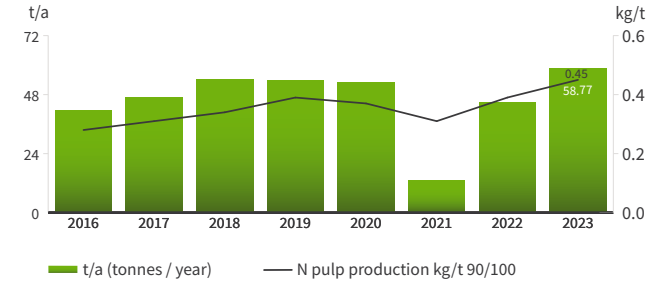

## Chemical oxygen demand (COD)



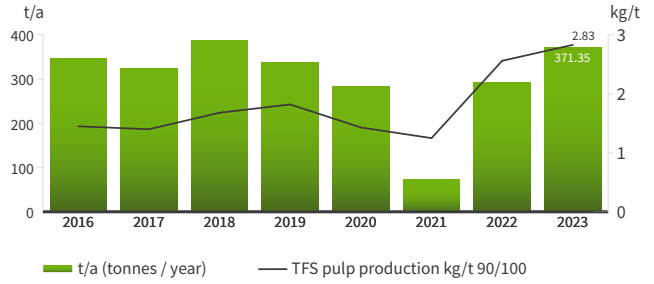

## Total phosphorus (P)




## Total nitrogen (N)




## Total filterable substances (TFS)



GRI 306-3
GRI 306-4
GRI 306-5

# VALUABLE MATERIALS **INSTEAD OF WASTE**

AustroCel Hallein continues to pursue a strategy of avoiding waste in the interests of a sustainable circular economy. Certain positions were lower in 2022 due to limited production activities and a resulting decline in waste volumes. In comparison to the prior year, it was possible to reduce the volume of externally disposed waste by 138 tonnes while operating without interruptions.

| Waste and residual materials | | Austrian standard number defined by ÖNORM S 2100 | Volume 2022 (t/a) | Change (t/a) | Volume 2023 (t/a) |
|---|---|---|---|---|---|
| C1 | Recovered paper, cardboard, husks | 91201, 18718 | 65 | -20 | **45** |
| D1 | Recovery Boiler 5 – flue ash | 31301 | 0 | 0 | **0** |
| D2 | Fluidised bed boiler ash and ash from the biomass CHP system | 31306 | 2,710 | -211 | **2,499** |
| E1, E3 | FGD gypsum, sludge and deposits | 31315, 31622 | 45 | 110 | **155** |
| F | Metal and cable waste | 31433, 35103, 35202, 35304, 35314, 35310, 35331, 35315 | 328 | -17 | **311** |
| G1/ G2/H | Waste requiring mandatory consignment note | 31412, 31437, 35201, 35205, 35212, 35230, 35339, 54102, 54408, 54702, 54704, 54930, 55374, 55502, 59305, 59803 | 40 | -2 | **38** |
| I1 | Other industrial waste | 12302, 12501, 57124, 57303, 57306, 57506, 59306, 91101, 91202, 91401, 91701, 91107 | 92 | 21 | **113** |
| I2 | Building rubble and excavated soil | 31409, 31411, 31411-34 | 413 | -41 | **372** |
| I4 | Residual and waste wood | 17201, 17202, 92105-67 | 28 | 56 | **84** |
| J | Soft and PE films | 57119 | 0 | 0 | **0** |
| K2 | Other sludges | 94303, 94702 | 73 | -34 | **39** |
| **Total*** | | | 3,794 | -138 | **3,656** |
| **Total* (excluding building rubble and excavated soil)** | | | 3,381 | -97 | **3,284** |

| Volume of waste materials incinerated in the biomass CHP plant | | | Volume 2022 (t/a) | Change (t/a) | Volume 2023 (t/a) |
|---|---|---|---|---|---|
| B1, B2 | Knotter pulp, bleached rejects and A3 pulp | 18101 | 3,681 | 668 | **4,349** |
| K1 | Sludge from the waste water treatment plant | 94803 | 11,125 | 2,640 | **13,765** |
| **Total, internal*** | | | 14,806 | 3,308 | **18,114** |
| **Total waste*** | | | 18,600 | 3,170 | **21,770** |

*Rounding of figures taken into account

GRI 301-1
GRI 301-3
GRI 302-1

# OPERATIONAL
# ENVIRONMENTAL PERFORMANCE 2023

## Input

| Raw materials | | |
|---|---|---|
| **Production timber, incoming** | **BDT** | **312,527** |
| ... of which with a PEFC claim | % | 98.4 |
| **Pulp production** | | |
| Decomposition chemicals (MgO, S) | t/a | 5,737 |
| Bleaching chemicals (NaOH, MgO, $H_2O_2$ ...) | t/a | 33,465 |
| Pitch control agents | t/a | 179 |
| Auxiliary chemicals | t/a | 1,322 |
| Production timber | BDT | 314,881 |
| Packaging materials | t/a | 486 |
| **Waste water treatment** | | |
| Neutralisation agents, nutrients, excipients, chemicals | t/a | 2,116 |

| Operating materials | | |
|---|---|---|
| Lubricants/greases | kg/a | 251 |
| Diesel fuel | l/a | 273,193 |

| Energy | | |
|---|---|---|
| Power, total* | MWh | 143,403 |
| ... of which sourced externally | MWh | 3,825 |
| Steam | MWh | 1,157,260 |
| Thick liquor (energy and chemical recovery) | MWh | 799,829 |
| Sludge | MWh | 5,731 |
| Biomass (rough wood chips, knotter pulp and rejects) | MWh | 261,727 |
| Natural gas | MWh | 15,343 |
| Biogas from anaerobic plant | MWh | 82,074 |

| Water, air | | |
|---|---|---|
| From two on-site wells | million m³ | 17.23 |
| Potable water, Hallein municipality | m³ | 9,950 |
| Pressurised air | million m³ | 21.06 |

## Key performance indicators

| Plant at Hallein site | | |
|---|---|---|
| Area | m² | ~ 339,518 |
| of which near-natural | m² | ~ 72,000 |
| Roof area | m² | ~ 64,280 |
| Tracks | m | ~ 5,289 |
| Roadways | m | ~ 2,700 |

| | | |
|---|---|---|
| **Total revenues (IFRS)** | €m | 159 |
| **Export revenues** | €m | 126 |
| ... Share of revenues exported | % | 79 |

**Environment management / certifications**

ISO 9001 (1993), ISO 14001 (1999), EMAS (2002), PEFC (2005), ISO 50.001 (2014), B-Corp (2021), EcoVadis in Gold (2023), ISCC (2021), SURE (2023)

| | | |
|---|---|---|
| **Headcount, total** | n | 338 |
| ... of whom apprentices | n | 25 |
| **Pulp production** | t/a | 131,235 |

**Processes / plant**

**Plant supplies and disposal**

... Generation of power, steam and district heating; waste water treatment
... Fresh water withdrawals
... Disposal of waste materials
... Biology
... Ethanol production

**Pulp production**

... Timber processing and storage
... Digester and bleaching plant
... Recording / grading
... Pulp drying

**Administration and non-core facilities**

... Company fire brigade, workshops, wells, sports club

| | | |
|---|---|---|
| **Investments, total** | **T€** | **6,466** |
| ... of which relevant to the environment | T€ | 193 |
| ... Share | % | 3 |

## Output

| Products | | |
|---|---|---|
| Pulp sold | t/a | 128,511 |
| Thick liquor (export) | t/a | 521 |
| Ethanol | Nm³ | 17,340 |

| Energy | | |
|---|---|---|
| Power sold to SAG | MWh | 73,625 |
| District heating | MWh | 98,996 |

| Waste water | | |
|---|---|---|
| Waste water flow volume | m³/d | 42,780 |
| ... of which process effluent | m³/d | 20,972 |
| ... of which cooling water | m³/d | 21,802 |
| pH | | 8.12 |
| Temperature | °C | 33.5 |
| Solids | t/d | 1.1 |
| Biochem. oxygen demand (BOD5) | t/d | 0.7 |
| Chemical oxygen demand (COD) | t/d | 19.4 |
| Absorbable organic halides (AOX) | kg/d | 1.5 |
| Phosphorus, total | kg/d | 44.6 |
| Nitrogen, total | kg/d | 168.9 |

| Airborne emissions | | |
|---|---|---|
| Sulphur dioxide, total ($SO_2$) | t/a | 121.6 |
| Nitrous oxides (NOx) | t/a | 274.9 |
| Dust | t/a | 4.4 |
| Carbon dioxide, total ($CO_2$)** | t/a | 423,819 |
| ... of which fossil-based ($CO_2$)** | t/a | 3,078 |
| Carbon monoxide, total (CO) | t/a | 73.9 |
| ... of which fossil-based (CO) | t/a | <0.1 |

| Waste and residual materials (ext.) | | |
|---|---|---|
| Ash (from fluidised bed boiler and recovery boiler) | t/a | 2,499 |
| Waste wood | t/a | 84 |
| FGD gypsum | t/a | 155 |
| Other sludges | t/a | 39 |
| Recovered paper, cardboard, husks | t/a | 45 |
| Waste metal, old cables | t/a | 311 |
| Residual and bulky waste | t/a | 113 |
| Building rubble and excavated soil | t/a | 372 |
| Hazardous waste, mineral oil and workshop waste | t/a | 38 |
| Total waste, external*** | t/a | 3,656 |

Figures: absolute quantities, per year or day (waste water) *Consisting of in-house power generation and sourced power ** Reported in accordance with Article 9 of the Austrian Emissions Certificate Act (EZG)

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# STATEMENT OF THE ENVIRONMENTAL AUDITOR
## CONCERNING THE ASSESSMENT AND VALIDATION ACTIVITIES

The undersigned, Peter Kroiß, Head of the EMAS Environmental Verification Organisation TÜV Austria Cert GmbH, 1230 Vienna, Deutschstraße 10, EMAS Environmental Auditor with registration number AT-V-0008, accredited for the area of 17.1 “Production of viscose pulp”, confirms the audit on whether the Hallein site, as defined in the updated environmental statement of the organisation AustroCel Hallein GmbH, Hallein site,

with the registration number AT-000446, fulfils all the requirements of Regulation (EC) No 1221/2009 of the European Parliament and the Council of 25 November 2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), as amended by COMMISSION REGULATION (EU) 2018/2026 of 19 December 2018). By signing this statement, it is confirmed that

- The audit and validation have been carried out in full compliance with the requirements of Regulation (EC) No 1221/2009.
- The outcome of the audit and validation confirms that there is no evidence of non-compliance with the applicable environmental legislation.
- The data and information in the updated environmental statement of the organisation AustroCel Hallein GmbH provide a reliable, credible and true picture of all activities at the site within the scope stated in the updated environmental statement.

This environmental statement is an additional environmental statement in order for it to be possible to report on current data pertaining to the prior year in a timely manner. This statement cannot be equated with an EMAS registration. The EMAS registration can only be carried out by a responsible body in accordance with Regulation (EC) No 1221/2009. This statement cannot be used as a stand-alone basis for informing the public.

AT-V-0008
Vienna, 09.07.2024

Peter Kroiß
Head Environmental Auditor

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austrocel hallein

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