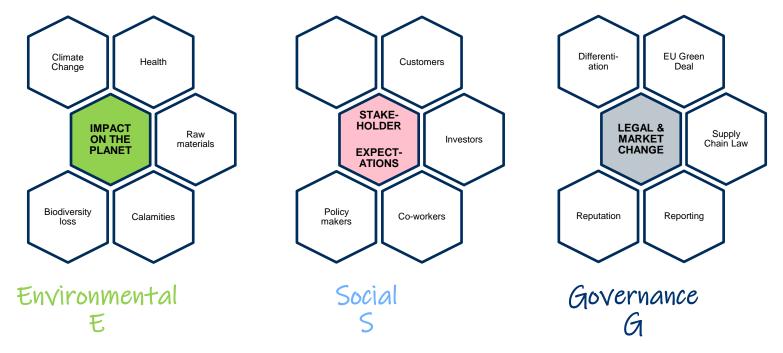




DIMENSIONS OF SUSTAINABILITY: "E" "S" "G" Framework

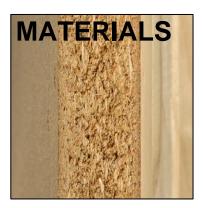




SUSTAINABILITY A CORPORATE PHILOSOPHY AT PFLEIDERER

Sustainability in its ecological, social and economic dimensions is a pillar of the corporate philosophy

- Wide range of low-emission and environmentally friendly products
- Consistent recycling through ever increased use of recycled wood-based materials
- Corporate culture of accountability









SUSTAINABLE STRATEGY KEY FOCUS AREAS OF ACTION

MATERIALS

TARGET 1: Increase the percentage of recycled wood¹ used from 40% (2020) to 50% (2025)

TARGET 2: Maintain share of forestderived materials sourced from FSC and PEFC certfied forestries at 100%

TARGET 3: Produce 10% of chipboard products² using sustainably-formulated resins by 2025



CLIMATE

TARGET 1: Reduce Scope 1 and Scope 2 GHG emissions by (21)% until 2025 (versus 2020 baseline)

TARGET 2: Reduce the indirect greenhouse gas emissions intensity relating to purchased chemical products used in our wood-based panels12 by 21%, by 2025.



PEOPLE

TARGET 1: Reduce accidents involving employees or contractors and achieve LTA³ of 0.5 by 2025.

TARGET 2: Expand human capital innovation to diversify the pipeline of potential recruits, retain skilled employees, and improve career opportunities



Note:valid 2022 and subject to change without notice

- 1 I. e. post-consumer recycled wood material.
- 2 Measured in volume terms.
- 3 LTA Rate = lost-time accident frequency, measured as accidents per 200,000 hours worked.



Recycling technology has greatly improved over the years, allowing for only "clean wood" to be used in production.

RECYCLING GRADES (ALTHOLZVERORDNUNG)

Grade I

eg : natural or merely mechanically processed waste wood

Grade II

eg: waste wood without halogen-organic compounds or wood preservatives

Grade III

eg: Waste wood with halogen-organic compounds but without wood preservatives

Grade IV

eg: waste wood treated with wood preservatives and with a pollutant content

Only top quality post consumer grade recycling material (I+II) is used in production.





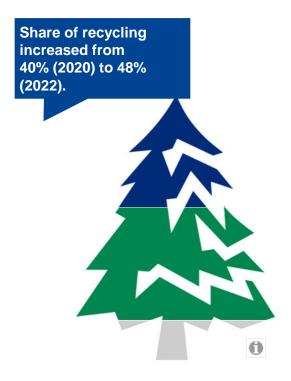
RECYCLING RATE AND UTILIZATION

Secondary raw materials

- ~ 45% post-consumer recycled material such as processed waste wood.
- ~ 90% utilization rate of recycled material

Primary raw materials

- ~ 40% Sawmill residues such as wood chips or sawdust.
- ~ 15% Wood from forests such as broken or residual wood.

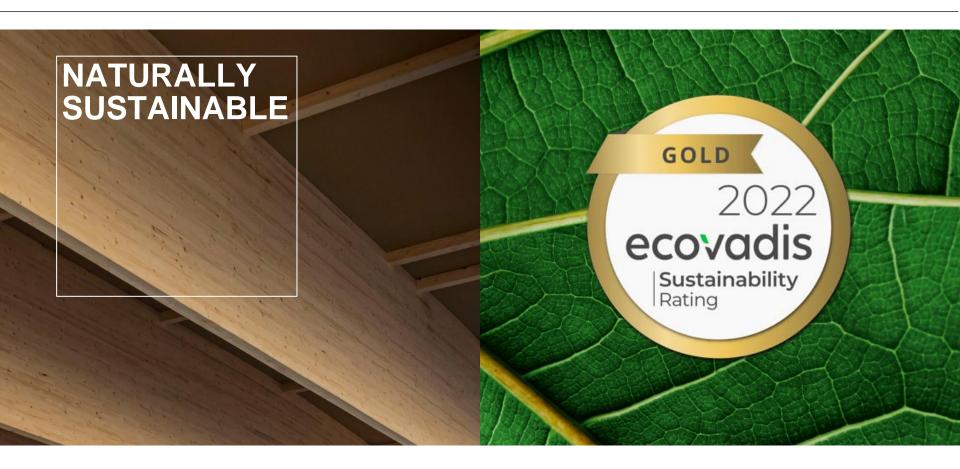




SUSTAINABLE PRODUCTS ORGANICBOARD

- Use of approx. 50% Organic Glue with biogenic formulation.
- Saves up to 20 m³ of natural gas per 1 m³.
- Reduced dependability on Fossil Fuels eg Natural gas and urea.







GOLD MEDAL RATING AT ECOVADIS PFLEIDERER: LOW RISK

A sense of **responsibility** and **sustainability** are an integral part of Pfleiderer's **philosophy**.

This has now been confirmed by a

GOLD

ecovadis

Sustainability

top rating from

EcoVadis – one of the world's leading independent providers of sustainability rankings.

EcoVadis **evaluates** a total of **21 criteria** ranging from the

environment to **labour** and **human rights** as well as **ethics** and **sustainable procurement**.

This puts Pfleiderer in the top 4% of all the over 90,000 companies evaluated from more than 160 countries.

Pfleiderer ranks third among the 135 companies in the building products sector evaluated by Sustainalytics

For Pfleiderer, Sustainalytics determined a score of 13.1 for the unmanaged risk of all material ESG issues affecting the company's long-term performance.

This puts Pfleiderer solidly in the "low risk" category on the rating scale

08.05.2023 11 © PFLEIDERER 2021



