# Focus on sustainability

### at the Polymer Group









### **Our mission statement**

We are a family-owned and family-run company – we think and act in generations. We are one of the leading compounders in Europe and as such we make our contribution to a sustainable circular business system in plastics by means of innovation and technology.

We protect resources, use sustainable materials and processes and create alternatives to petroleumbased plastics. This means that we minimise our ecological footprint and can supply our customers with compounds containing reduced levels of  $CO_2$ .

Together with our employees, we continuously work on making the Polymer Group more sustainable.



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## **Central challenges**

Climate change and sustainability influences place new requirements on our divisions. However, our sustainability strategy does not just focus on the following external influences, but also reflects our conviction to adopt long-term, sustainable practices.

# The demands of customers for sustainability certificates, details of recyclate contents and $CO_2$ footprints are rising.

Customers require key sustainability figures for plastics to enable them to adjust their own product portfolio and to counter regulatory requirements with accurate reports.

### Product safety requirements are also on the rise, with some products and product additives being banned.

Substances which constitute a risk to people and the environment must not be used in the future or may only be used under stringent conditions. Examples include the REACH Regulation and the RoHS Directives. This results in restrictions in the use of raw materials, additives and resources in production.

#### Demand for biocompounds, higher recyclate contents and safe products is increasing. It is becoming ever more important to engage with new raw materials, formulations and technologies.

Falling acceptance of petroleum-based plastics, the rising cost of raw materials and increasing requirements for product safety have created an opportunity for the Polymer Group to expand its market share with more sustainable products and become the technology leader.

### Fossil raw materials and fuels, energy and logistics services are all becoming more expensive.

Taxes on fossil fuels, geopolitical events and dependences in the European electricity network are just some of the reasons that have led to an increase in energy prices. Extreme weather events have meant that some central waterways are no longer navigable during the summer months. The use of alternative logistics routes is significantly more expensive.

#### Banks are demanding sustainability data before they will lend money. This has resulted in a rise in costs for data procurement and analysis.

The "EU Taxonomy for Sustainable Activities" is a regulation that builds on the European Green Deal. Its objective is to steer finance towards sustainable activities. The classification system essentially defines the key sustainability figures for the Corporate Sustainability Reporting Directive (CSRD) and is therefore relevant for companies' duty of disclosure and reports to financial partners.

### **Our targets**

We have set ourselves the following targets\* to make our activities more sustainable:

#### Ecological

- By 2030, we will increase the proportion of sustainable raw materials in our portfolio to 30 % of our total production volume.
- By 2030, we will reduce our specific electricity consumption (kWh per tonne) by 15 %.
- By 2025, our total capacity for in-house energy generation from renewable sources will be 200 kWp, rising to 300 kWp by 2030.
- By 2030, we will not be using any fossil fuels for production or heating purposes.

- By 2030, we will reduce the average CO<sub>2</sub> footprint per tonne produced material (including raw materials, transport, packaging & energy) by 25 %.
- By 2030, we will reduce our specific water consumption (cbm per tonne) by 50 %.
- By 2025, we will achieve a 100 % separation rate for all our waste.
- By 2025, we will reduce material losses in production by 10 %.

Social

performance.

- As from 2023, we will inform our employees and conduct an employee survey every two years relating to the company's ESG
- By 2030, we will increase the proportion of disabled employees we employ by 100 %.
- By 2030, at least 30 % of our employees will be women.
- By 2030, we will increase the share of employees in training (apprentices, trainees and students) to 10 %.



- By 2025, 95 % of our suppliers (by purchase volume) will be assessed in terms of their sustainability. The use of sustainable materials and raw materials will be continuously increased on this basis.
- The understanding of our employees of the code of conduct, which has been in force since 2018, will be measured in 2023. 90 % of our employees will be aware of the main contents of the code of conduct by 2025.

\* 2021 is used as a basis.



### The benefits

Our sustainability strategy will create ecological, social and financial benefits, particularly in the following areas:

We will continue to make our contribution to a sustainable circular business system, protect resources and minimise our ecological footprint.



We will meet our corporate responsibility to the region and society as a whole.

In the long term, we will generate success and advantages over our competitors for the Polymer Group and our customers and business partners.



We will increase our attractiveness as an employer for existing and future employees.





### Our strategy is in place

Our measures to achieve our sustainability targets are summarised in focal action points. These will then be used to create concrete projects.

# Sustainable product portfolio

Our focus is on the advanced development of the product portfolio, which will continue to meet the requirements and demand of the market in the future. These include both more sustainable products with bio-based raw materials and higher recyclate contents and products which go significantly beyond regulatory requirements. New materials must be established and production techniques adjusted and developed for this purpose.

The following projects will be implemented in 2023/2024:

- Extended range of bioplastics
- Sustainable procurement of systems, raw materials and services
- Closed-loop material systems
  with customers

## Sustainability foundations

The focus is to make sustainability an integral part of the Polymer Group in the long term. This includes reporting key sustainability figures, for which data acquisition and preparation processes must be implemented across the board. Furthermore, the company will actively communicate with customers and suppliers, while employees and applicants will have the right to have their say and equal opportunities.

The following projects will be implemented in 2023/2024:

- Sustainability will be an integral part of the company's long-term strategy
- Sustainability will be a topic for communication with stakeholders
- Key performance indicator model for sustainability and other certifications

# Resource-efficient infrastructure

The focus in this respect is to reduce the ecological footprint of the company's infrastructure. In addition to  $CO_2$  emissions caused by electricity and gas, this also includes water consumption. Actions include adjustments to save resources and energy, the evaluation of options for regenerative heat production and for the electrification of the mobility sector as well as the use of the company's own photovoltaic systems.

The following projects will be implemented in 2023/2024:

- Improving our systems in terms of sustainability
- Improving home working options
- In-house electricity generation
  and electrification

# Practice report What we are already doing

#### Production of bio-based and biodegradable raw materials



Photo courtesy: Polymer Group

The Plactid<sup>®</sup> bioplastic made from lactic acid by SoBiCo GmbH (Solutions in BioCompounds), a subsidiary of the Polymer Group, features a wide range of properties. Compared to conventional plastics, Plactid® is made from biological substances and can be adjusted so that it is degradable. BioBatch is another bioplastic from the SoBiCo GmbH portfolio. The tested and certified compostability of BioBatch makes it ideal for use in landscaping and agriculture. The company already has a production capacity in the thousand tonne range and plans to increase this significantly in the future.

#### Calculating the CO, footprint of our products



Photo courtesy: Polymer Group

Polymer-Chemie supplies its customers with an individual  $CO_2$  footprint on the basis of the "Greenhouse Gas Protocol" in the form of an externally verified certificate. This creates transparency and can be used as the starting point for reducing its  $CO_2$  footprint, for example by using bio-based materials. Polymer-Chemie received an INOVYN Award in October 2022 for this initiative.

#### Photovoltaic systems for green electricity



Photo courtesy: © Sophon\_Nawit – stock adobe.com

Photovoltaic systems take energy from the sun and convert it into electricity. They do not need any fossil fuels and therefore also do not release any  $CO_2$ , which is harmful to the climate, while they are operating. The use of photovoltaic systems at the Polymer Group means that already part of our electricity requirement is covered by green energy. Currently, the rating of the installed systems is around 100 kWp.

#### Charging infrastructure for e-mobility



Group has installed an electric charging infrastructure to give customers, employees and guests an opportunity to charge their electric cars. A total of eight charging spaces is available at the sites in Bad Sobernheim. They are supplied by the company's own photovoltaic system.

The future of driving will be heavily dependent on electric vehicles. The Polymer

Photo courtesy: © Patrick Daxenbichler – stock.adobe.com

### **Certification and memberships**

Sustainability is an important component of the corporate management at the Polymer Group. In addition to the certification of the energy management system under ISO 50001, our actions have resulted in additional environmental and sustainability memberships and certifications. We also support initiatives and joint ventures which represent bioplastics and recycling in politics, industry and society and campaign for their activities to encourage sustainable development.



The Circular Plastics Alliance is backed by a declaration to increase recycled plastics in the EU market. The aim is to increase this to 10 million tonnes by 2025. The Alliance covers the entire added value chain in the plastics industry. By signing the declaration, organisations confirm that they are taking the appropriate actions to achieve the targets. The Alliance's results are published at regular intervals.



VinylPlus<sup>®</sup> is the European PVC industry's commitment to sustainable development. The network consists of around 200 member companies and sets joint standards for the sustainability performance of the European PVC industry. The central paths deliver a proactive contribution to managing the global challenges in terms of sustainability and include a circular business system, decarbonisation and minimisation of the ecological footprint as well as coalitions and partnerships.



ISCC Plus (International Sustainability & Carbon Certification) is a certification scheme that is applicable to the bioeconomy and circular economy. The aim of the initiative is to ensure the traceability of recycled materials using specific evaluation principles. This enables a guarantee to be made that material is recycled and less new raw material must be produced.



The VinylPlus<sup>®</sup> Supplier Certificate is a sustainability certificate which has been specifically developed for compounders. The certification addresses the overall strategy and performance of the company and the materials used for a product to assess whether they comply with concrete sustainability criteria. These criteria may include, for example, the requirement that formulations contain no heavy metals or the supply chain is a sustainable one.



#### **Contact us**

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In cooperation with

