

# PEOPLE. PERFORMANCE. RESPONSIBILITY.



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# Foreword by the Management Board

## Dear Readers,

2021 was a very special year for Prinzhorn Group – challenging and prosperous at the same time. We felt the impact of the COVID-19 pandemic and the increasingly visible effects of climate change. The speed at which policymakers in Europe and elsewhere are enforcing regulatory frameworks to limit global warming to 1.5 degrees calls for immediate action. All of this, in addition to increasing energy and raw material prices as well as a clear shift in consumer preferences, has shown how important it is to be progressive and sustainable as a business. As members of the Management Board, we strongly believe that the dynamic progress of Prinzhorn Group in these challenging times, as well as our peak financial performance in 2021, result from a strong dedication to the business and from a business model where circularity aims to create, deliver and capture value for our stakeholders while minimising ecological and social costs. With this report, we want to provide a first insight into the sustainability efforts we are making in alignment with our internal and external stakeholders, and give an overview of how they contribute to our overall sustainability strategy.

## Seizing new market opportunities

The advancements in e-commerce, digitisation in general, and the growing demand for biodegradable and environmentally-friendly packaging options have impacted our lives and led to more sustainable production and consumption processes, thereby also changing the markets in which we operate. Especially the past two years have

made clear how important it is to maintain vital societal functions in times of crisis and to supply people with daily goods in a sustainable way. While Prinzhorn Group has always aimed at bringing sustainability, corporate purpose and profit together, we have successfully seized these new market opportunities. Our companies are now capitalising on the growing demand for circular and sustainable products.

## Closed loop: balancing reduction and recycling

As we have reached a point where we can increasingly see and feel that our planet's precious resources are finite, we know that renewable resources, state-of-the-art alternative technologies as well as intelligent business practices are critical to closing the systemic loop in an industry that is particularly difficult to decarbonise. Thanks to our circular business model with its clear focus on the full recyclability of materials and material savings, and with our state-of-the-art and energy-efficient technology in use and material savings, Prinzhorn Group is setting high standards for its sustainability journey. In the environmental section of this report, we demonstrate how our integrated system of paper for recycling collection, containerboard mills and corrugated box plants allows us to guarantee security of supply to our customers, drive efficiencies across the whole supply chain and offer high quality recycled paper and packaging. A comparatively low exposure to market volatility with regard to containerboard prices, in combination with modern technology, enables a reliable product outlet throughout our business divisions.



*Prinzhorn Group Management Board: Harald Ganster, Max Hölbl, Michael Schütz, Andreas Walser*

### Beyond the quick wins: multi-generational thinking and employee development

As a family-owned business, Prinzhorn Group has set itself the bold target of complying with what it takes to create a better and brighter future for our planet and future generations. Multi-generational thinking, employee development and work-life balance are key in this endeavour, as you can read in the social section of this report. We have always been used to thinking long-term and not just the past two years have proven that it is worthwhile investing in our people, in our product and in our sustainability journey. Most importantly, we live up to our values. Appreciation, loyalty towards and from our people, low fluctuation and high retention rates are clearly the result of an organisational culture that offers trust, flexibility and exceptional support in times of crisis. We are proud that we have been successful in protecting our people, organisational culture and business model against Covid-19, and that we have seen stability and even growth in all our business segments. As members of the Management Board, we want to do everything to maintain this culture. We are convinced that directing focus and



*“Prinzhorn stands for integrity. We care for personal development and promote a sustainable growth mindset.”*

HARALD GANSTER / CHAIRMAN  
MANAGING DIRECTOR PRINZHORN HOLDING / DIVISION CONTAINERBOARD



*“Our strength is our integrated business model: resilience and reliability through the connection of our business units, that form a closed loop.”*

MAX HÖLBL  
MANAGING DIRECTOR PRINZHORN HOLDING / DIVISION PACKAGING

investment increasingly towards sustainable action will materialise and lead to concrete investment projects, advancements, and further steps that have a notable positive impact on this process. The Group's significant expansion in recent years has supported our attitude and thinking, and we are fully determined to put everything in place to make sustainability a key target of our overall business strategy, thereby advancing the sustainability process within an economically achievable scope.

#### “We will.”: grow sustainably

Prinzhorn Group is determined to stay well positioned in our core markets and to improve alongside industry standards concerning CO<sub>2</sub> emissions, as we point out in the Environmental, Social and Governance (ESG) section of this report. We are currently witnessing how the topic of sustainability – including regulatory and public concerns around energy consumption, carbon emissions and single-use packaging waste – is combining with a number of powerful market trends. The increasing demand for green strategies and the continual development of

sustainable packaging resources reducing the impact on nature and the environment have acted as major tailwinds. All these developments make us optimistic that we can grow sustainably.

#### Our next big steps

Going forward, we set sail further towards our ESG strategy and overall sustainability targets. At the heart of our commitment is our circular business model, which ensures that all our designs start with the closed-loop model in mind. Moreover, it will be important to focus on the following critical success factors on our journey: a clear methodology on how to benchmark our products in terms of sustainability, cost and convenience; an understanding of the full opportunities the market offers us; innovation throughout our value chain along with having the right partnerships in place to respond to increasingly sustainable



*“Recycling is a matter that concerns everybody. With education, service and competence we form wastestreams into secondary raw materials for a better future and the circular economy.”*

ANDREAS WALSER  
MANAGING DIRECTOR PRINZHORN HOLDING / DIVISION RECYCLING



*“Prinzhorn Group has been growing significantly and steadily. Reliability, sustainability and passion accompany us on that journey.”*

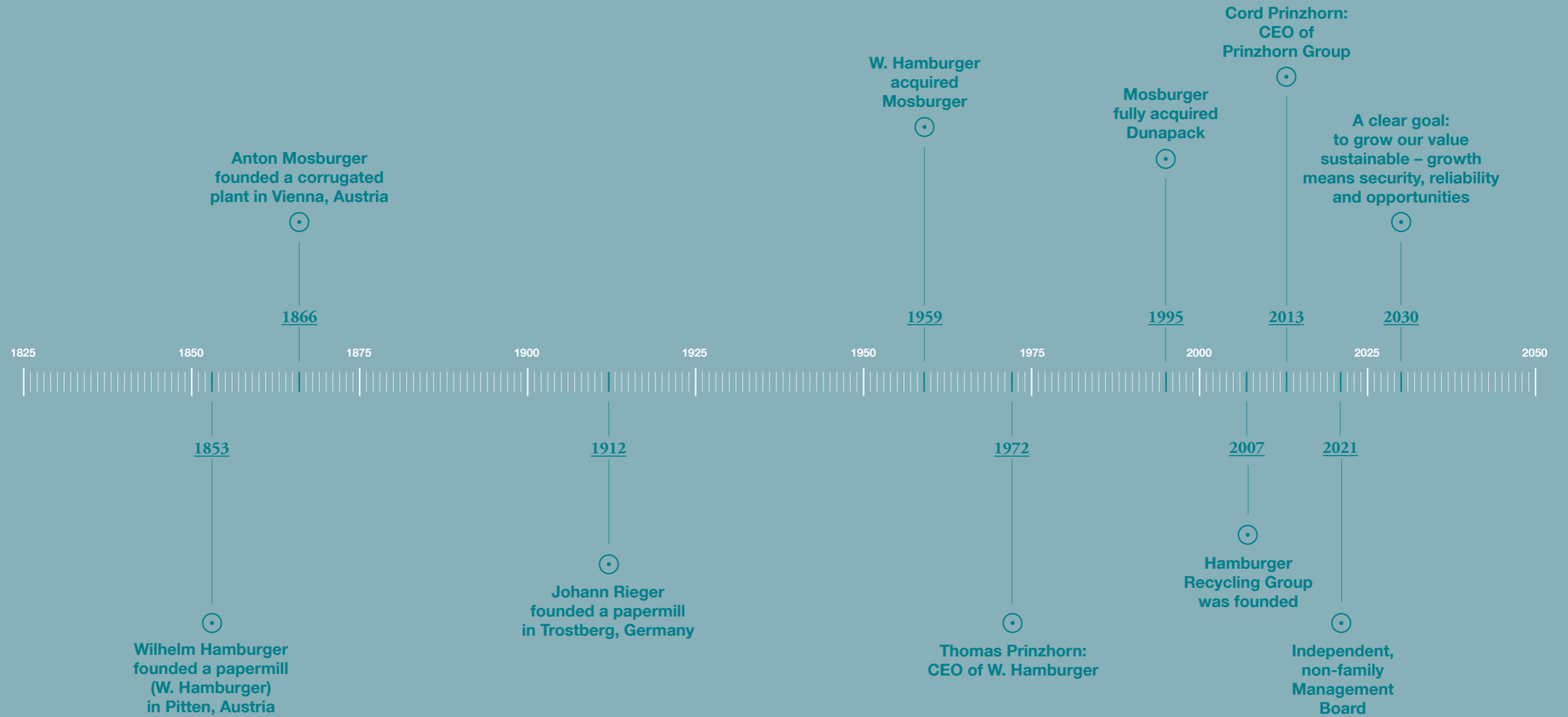
MICHAEL SCHÜTZ  
CFO PRINZHORN GROUP

customer demands. Our next big steps in 2022 and the following years will touch upon materiality analysis where we aim to further engage with our stakeholders and integrate their interests with our core business so as to maintain our stable customer relations and financial partnerships. Delivering on the UN Sustainable Development Goals (SDGs) is another clear commitment of ours for the next few years to come. The sustainability reporting process by means of the Global Reporting Initiative (GRI) framework will help us constantly look at where the most gains have been made and where we still need to catch up, always within our economically achievable scope. Last but not least, our vision to champion sustainable services and environmentally sound solutions through a strong ESG performance is reflected in our strong claim: “We will.”

#### Yours

Management Board of Prinzhorn Group  
Vienna, 1 July 2022

# A modern company with a long tradition and a clear goal for the future



# About Prinzhorn

Harmonious coexistence with the environment is one of the cornerstones of Prinzhorn Group's philosophy, along with thinking long term and acting responsibly. We are committed to continuously improving our environmental, social and cultural activities to achieve sustainable growth. Our long term growth strategy focuses on maximising customer satisfaction through proud employees that strive for continuous improvement and the creation of value-added products. Decision-making processes across all divisions of Prinzhorn Group take economic, social and environmental criteria into account.

Circular products – fully recyclable products and almost all of them made of recycled materials – are core to our company purpose and make up for a huge percentage of our revenues. Despite the adverse effects of the global public health crisis on the markets we operate in, and despite increasing raw material and energy prices, Prinzhorn Group saw a very good financial performance in 2021. Prinzhorn Group will continue to be a reliable partner in ensuring that all our business activities contribute to a better world, a greener environment and a sustainable future.

## Organisational structure

The family-owned Prinzhorn Group has its headquarters in Vienna (Austria) and is organised in three divisions: Dunapack Packaging (corrugated packaging solutions), Hamburger Containerboard (production of containerboard) and Hamburger Recycling Group

(collection of and trading in secondary raw materials). All shares of Prinzhorn Holding GmbH are held by the Thomas Prinzhorn Private Foundation.

With around 10,000 employees in 16 countries, Prinzhorn Group is a European market leader in the packaging, paper and recycling industry. With an annual turnover of EUR 2.3 billion in 2021, the Group ranks fourth in Europe's recycled corrugator case material (RCCM) producer segment.

The Group's customer base is broadly diversified. In the packaging business, Prinzhorn Group has around 10,000 active customers. In addition, the Group supplies around 250 European packaging manufacturers with corrugated base paper. None of our customers have a higher share in our overall sales than 5%.

Prinzhorn Group has locations in 16 countries: Austria (Headquarters), Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Greece, Hungary, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey, Ukraine.

## Activities, value chain and business relationships

### Our vision and mission

As leading provider of corrugated base paper produced from recycled paper, we are passionate about giving our

customers the best recycling, paper and packaging solutions. Our mission is to recover valuable raw materials and optimise the value chain for our customers. We produce advanced recycled containerboard to exceed customer expectations and deliver innovative and competitive packaging solutions for our customer-centric supply chain.

Our core values define the way we do business and how we want to be seen by our stakeholders.

- ✓ We enjoy contributing to our customers' success.
- ✓ Our innovations drive customer solutions.
- ✓ We treat each other and our environment with respect.
- ✓ Our success is based on our team spirit and entrepreneurship.
- ✓ We promote sustainable employee development.

### Our value chain

The Group's entire value chain is covered by a vertically integrated business model, which results in positive return effects and a particularly balanced risk profile. Ultimately, our business model consists of an integrated system of containerboard mills and corrugated box plants where the recycling division provides raw material to the containerboard mills. These then produce a full line of containerboard that is converted into corrugated containers. This vertically integrated business model is the key to guaranteeing security of supply to our customers and enables us to drive efficiencies across the whole supply chain by means of technological advances, paper machine optimisation and logistics management. Thanks to this integrated business model, Prinzhorn Group can offer optimal paper and packaging design, high-level product quality and logistics solutions. The Group has a comparatively low exposure to containerboard price volatility and its integrated structure provides a stable product outlet in times of market volatility.

## Hamburger Recycling

The Hamburger Recycling Group closes the loop between packaging production (Dunapack Packaging) and paper production (Hamburger Containerboard) within Prinzhorn Group. Core competencies are the collection,

treatment, trade and transport of recycling materials. Currently, approximately 796 employees at 34 locations in 12 countries produce over 1,6 million tonnes of high-quality secondary raw materials and commodities. Continuous investment in the collection, separation and treatment of recycling materials ensures the supply of high-quality secondary raw materials and commodities to the company's own plants and to external industry partners. The Hamburger Recycling Group focuses on new projects (green field) as well as on the acquisition and integration of existing companies (brown field) into its divisional structures. The company's main aspiration is the expansion of disposal services for retail and wholesale trade, industry and communities.

## Hamburger Containerboard

The companies of Hamburger Containerboard are among the leading producers of high-quality corrugated base material products in Europe. For Prinzhorn Group, the 1,655 employees of this division produce more than three million tonnes of paper annually, which is almost entirely made from recovered paper. At 7 locations in 4 countries, Hamburger Containerboard produces brown and white uncoated papers, white coated papers and plasterboard liner. A one-stop-shop distribution system offers customers a market- and future-oriented range of high-quality corrugated case material products. AustroLiner, RiegerCoat, SpreeWhite and SpreeGips brands are well known and valued all over the world. Expansion of the product range to include light surface weight products rounds off the range of case material products made from recovered paper. Key elements of the corporate strategy are a focus on innovative technology and production processes, combined with a high regard for ecological processes. The principles of acting with "flexibility – commitment – customer orientation" allow all employees to pick up on customers' wishes quickly and process them with a high level of efficiency.

## Dunapack Packaging

Dunapack Packaging stands for innovative and competitive corrugated packaging solutions. With more than 4,525 employees, 20 plants in 10 countries, and a sales volume of around 3 billion square metres, the company is one

## 01 / ORGANISATION CHART



of the market leaders in Central and Eastern Europe, serving local and international customers. Dunapack Packaging's target is to reinforce and expand our position through customer proximity, flexibility, and reliable first-class service. Employing the most modern technology helps us produce tailor-made packaging solutions with the highest print quality. Full recyclability and resource optimisation represent primary factors when designing our products. All our products are 100% recyclable and our raw materials consist mainly of recycled paper.

### Prinzhorn Holding

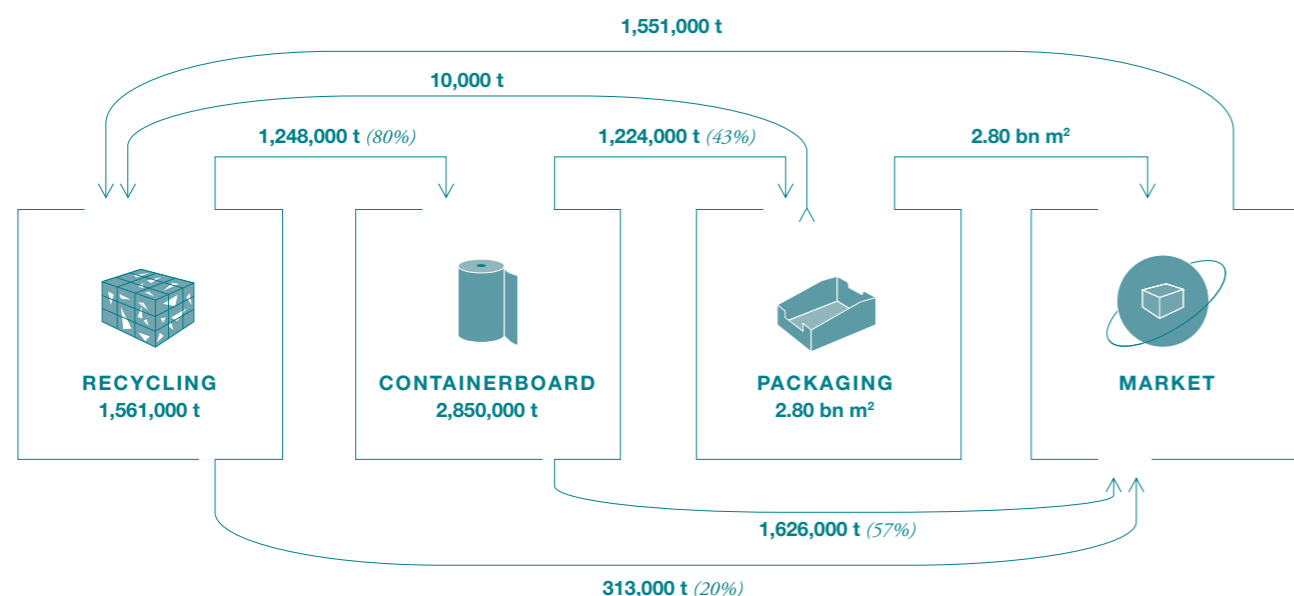
As the strategic parent company of Prinzhorn Group, Prinzhorn Holding GmbH is determined to set the direction for the Group and to offer its subsidiaries the best possible service and support in implementing projects related to IT, Human Resources, Business Development, Internal Audit, Marketing and Finance. The overall aim is to manage projects and provide services in a customised and customer-oriented manner. The main customers of Prinzhorn Holding GmbH are the operating divisions and profit centres of Prinzhorn Group.

Projects of any kind that involve Prinzhorn Holding GmbH are subjected to an impulse process aimed at identifying and prioritising the projects that generate the greatest added value for Prinzhorn Group. Day-to-day business in the field of IT, Finance and HR is concentrated in a service organisation that provides tailored services for our operating units and continuously improves them.

### SFT Group

In fiscal year 2019, Prinzhorn Holding GmbH acquired a 50% stake in the Russian SFT Group. SFT is one of the leading Russian companies in the paper & packaging sector with approximately 2,500 employees and generated sales of EUR 411 million in 2021. This makes SFT a major market player in Russia and the market leader in its business segment. With its legal entities, the SFT Group operates in the Containerboard, Packaging and Recycling business segments. The four main production sites are located in the European part of Russia, in Kuvshinovo (north of Moscow), in Aleksin (south of Moscow), in Taganrog (west of Rostov) and in Maykop (south of Krasnodar).

## 02 / VALUE CHAIN



### Events after the balance sheet date

Since February 24, 2022, Europe has been in Ukraine-crisis mode. The Prinzhorn Group is directly affected by this conflict with its investments in Ukraine. Dunapack Packaging operates a processing plant in Kodoriv (near Lviv) and a fully equipped corrugated board plant in Oleshky (near Kherson). In total, Dunapack has about 450 employees in both plants, whose lives and safety are the highest priority of the Prinzhorn Group and management in these weeks. Many Ukrainian colleagues and/or relatives of Ukrainian colleagues are in the care of our Group companies in Poland, Romania and Hungary at the time of writing this report. A donation fund has been set up and already endowed by many colleagues from the entire Prinzhorn Group.

Prinzhorn Holding GmbH itself will also contribute a significant amount to the donations, which will be made available exclusively to the Ukrainian colleagues both as emergency aid and for the reconstruction of their private living situation after the conflict. Economic impact on the Prinzhorn Group: At the beginning of the conflict, operations were stopped at both Ukrainian plants.

While the plant in Oleshky is still idle at the time of writing, production in Khodoriv has resumed, currently with a production volume of approx. 25% of the pre-crisis level. In full operation, both plants generate approximately 2% of Group sales. In view of the Ukraine conflict, the Covid-19 pandemic has taken a back seat in the media. The very good results of the year 2021 show that the Prinzhorn Group has proven to be crisis-resistant in this respect and we continue to take all necessary measures to protect our employees and our corporate group in the best possible way. Since the beginning of the year, we have seen particularly high volatility in energy prices, which we have so far been able to pass on to the market in selling prices, not least due to largely good demand for our products.

From the point of view of company law, the main events worth mentioning are: The sale of the shares in MeinAlpenstrom GmbH and the upstream merger of the subsidiary Prinzhorn Treasury GmbH into Prinzhorn Holding GmbH by way of universal succession, as well as the acquisition of additional shares in the amount of 1% in LLC SFT Group, Russia. All transactions were completed in the first quarter of 2022.

# Prinzhorn Group

# ~10,000

employees

# 16

countries

# 100

percent recyclable products

# 2.3

billion EUR net revenue

# 3

billion m<sup>2</sup> of packaging

# 3

million tonnes recycled corrugated case material produced (incl. SFT)

# 97

percent recycled key raw materials

# Regional market leader CEE





# Sustainability at Prinzhorn Group

## Sustainability is the core of our daily business

At Prinzhorn Group, we closely observe all environmental, social and market developments – always with the aim of responding to them proactively. Running our operations in a sustainable, environmentally sound and efficient manner is key to our success. With our closed-loop business model we are committed to curtailing the adverse effects of non-degradable materials on the environment and further accelerating the environmental transition across our divisions and local plants. In recent years, the rising demand for green and eco-friendly paper and packaging solutions and recycling services has reinforced our efforts to provide always better and greener answers to sustainability-related questions and requests from our customers.

### 03 / CRITERIA OF DECISION-MAKING PROCESSES



We are proud that we have always pursued a sustainable business approach and that decision-making processes in all three divisions of Prinzhorn Group take economic, social and environmental criteria into account. Circular products are core to our company purpose and our value chain is already inherently circular. Our revenues can be associated with products that are both recycled and further recyclable. Ultimately, we believe that this is a good moment to share our sustainable business activities with you.

Through becoming ever more sustainable we also want to emphasise our role as a trusted business partner. We want to be recognised as a sustainable and reliable business partner by all our stakeholders. And we want to share our passion for what we do: living the cycle and contributing to a bright future with sustainable products.

## We set tangible targets in our first ESG report

We are committed to setting tangible sustainability targets and to launching a more systematic sustainability management approach. With this groupwide Environmental, Social, Governance (ESG) report we want to demonstrate our commitment. This first ESG report aims to give an insight into how we approach sustainability within Prinzhorn Group and to show how we want to proceed on our sustainability journey. To support our sustainable growth, we are currently in the process of implementing an ESG-based organisational structure, which will allow us to evaluate, improve, and communicate our performance on an annual basis.

### Report Scope

As shown in the chapter [About Prinzhorn](#), Prinzhorn Group consists of:

- ✓ Hamburger Recycling
- ✓ Hamburger Containerboard
- ✓ Dunapack Packaging
- ✓ SFT
- ✓ Prinzhorn Holding

In Scope:

- ✓ Hamburger Recycling
- ✓ Hamburger Containerboard
- ✓ Dunapack Packaging

Not in scope, but will be included in the future:

- ✓ SFT Group (majority shareholder since 2022, thus in future within reporting scope) – SFT is described in the overview topics, but not further described within the material topic section. The consolidated data therefore does not include SFT, with the exception of the total number of employees and financial performance.
- ✓ Forstverwaltung Neuhaus GmbH

## We don't just talk: No to greenwashing!

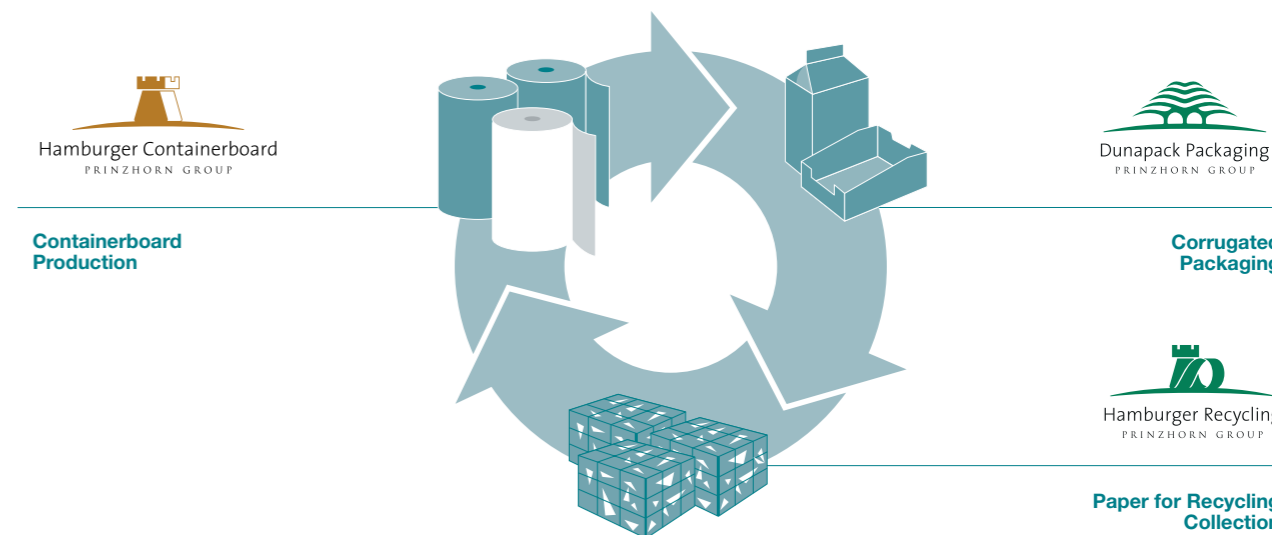
As a Group, we are fully dedicated to improving our practice day by day, across all three divisions, by intensive collaboration and by making strategic investments

and acquisitions. At the same time, we put the focus on improving our products and on the launch of greener technologies.

While converting our sustainable ambitions into actions every day, we continually aim at embedding the concept of sustainability into the core of our Group's cross-divisional, cross-market operations and supply chains. To support and accelerate this process, we have launched a broad de-siloing initiative within Prinzhorn Group and started building a powerful ecosystem of aligned practice and expertise across our geographically dispersed local players.

We really want to emphasise that Prinzhorn's sustainability journey is fully driven by the authentic wish to build a sustainable, more prosperous and fairer economy and society. With this in mind we have been pursuing one major goal: to continuously fulfill the needs of our markets and stakeholders and how we can best serve them. This ambitious target implies offering the best sustainable product or service.

### 04 / RECYCLING LOOP



## We care about the environment: 100% recyclable solutions

Our entire business activities are based on a sustainable value chain, from the procurement of raw materials to marketing and sales. We are committed to continuously improving our company's environmental activities and reducing the adverse environmental impact of production through our circular product design with its clear focus on the full recyclability of materials, reduced energy consumption, efficient energy use and material savings, in combination with the highest commercially achievable standard of technology.

What is more, we strive to present environmental protection as an important cause to our customers. Transparency, open sharing of information and mutual trust are the basis for effective cooperation, including efficient environmental protection.

## What we stand for: closed-loop recycling

Every member of Prinzhorn Group puts great emphasis on reducing their ecological footprint and on further improving our already high internal environmental protection standards. The overall goal of our energy-saving

investments and endeavours to use renewable resources is to achieve the most environmentally friendly production and to increase the self-sustainability of the individual factories.

Our closed-loop business model puts a clear focus on the full recyclability of materials, efficient energy use and material savings. The vertically integrated business model is the key to guaranteeing security of supply to our customers and enables us to drive efficiencies across the whole supply chain by means of technological advances, paper machine optimisation and logistics management.

### Our approach: we emphasise stakeholder dialogue

This first Environmental, Social, Governance (ESG) report is a true milestone on this path and we are motivated to enhance our reporting efforts, implement our groupwide sustainability strategy as well as extend our ESG efforts.

We have already implemented a cross-divisional ESG management system to strengthen our groupwide efforts and continually improve them. For this, we have partnered with an external expert consultant to build an effective ESG structure that meets the highest standards throughout all business units and across all hierarchical levels. As a first step, we carried out an in-depth 360-degree analysis to understand and map our stakeholder requirements, to specify our most important material topics, and to assess the relevant maturity level. Analysing the requirements of our investors, clients, business partners and internal stakeholders allowed us to determine all relevant material topics and define an effective process for implementing a systematic ESG structure, with the goal to further assess our stakeholders' perspectives and the impact of the topics. This process involved assessing survey questionnaires, evaluating interviews with stakeholders, and analysing standards as well as regulatory trends.

The result is a comprehensive matrix showing the materiality of the different topics and the material topic list of this report. In addition, a maturity assessment of Prinzhorn Group and its divisions was performed for each material topic.

### Material topics

#### Environment

- ✓ Raw material origins
- ✓ Material efficiency and substances of concern in production
- ✓ Energy usage and CO<sub>2</sub> emissions
- ✓ Water and effluents during the production
- ✓ Eco design of products

#### Social

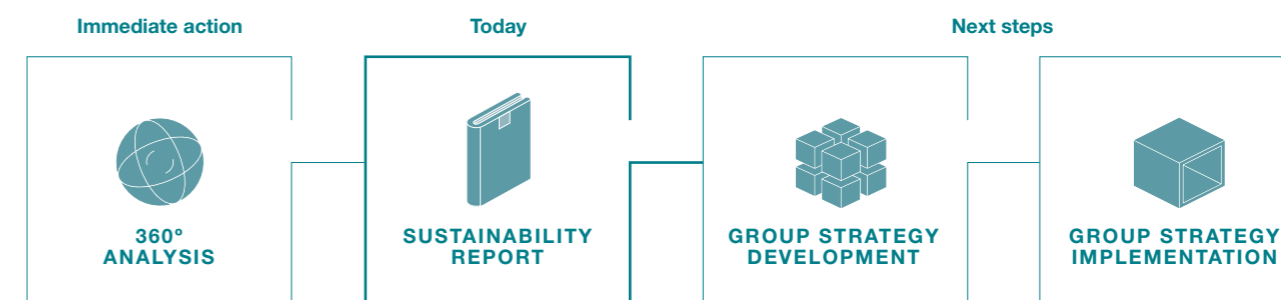
- ✓ Occupational health and safety and human rights
- ✓ Wages, work-life balance and employee wellbeing
- ✓ Diversity and equal opportunities
- ✓ Employee development and training
- ✓ Social commitment, partnerships and transparency

#### Governance

- ✓ Governance, tax and anti-corruption
- ✓ Material compliance, safe products and customer health and safety

Based on this comprehensive list of topics, we conducted a thorough peer-analysis that helped us to elaborate on our current maturity and to benchmark each topic with our industry peers; and consequently to learn more about our strengths and our potential for improvement. Further analysis, consolidation and structuring can help us define immediate, mid-term and long term actions that are to be pursued.

## 05 / OUTLOOK



### Outlook

As a next step we plan to implement materiality analysis compliant with the Corporate Sustainability Reporting Directive (CSRD) based on an augmented, in-depth stakeholder participation process. We also plan to conduct a sustainability impact analysis to assess the environmental, social and financial impacts of each material topic.

### Materiality analysis

The materiality analysis will allow Prinzhorn Group to further focus on essential sustainability topics and to identify the sustainability impact as well as internal and external stakeholder expectations. This materiality analysis will build upon the value chain and thematic landscape and provide a strong foundation for a comprehensive groupwide sustainability strategy with concentrated efforts to improve every year in what we do and how we do it.

We strive to always better understand and support the sustainability efforts and targets of our clients, employees, business partners and communities. After all, our reputation as a reliable and trusted business partner and our long-term thinking has always been the very foundation of our growth and financial health.

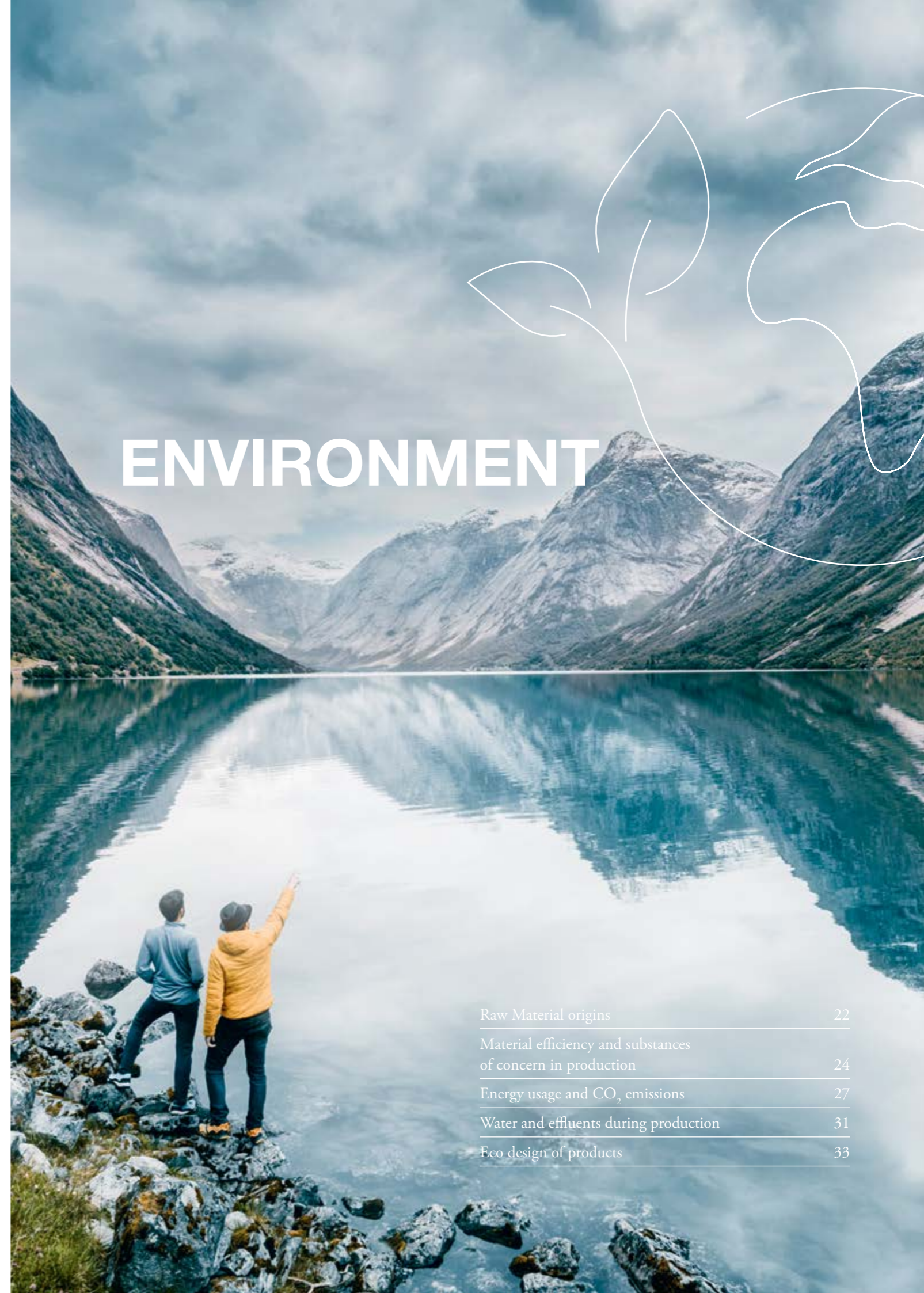
In this process, we will involve the core stakeholders who were part of the 360 degree analysis:

- ✓ Company management
- ✓ Employees (experts for different topics)
- ✓ Clients
- ✓ Authorities and regulatory entities
- ✓ Banks
- ✓ Business partners
- ✓ External experts

If you have any questions about this report, please contact [sustainability@prinzhorn-holding.com](mailto:sustainability@prinzhorn-holding.com).

# Material topics

Material topics	Description topics	Section/Page
<b>Environment</b>		
Raw material origins	This topic describes to which extent the raw material is sourced from a sustainable origin. It includes for example material traceability, the amount of recycled material or the amount of certified material. It includes all sustainable procurement efforts and environmental aspects in the supply chain.	<b>Environment</b> P. 22
Material efficiency and substances of concern in production	This topic covers the waste generated from production, the extent of material efficiency in production and the amount of recycled material used in production. It also covers the pollutants (substances of concern) used in production processes and emitted to air or water. For example the amount of local emissions other than CO <sub>2</sub> .	<b>Environment</b> P. 24
Energy consumption and CO <sub>2</sub> emissions	Energy use and energy efficiency in production, this includes especially the amount of energy (electricity, fuel oil, natural gas, etc. used in production, as well as the type of energy used: split of energy sources by renewable and non-renewable). This topic also covers the amount of CO <sub>2</sub> emissions emitted by production.	<b>Environment</b> P. 27
Water and effluents during the production	This topic includes the amount of water usage and water efficiency in production, as well as the volume of waste water.	<b>Environment</b> P. 31
Eco design of products	How product managers, product designers, product developers make sure their product is eco-friendly in its entire life cycle. This topic refers specially to measures for improving the environmental footprint of a product.	<b>Environment</b> P. 33
<b>Social</b>		
Occupational health and safety and human rights	Occupational health and safety covers all aspects of health and safety in the workplace (all employees and visitors). It strongly focuses on the prevention of hazards. This topic also covers aspects in the supply chain such as human rights.	<b>Social</b> P. 36
Wages, work-life balance and employee wellbeing	This topic refers to employee satisfaction, which includes creating a working environment that allows employees to flourish and to achieve their full potential. Additionally, this means freedom of association for all employees, employment security, fair wages / benefits. Also balanced working hours & conditions to promote a good life balance.	<b>Social</b> P. 39
Diversity and equal opportunities	This topic covers diversity and equal opportunities for employees. Diversity encompasses aspects such as appreciation regardless of gender, culture, language, religion, and age. Access to education and training opportunities is offered to all employees. Also, anti-discrimination at the workplace & providing a harassment-free environment.	<b>Social</b> P. 44
Employee development and training	This topic describes development and training opportunities and participation rates for all employees.	<b>Social</b> P. 46
Social commitment, partnerships and transparency	For the community/society around the Prinzhorn locations: social dialogue, social engagement in the community, providing responsible information, dialogue with stakeholders	<b>Social</b> P. 49
<b>Governance</b>		
Governance, tax and anti-corruption	This topic includes corporate governance, which is characterised by not only complying with applicable laws, but also setting self-imposed standards and corporate values that define morally responsible action. This includes anti-corruption measures, anti-competitive practices and business ethics.	<b>Governance</b> P. 52
Material compliance, safe products and customer health and safety	This topic covers the inspection of pollutants/substances of concern in products. It also aims to ensure customer health & safety when using finished products.	<b>Governance</b> P. 55



# ENVIRONMENT

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# Raw material origins

## Our impact

In our supply chain, fresh fibres play a minor role, since they are used only for kraftliner at Dunapack Packaging. By far the most fibres are sourced as secondary material, i.e. recovered paper that has already been used by the end consumer.

Generally in the pulp and paper sector the origin of raw materials plays a crucial role. From an environmental perspective, negative environmental impacts can potentially occur due to illegal logging in the timber supply chain, particularly in risk areas for corruption. This can lead to deforestation and destruction of nature conservation areas and consequently a loss of biodiversity. Unsustainable forest management, such as clearing, can damage forest ecosystems and the livelihood of local communities, causing potential negative social impacts that we try to avoid wherever possible to our responsibility for the areas and locations we are operating in. There are potential negative impacts due to missing labour or safety regulations and violations of human rights.

Secondary raw materials are a sustainable raw material source, significantly reducing the above-mentioned impacts and also causing positive social and economic impacts by retaining the inherent value of a material longer and conserving fresh resources.

## Our approach

At divisional level, potential negative impacts on the environment and society are prevented by introducing corresponding standards and certifications. Current developments in legislation on due diligence in the supply chain will have a certain influence on our future procurement and logistics activities. Only recently, the COVID-19 pandemic has shown that there is great uncertainty for companies and supply chains worldwide. We will continue to proactively monitor the market, work hard on stable business relationships and strengthen diversification of supply chains so we can respond as quickly as possible to shortages and thereby reduce potential risks for our company. Opportunities lie in our customers' increasing awareness and the associated positive effects on demand. A detailed overview of the certifications can be found in the chapter [Sustainability at Prinzhorn](#).

### Hamburger Containerboard

Hamburger Containerboard has multisite FSC® (Forest Stewardship Council® FSC®-106599) certification for Germany, Hungary, Austria and Turkey since 2018. FSC® claims used are FSC® Recycled, FSC® Mix and FSC® Controlled Wood.

In addition, plants work according to the European Timber Regulation (EUTR). This includes the calculation of risks when wood products (e.g. virgin fibres) are imported to the European markets for the first time. Risks are minimised by FSC®-certified fibres and a risk analysis of “preferred by nature”.

Hamburger Containerboard also minimises potential negative impacts by buying raw materials according to EN 643 which defines the standards for recovered paper. This European standard determines grades of paper and board for recycling when it is to be used in the manufacture of paper and board products in the paper industry. It also specifies tolerances for unwanted materials as well as the composition of paper and board for recycling. Unusable materials (prohibited and unwanted materials) are clearly defined for all those involved in the management of paper and board for recycling.

### Dunapack Packaging

For the whole division, paper and packaging has FSC® certification\*. The FSC® Chain of Custody certification provides a credible assurance that products sold with an FSC® claim originate from well-managed forests, controlled sources and reclaimed materials.

For the whole division, the procurement of recycled paper is prioritised over fresh fibre. Consequently, testliner paper is preferred as it consists of recycled paper and is bought by Hamburger Containerboard. Thus, sustainable sourcing is assured and forests and biodiversity are protected due to reduced use of primary raw materials.

While all plants are ISO certified, some countries are applying even further standards such as BRC. To comply with these, the material flow within the company from stock receipt to dispatch of finished goods is traced. These traceability tests take place in two directions and cover the tracing and identification of the raw materials used in each production process stage. In Vienna, traceability is ensured by the ERP system that traces materials back along the whole production route.

## Our performance

### Our KPIs

Please see figure 06 on page 22.

### Our targets

#### Hamburger Containerboard

Hamburger Containerboard has set itself the target of being fully FSC®-certified in the near future. A 100% FSC® Recycled certification for all grades should be reached in 2023. For plasterboard, this is also planned for the near future.

## 06 / SHARE OF FSC® CERTIFIED PRODUCTS

in percent



\* Share of FSC®-products sold among total production quantity / \*\* Share of FSC®-material input among total input in production

\* Plant name, Certificate Code, License Code: Dunapack Tavrria (Oleshky), FSC®-C138911, FC-COC-804659 / Dunapack Ukraina (Hodoriv), FSC®-C138911, FC-COC-804659 / Mosburger GmbH Werk Straßwalchen, GFA-COC-002444, FSC®-C112436 / Dunapack Rambox Prodingpex (Romania), SGSCH-COC-010412, FSC®-C124538 / Valoviti papir-Dunapack (CRO), DNW-COC-001425, FSC®-C133985 / Dunapack Eurobox (Ujazd), FSC®-C116625, SGSCH-COC-070024 / Dunapack Eurobox (Lubliniec), FSC®-C116625, SGSCH-COC-070024 / Dunapack GmbH Mosburger Wien, GFA-COC-002445, FSC®-C112545 / Dunapack Kft (Hungary), SGSCH-COC-009864, FSC®-C116354 / Dunapack Packaging (Turkey-Adana plant), TUEV-COC-001594, FSC®-C154577 / Dunapack Packaging (Turkey-Denizli plant), TUEV-COC-001303, FSC®-C142578 / Dunapack Spremberg GmbH & Co. KG, GFA-COC-002447, FSC®-C112543 / Dunapack Packaging (Turkey-Corlu plant), TUEV-COC-001411, FSC®-C145487 / Dunapack Packaging Hellas, TAH-COC-057678, FSC®-C130221 / Dunapack Packaging (Turkey-Eskisehir plant), TUEV-COC-001322, FSC®-C143138 / Dunapack Packaging (Rodina, Plovdiv), TUEV-COC-001065, FSC®-C137176.

# Material efficiency and substances of concern in production

## Our impact

Our most important raw material is a used and recyclable resource, which contributes to the circular economy and ultimately reduces the economy's resource intensity. However, the production of cardboard and packaging products still generates some types of waste. Major waste types are sludge from the waste water treatment plants and used cutting dies. In addition, this topic covers our air and water emissions, which originate mainly from power plants and wet processes in cardboard production.

Generally speaking, landfilling materials instead of recycling them leads not only to resource scarcity and loss of natural land, but possibly also to the ecological impacts of improper final disposal. Negative environmental impacts could also occur due to the emissions to air and water. If no measures are taken, the economy may also be negatively impacted due to rising costs of environmental protection. We reduce these potential negative impacts on a broader level by adopting a circular business model, and on a more direct level by taking appropriate measures in resource efficiency, waste management and emissions reduction during production to a very high extend. More information on circular economy-measures can be found in the chapter [Eco Design of products](#).

## Our approach

Environmental protection and careful use of natural resources have top priority among the corporate objectives. In accordance with the waste hierarchy, every division therefore prioritises waste prevention over recycling and disposal, thus seizing the opportunity of a resource-efficient production.

## Hamburger Recycling

At the heart of a recycling company lies the prevention of waste by collecting and sorting material, thereby keeping the material in the cycle and upgrading its value to facilitate an additional use cycle. However, even when dealing with a secondary resource it is important to do so carefully. Hamburger Recycling ensures material efficiency and the minimisation of substances of concern by implementing different kinds of certifications. Examples are the ISO 9001 and ISO 14001, which are implemented in Turkey, Bulgaria, Hungary, Croatia and Romania. Thus, Hamburger Recycling ensures the compliance with international standards for quality management systems. A detailed overview of the certifications can be found in the chapter [Sustainability at Prinzhorn](#).

Our business in Turkey has a zero waste certification as well as a zero waste consultancy function.

In addition to these certifications, Hamburger Recycling has introduced different kinds of initiatives at local level to increase people's awareness on handling of waste, sorting and re-use for the benefit of all of us. These include awareness-raising campaigns in Poland, Romania, Bulgaria and Serbia, waste collection initiatives in Poland and Romania and paper recycling support at elementary schools in Slovakia. In Romania, for instance, action to green a forest near Cluj was taken which included partners from several schools in the city. The goal of the action was to clear the forest of non-degradable materials. In Serbia, informing, educating and raising awareness of sorting waste and recycling takes place when new contracts are concluded with suppliers.

## Hamburger Containerboard

Hamburger Containerboard carries out various measures locally to ensure material efficiency in production, especially by ensuring the return of production waste to its own production processes. High quality and efficiency are ensured by certification according to ISO 9001 and ISO 14001. The handling of hazardous materials (e.g. used



oil) in particular is regulated by instructions within the framework of ISO 14001 certification. In addition, there are several material balance KPIs to ensure material efficiency. KPIs are monitored and reviewed in monthly meetings at each mill. Corresponding values and goals are defined at each site.

In Trostberg (Germany) and Pitten (Austria) paper for recycling at the factory is collected in containers and re-used in production. In addition, the own packaging sends clippings directly back to the paper mills. At some locations cooperation also exists with municipalities and local disposal companies. The cooperation includes taking over and using Paper for Recycling in the companies' own production.

In general, rejects from the paper mills in Austria, Hungary and Spremberg (Germany) are sent to power plants in Hungary and Spremberg for use as an energy source.

## Dunapack Packaging

Nearly all locations of Dunapack Packaging are certified with ISO 9001 and ISO 14001 and thus a high level of quality management and efficiency is ensured. A detailed overview of the certifications can be found in the [appendix](#). The whole division always uses testliner instead of kraftliner wherever appropriate, as it consists of recycled paper and is bought from Hamburger Containerboard.

At divisional level, Dunapack Packaging introduced a material efficiency squad, a project team that aimed to increase the sustainability of the industry through a Raw Material Efficiency project. The project included large work packages to reduce virgin paper consumption, use recycled paper more efficiently, decrease waste and to reduce energy consumption in the reprocessing process. Meetings were held almost every day and new insights were shared among the division by the Squad. The project started in November 2020 and finished in January 2022

when it was handed over to a community to follow it up and ensure that the improvements are sustained in the long term.

One common target of all plants is the reduction of waste. In order to track the development of this and find appropriate actions, proper monitoring is necessary. To this end, waste material balance is implemented as a steering model to control and reduce paper waste.

In all Dunapack Packaging plants, waste from paper and corrugated paper is collected in the production department and transferred to Hamburger Containerboard (HCB) and other producers for recycling. This helps to ensure the supply of paper for HCB and to avoid using virgin fibre papers.

## Our performance

### Our KPIs

Please see figure 07 below.

## 07 / WASTE AND MATERIAL EFFICIENCY

in tonnes and percent

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Waste</b>					
<b>Total waste generated</b>	<b>751,088</b>	-	21,022	595,849	134,217
non-hazardous waste generated	<b>689,982</b>	-	1,276	554,745	133,961
thereof diverted from disposal (%)	<b>52</b>	-	100	40	100
thereof directed to disposal (%)	<b>48</b>	-	0	60	0
hazardous waste generated	<b>61,106</b>	-	19,746	41,104	256
thereof diverted from disposal (%)	<b>70</b>	-	0	42	100
thereof directed to disposal (%)	<b>30</b>	-	100	58	0
<b>Material Efficiency</b>					
Fibre loss (wet) (%)	-	-	-	10	-

### Our targets

#### Hamburger Recycling

In order to improve material efficiency, Hamburger Recycling aspires to attain additional certifications. For the Varsak and Bursa depots in Turkey, certification according to TS EN 15713:2009 is planned by 2023.

#### Hamburger Containerboard

Hamburger Containerboard is trying to increase responsible consumption and production still further. This includes the recycling aspect in terms of consumption by consumers. Consequently, more opportunities to return paper for recycling will be created.

#### Dunapack Packaging

Dunapack Packaging has waste reduction targets in nearly all locations. The objective is defined for the net waste occurring within the plant and the development is assessed at least once a month with a limit value of usually around 10%.

# Energy usage and CO<sub>2</sub> emissions

## Our impact

Climate change is one of the biggest threats to today's society. As an integrated group, including Recycling, Containerboard as well as Packaging companies, we are aware that our activity has a significant impact on the climate by consuming energy to generate process heat. By using electricity and in logistics and we have to take responsibility therefore. In addition, the emissions emitted upstream and downstream along our value chain have an impact on global warming and are therefore part of our considerations.

By reducing energy usage and increasing energy efficiency in production, as well as using renewable sources of energy, we can have a positive impact on the environment, the economy and society and also make ourselves strategically more independent from fossil energy sources. Increased energy efficiency and use of renewable energies, along with modern systems, offer opportunities to further reduce emissions and the specific energy demand.

Furthermore, our products made of recycled paper are an alternative to fossil-based and non-renewable products. This means that we help our customers along the value chain, for example in the retail sector, to reduce their embedded CO<sub>2</sub> emissions. Thus, we have a significant positive impact not only on the environment, but also on society by offering alternative climate-friendly products.

## Our approach

The responsible management of energy consumption and avoidance of emissions are taken very seriously in the different divisions. Various measures and initiatives to reduce energy consumption and increase energy efficiency have already been implemented at divisional level to reduce our CO<sub>2</sub> emissions. Above all, environmental and energy management systems are increasingly being established. This allows us to secure the environmental standards achieved so far and guide further improvements. A detailed overview of the certifications can be found in the [appendix](#).

### Hamburger Recycling

To improve energy efficiency and achieve energy savings, Hamburger Recycling has implemented ISO 14001 in Turkey, Romania, Hungary, Croatia and Bulgaria. Appropriate measures and projects for reducing CO<sub>2</sub> emissions have therefore been introduced at a local level. The auditing takes place every year, guaranteeing compliance.

### Hamburger Containerboard

In order to secure qualified energy management, Hamburger Containerboard has certification according to ISO 14001 for the whole division and ISO 50001 for all sites in Hungary, Austria and Germany. Both environmental management systems are linked to higher energy efficiency and energy savings. To ensure the effectiveness of these systems, they are maintained constantly and are audited internally and externally every year. In addition, Dunaújváros in Hungary has been EMAS-certified since 2014.

The energy and emission savings that were achieved in recent years are mainly due to projects included in the ISO 50001 energy-saving programmes. Examples of concrete measures taken in our plants applying the above mentioned contemporary standards at different locations are listed below:

- ✓ Gelsenkirchen: changing lights to LED saved 257,931 kWh/y
- ✓ Spremberg: replacing an old water-ring air pump with vacuum blowers saved 1,192,800 kWh/y
- ✓ Trostberg: shutting off a refiner saved 840,000 kWh/y
- ✓ Pitten: reducing steam loss during paper breaks on the paper machine by using a new steam accumulator tank saved 43,000,000 kWh/y

**Dunapack Packaging**

Dunapack Packaging also has ISO 14001 and ISO 50001 certification at various packaging plants, ensuring that global requirements are met for protecting the environment and responding to changing environmental conditions in keeping pace with socio-economic needs. All the Hungarian plants – Budapest, Dunaújváros, Csepel – have ISO 14001 certification. In addition, all sites in Romania, Poland, Bulgaria, Turkey and Greece are ISO 14001 certified. Plants in Germany and Turkey (Eskisehir) additionally have ISO 50001 certification.

In order to reduce transportation emissions, smart swap agreements with paper suppliers exist. These agreements allow Dunapack Packaging to purchase kraftliner and semichemical products locally from market partners and sell Hamburger Containerboard paper to the market partners’ packaging plants in exchange. By buying locally, transports are minimised and thus emissions reduced.

In addition, Dunapack Packaging implemented various carbon reduction measures and initiatives at local level:

In Vienna, Straßwalchen, Denizli, Nyíregyháza, Eskisehir, Zabok, Sfantu Gheorghe, initiatives were launched to reduce CO<sub>2</sub> output by switching to LED lighting, optimising compressed air systems and heating systems by integrating the heating control into the building management system and exchanging cooling devices.

Thanks to these measures, the following savings have already been recorded:

- ✓ Compressed air optimisation: yearly reduction of 24,97 to CO<sub>2</sub>
- ✓ Exchange of cooling devices: yearly reduction of 147,51 to CO<sub>2</sub>
- ✓ Heating optimisation: yearly reduction of 76,14 to CO<sub>2</sub>
- ✓ Switch to LED: yearly reduction of 41,34 to CO<sub>2</sub>

In Germany (Spremberg), energy-related performance is being continuously improved. By using metrics, unused energy efficiency potentials are discovered and energy costs and greenhouse gas emissions are reduced. An energy manager and an energy team are appointed to implement energy management, and the workforce is actively involved in implementing the energy policy. Special energetic evaluations of all energy consumers in the company and energy performance metrics are also in place.

Two measures were implemented to improve energy-related performance in 2021:

- ✓ Inspection and repair of steam traps
- ✓ Extended applying of the compressor technology and usage of intelligent control system

This resulted in an improvement of the specific energy consumption per tonne of paper of 3.3% compared to 2020 and 6.4% compared to 2015.

For 2022, implementation of the energy monitoring system é.VISOR is planned. This will improve monitoring, energy management and energy efficiency evaluation.

**Our performance**

**Our KPIs**

Please see figure 08 below and 09 on page 30.

**Our targets**

All divisions are following their own specific goals at different locations in order to reduce emissions.

**Hamburger Recycling**

At Hamburger Recycling very specific goals are in place in Romania and Hungary.

**Romania**

- ✓ 2026: implement photovoltaic panels for all depots
- ✓ 2024: change the light sources to LED lighting, inside and outside, for all depots

**Hungary**

- ✓ reduce specific fuel consumption by 0.5% by 2022

**Hamburger Containerboard**

Hamburger Containerboard has ambitions in the following areas:

- ✓ Biogas: increasing the generation of biogas from sewage treatment plant.
- ✓ Biogenic content: increasing the biogenic content of refuse derived fuels in the EBS power plants.
- ✓ New technology: pushing new technology further by using hydrogen fuel for the fleet of forklifts and solar energy.

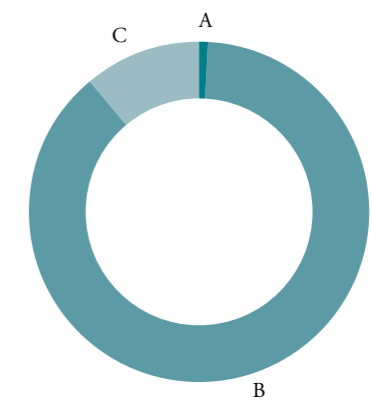
- ✓ E- mobility: increasing the number of e-forklifts from one (in Pitten) to three by next year. In the long term the number of e-forklifts is to be further increased.
- ✓ Affordable and clean energy: support use of sustainable sources, even though green energy might entail higher costs.

Austria has the target of reducing specific energy consumption by 50% by 2030 (baseline 1990). In Pitten, Austria, the phasing out of fossil fuels is scheduled for completion by 2040.

**Dunapack Packaging**

In Spremberg, Germany, a specific energy target for 2022 has been set, namely that the annual consumption savings through energy efficiency projects shall reach 300,000 kWh.

**08 / TOTAL ENERGY CONSUMPTION WITHIN THE ORGANISATION**  
*in Megajoule*



A	Hamburger Recycling	87,458,674
B	Hamburger Containerboard	13,432,265,107
C	Dunapack Packaging	1,513,426,197
	Total / Prinzhorn Group	15,033,149,977

**09 / ENERGY USAGE & CO<sub>2</sub>-EMISSIONS***in Megajoule and in CO<sub>2</sub>-equivalents*

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Fuels</b> <i>in Megajoule</i>					
Renewable	2,285,409,692	-	316,800	2,285,092,892	-
Non-Renewable	9,013,089,400	-	75,219,287	7,945,192,597	992,677,516
<b>Energy</b> <i>in Megajoule</i>					
Electricity	2,230,931,646	-	11,922,586	1,856,555,178	362,453,882
Steam	1,503,719,239	-	-	1,345,424,440	158,294,799
<b>Energy intensity</b> <i>in Megajoule/tonnes of produced product</i>					
Energy intensity ratio (energy efficiency)	-	-	191	5,720	373
<b>CO<sub>2</sub> Emissions</b> <i>in CO<sub>2</sub>-equivalents</i>					
Direct CO <sub>2</sub> emissions (Scope1)	759,253	-	5,553	697,694	56,006
Indirect CO <sub>2</sub> emissions for electricity generation (Scope 2, market-based)	405,611	-	1,251	351,962	52,399
Indirect CO <sub>2</sub> emissions for electricity generation (Scope 2, location-based)	331,494	-	1,256	277,782	52,456

# Water and effluents during production

**Our impact**

The efficient and effective use of water is mainly a topic of environmental concern during the containerboard production process, which requires water to dissolve the fibres. Potential impacts on the environment can occur not only due to the amount of fresh water used but also due to the quality of wastewater and emissions of pollutants into the water that leaves our plants. A potential negative environmental and social impact can occur if wastewater of insufficiently cleaned quality enters ecosystems, as water ecosystems could be damaged by overfertilisation and pollution. However, state of the art waste water treatment plants, efficiency measures and audits already implemented in this connection are avoiding this negative environmental impacts. In addition, we can reduce our costs by using water responsibly and more efficiently.

In terms of the amount of water used, there is a potential risk of water scarcity, especially in areas of precipitation deficiency. Even though our sites are not

generally located in these areas, water stress could still impact us economically in the future.

**Our approach**

Besides complying with legal requirements concerning threshold values, all divisions take appropriate measures to ensure high water-use efficiency during production as well as high-quality wastewater treatment. The general sustainable use of water as a resource and additional measures implemented are based on environmental management systems according to international standards and certifications. A detailed overview of the certifications can be found in the [appendix](#). There are specific procedures at divisional and site level to meet country-specific circumstances.

**Hamburger Containerboard**

Hamburger Containerboard prioritises efficient wastewater treatment in order to ensure the cleanliness of effluent water as well as clean and safe drainage systems for wastewater within the process.





Every mill with ISO 14001 certification was conducting six to ten projects to achieve improvements. Examples from the past and present are Pitten and Trostberg. In Pitten, Austria, the expansion of the water sewage plant (anaerobic sewage clarification) was implemented in 2019. In Trostberg, Germany, a project to stabilise the process in the wastewater plant is currently under way. In Austria, water is used from our own well, which is purified afterwards.

**Dunapack Packaging**

For the whole division, almost only water-based inks are used. In Turkey and Vienna, solvent-based inks may be used due to digital printing or the use of UV inks, but this accounts for only a minimal part of the total.

Water is used for colour mixing, for example, and is afterwards collected and treated for re-usage according to

legal requirements. In Poland as an example, water with the residue of dyes, lacquer and glue is isolated and purified by filtration using diatomaceous earth. Sludge is collected by an external company with the appropriate permits. Afterwards, the water meets the legal criteria for sewage and can therefore be discharged to the city sewage system.

**Our performance**

**Our KPIs**

Please see figure 10 below.

**Our targets**

Hamburger Containerboard has the target of further reducing water consumption and wastewater in the future.

**10 / WATER AND EFFLUENTS**  
*in m<sup>3</sup>*

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
Total water withdrawal	19,017,372	-	0	18,646,481	370,891
Total wastewater	-	-	0	14,832,454	-

# Eco Design of products

**Our impact**

Consumers, legislators, companies and financial institutions are increasingly focusing on the circular economy. Consequently, eco-design is also gaining in importance because the circular economy requires that environmental aspects are considered at every stage of the product development process and that products with the lowest possible environmental impact throughout the product life cycle are preferred.

With our integrated business model, which includes packaging, paper and recycling, we have already taken a big step towards a systematic approach and continuously improving the life cycles of our products. Our packaging materials, and especially their material value referring to the value of the substance as physical, recyclable substance, can be kept in circulation longer compared to linear business models. The high share of fibres from recycled paper used in containerboard and packaging production actively contributes to a circular use of natural resources.

The appropriate eco-design of our products gives us a great leverage for extending the useful life and thus reducing the ecological footprint of the product. That said, we remain aware that the production of our products involves a certain consumption of primary resources, for example, wood and starch. This can potentially have negative impacts on the environment and also on people living in extraction areas. However, opportunities for increasing the recovery of fibres arise in particular from technological progress.

**Our approach**

We do our best to increase our positive impact by applying eco-design measures. These measures include reducing the consumption of natural resources, using recycled and renewable fibres, conserving resources by ensuring the recyclability of our products and adhering to certain systems such as FSC®. The FSC®-share can be found in the chapter [Raw material origins](#).

All our divisions follow the concept of “avoiding waste by recycling before disposal”. The concept of a circular economy is also reflected in our Code of Conduct (CoC). The CoC states that eco-friendly design across all product life cycles is a key performance target of our Group business activity even at the product development stage.

Our divisions are focusing on appropriate measures to minimise the negative environmental impacts of manufacturing, using and disposing of our products. Cooperation between all divisions ensures that the concept of the circular economy is implemented.

**Hamburger Recycling**

Hamburger Recycling’s business model is based on the concept of the circular economy. Secondary raw materials for the international paper- and other industries are collected, sorted and traded and in this way Hamburger Recycling contributes to maximising the recycling of any raw material already in production processes and therefore reducing the use of primary materials introduced to the circle wherever possible and technically and commercially feasible.

**Hamburger Containerboard**

In order to contribute to a circular economy, Hamburger Containerboard keeps materials in circulation by producing high-quality containerboard and plasterboard from recovered paper. The share of recycled raw materials in the products is therefore very high. In addition, broke is recycled directly in the paper mills. All products are fully recyclable according to industrial standards. Some of the secondary raw materials are supplied directly from Dunapack Packaging. Thus, internal cooperation further supports the sustainable use of resources.

At the same time, local efforts are also undertaken to strengthen circularity. The Spremberg (Germany) site has a special washer that filters pigments for re-use. Another example is that rejects, including various plastics, metal, hot melt and adhesive tapes, are used in power plants in Hungary and Germany.

**Dunapack Packaging**

By delivering innovative packaging solutions made of corrugated cardboard, Dunapack Packaging places packaging on the market that can be recycled and thus kept in circulation.

**Our performance**

**Our KPIs**

Please see figure 11 below.

**Our targets**

Dunapack Packaging follows the strategic target to reduce kraftliner consumption as much as possible in order to decrease the use of virgin fibre.

**11 / RENEWABLE\* AND RECYCLED\*\* RAW MATERIALS**

in %



■ Renewable / ■ Recycled / \* raw materials = raw materials used in production (fibre and paper, starch, fillers, chemicals) excl. packaging material / \*\* key raw materials = fibre and paper



SOCIAL

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Employee development and training	46
Social commitment, partnerships and transparency	49

# Occupational health and safety and human rights

## Our impact

As a production company, risks for our employees arise due to accidents and work-related stress. Situations that may cause negative effects to include working in shifts or on potential dangerous machines and handling chemicals. In addition to the health hazards of working in production, psychological issues should not be ignored. Even though we source and operate mostly in Europe where human rights issues in the supply chain can be assumed to be a low risk, the monitoring of social aspects along the supply chain forms part of our FSC® certification.

## Our approach

The health of our employees is one of our top priorities. To this end, we have local site managers and safety officers whose primary concern is occupational health and safety (OHS). As specialists at their respective facilities, they know how to comply with country-specific regulations. Safety officers are on hand at every site in our Dunapack Packaging and Hamburger Containerboard divisions. We have the following occupational health and safety management systems: OHSAS 18001 or ISO 45001 certifications for some countries in which we operate.

At some locations, we have local-level tracking based on legal requirements or customer audit requirements, for example, SEDEX in Croatia and Turkey. Thus, local regulations and standards for occupational health and safety are met. To guarantee compliance, workplaces are regularly assessed, work-related hazards are identified, risks are evaluated and preventive measures are implemented where necessary. In addition, various measures to raise awareness are introduced to continuously improve health and safety at the workplace. A detailed overview of the certifications can be found in the [appendix](#).

We strive to continuously reduce the number of accidents and promote safety awareness among our employees through regular training, campaigns and information. As 2020 was dominated by the COVID-19 pandemic, we gave this topic particular attention. In

addition to the measures we already take to promote the health of our employees, we have also taken special measures to contain and combat the pandemic. At Group level, our management established the COVID Crisis Committee in 2020. This has been set up in order to track and discuss the COVID situation in all the countries we operate in and share examples of best practices for preventing COVID infections in local plants as much as possible. We have also established continuous COVID-19 reporting at Group level to monitor the pandemic situation in our all plants.

Corresponding policies and health and safety functions are implemented at local level. Thus, we have many different initiatives, roadmaps, programmes and policies at divisional level. Some examples are described below.

### Hamburger Recycling

In Turkey, there are procedures, directives and forms prepared within the scope of OHS. In addition, there are OHS policies and an OHS committee with monthly meetings and discussions. At the plants, risk analysis is carried out together with the Environmental and Occupational Safety department and the risk assessment team to identify hazards and eliminate risks. Each plant has either a certified employee responsible for OHS or consultants in accordance with regulations. OHS software is used, which is monitored by the Ministry of Labour and Social Security. Certification according to ISO 45001 is in place and audited by TUV Austria every year. In addition, the company has a COVID-19-Safe Production Certificate. Monthly inspections are carried out by a specialist in OHS and fire safety.

### Hamburger Containerboard

In 2021, a key focus in Germany was dealing with COVID-19 and cooperating with the authorities. Fortunately, the temporary absence of employees never had a decisive impact on operations. Nevertheless, additional workloads were unavoidable for many employees. Wherever possible, mobile working from home was introduced. The online



tool SAM (secova) is used to manage the areas of risk assessment, first aid and training. This tool facilitates aspects such as uniform procedures, planning and documentation. It has been used well to provide feedback on near misses, which is also very encouraging. This allows critical situations to be defused in advance.

In Turkey, the division has the following certification related to HSE: ISO 14001 and ISO 45001. The policies in place help to meet the requirements of the quality, environment and OHS management systems that have been implemented and to increase the performance of the Integrated Management System by ensuring its continuous improvement. The company is also committed to providing a suitable working environment in order to prevent injuries and any danger to employees' health resulting from work-related activities in order to fulfil the legal and other requirements in this regard, to make all employees more aware of quality, environment, OHS and to ensure employee participation.

Further measures at Hamburger Containerboard include employer's liability insurance associations, risk assessments including assessments of psychological effects, a supply chain act and a clinic on-site with contracted partners.

### Dunapack Packaging

In Bulgaria, an OHS policy is in place that complies with ISO 45001 requirements. Specific objectives are defined for which appropriate measures have been introduced.

In Hungary improvements in safety awareness started in the last couple of years. Before that, the number of lost time injuries (LTIs) was very high but in 2021 the target key performance indicators (KPIs) were achieved. Before 2020, environmental health and safety (EHS) at the two plants was the responsibility of one person. Since 2020, two employees have been responsible for health and safety who report directly to the EHS manager and are responsible for the day-to-day operational tasks. In both plants there are daily meetings with the operational team

and the EHS manager as well as weekly safety meetings at which middle management from the production sector is present, all the relevant incidents and topics are discussed and the tasks are followed up.

In Poland, the “TOPidea” programme was introduced in the plant, which encourages employees to take initiatives aimed at improving quality, process efficiency, safety and comfort at work. Furthermore, OHS specialists inspect workplaces on a daily basis and report findings in graphical reports. In addition, there are weekly OHS meetings in the company which are attended by managers of the units. An OHS commission has also been established at the company whose tasks include reviewing working conditions, periodically evaluating the status of OHS and giving opinions on the measures taken by the employer to prevent accidents at work. Concerning accidents, every event is potentially conducive to accidents and every accident is registered and analysed. Preventive and corrective measures are subsequently introduced. Because of the COVID-19 pandemic many additional solutions such as a secured room and meetings of the Risk Analysis and Management Team were introduced.

A programme is also used to support record-keeping and training in accordance with applicable regulations. Relevant certification at the site includes ISO 9001:2015 and ISO 14001:2015, FSC® Chain-of-Custody and BRC Packaging.

In Croatia the issue of protective gloves and hearing protection has been launched via an automatic service device. During the onboarding process, additional attention is paid to instructing new employees on safety in the workplace.

**Our performance**

**Our KPIs**

Please see figure 12 below.

**Our targets**

At divisional level, Hamburger Recycling in Hungary has issued targets for reducing the number of workers injured at work. Hamburger Containerboard already specified their target for reducing the total recordable injury rate by at least 5% per annum for the next three years. Dunapack Packaging in Bulgaria has yearly OHS goals which include zero incidents, accidents and emergencies, reduction of the sickness leave rate and work environment improvements.

**12 / OCCUPATIONAL HEALTH AND SAFETY**

*in headcount*

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
Employees with H&S function	45	0	8	16	21

# Wages, work-life balance and employee wellbeing



**Our impact**

As a company, we not only have positive impacts on people we work with, but also on local economies and livelihoods. As an employer also active in rural areas, we offer essential opportunities for work. In addition, we have a positive impact on our employee satisfaction, which includes creating a working environment that allows employees to flourish and achieve their full potential. Additionally, this means freedom of association for all employees, employment security, fair wages and benefits as well as balanced working hours and overall conditions necessary to promote a good work-life balance.

**Our approach**

The wellbeing of our employees depends on many different aspects, which are therefore of great importance to us. In order to do justice to our employees, we not only fulfil legal requirements, but also follow our Code of Conduct (CoC) as well as offer additional programmes and initiatives such as the KiBiS (competence centre for work-life and family-conscious human resources

management in Austria) initiative and the MbO (Management by Objectives) programme.

Compliance with all relevant regulations concerning working hours and statutory provisions is ensured by the respective site manager. As a production company we offer appropriate statutory compensation measures. By offering flexible working time models we try to support the balance between family and career. The majority of our employees (95%) have permanent employment contracts. Our remuneration policies for members of the highest governance body and senior executives, our relation of remuneration policies to objectives and performance and our process of determining remuneration are in accordance with applicable law (for example the Austrian Commercial Code, UGB). Creating a working environment that allows employees to flourish also includes the respect of our employees’ right to freedom of association. In addition, we offer defined contribution plans as part of statutory pension schemes, performance- and contribution-based pension commitments as well as performance- and

contribution-based severance obligations and obligations as part of statutory pre-retirement schemes.

Our Code of Conduct is our standard that defines fundamental requirements and applies to all employees of Prinzhorn Group. It covers all basic principles with regard to complying with laws, child labour, human rights, working hours and remuneration, and health and safety. A detailed overview of our Code of Conduct can be found in the chapter [Governance, tax and anti-corruption](#).

Prinzhorn Holding (Austria) joined the KiBiS initiative in 2022. It is hosted by the federal department responsible for the family and proves that we are a family-friendly company with our flexible working hours and part-time management positions. For further information please visit [www.kibis.at](http://www.kibis.at).

Prinzhorn Group's Management by Objectives programme entitles defined management positions to receive a bonus depending on the achievement of Group financial results and individual objectives which are aligned with the manager and manager's manager. At the beginning of the year, objectives are defined, the achievements of the previous year are reviewed and bonuses are paid. In the second half of the year, a management performance review is held to receive and give feedback. The whole process is captured and approved within our human resources information system, MYHR. In 2022, 271 employees participated in the MbO programme.

As a forward-looking and progressive company, our Austrian location participated in the Equal Pay initiative, which honours closing the gender pay gap. Equal Pay is not about concrete measures, but about creating awareness of this issue.

In addition to the measures at Group level, there are further initiatives at divisional level.

### Dunapack Packaging

Dunapack Packaging, as our biggest division in terms of headcount, started its first division-wide employee survey

in June 2021. It was carried out digitally for all employees and had a 79% response rate within three weeks, which we consider a great success. Employees were able to select their preferred language in order to read and fill in the form without language barriers. The goals of the survey were identifying improvement areas relevant for all employees, strengthening Dunapack's feedback culture and making Dunapack an even better workplace and a great business partner for customers. An overall satisfaction rate of 79% was achieved. After presenting the results to management and all teams, workshops were conducted with each team to reflect on the results and identify improvements which should be implemented in the coming year. With this bottom-up approach the employees themselves define relevant actions. Defined actions are collected and regularly followed up. The survey will be repeated annually.

All sites of Dunapack Packaging have a "social compliance policy" which includes special requirements on recruiting, working conditions, child labour, compensation, working hours, discrimination, harassment, cruel treatment and forced labour and involuntary servitude. With this policy, compliance with applicable laws and regulations is ensured.

Further initiatives of Dunapack Packaging at local level include:

- ✓ "Jobrad" – offering bicycles for our employees as a mean of transport to the working place
- ✓ Analysis of working hours and conditions in place
- ✓ Works council for blue- and white-collar workers

### Hamburger Containerboard

Initiatives of Hamburger Containerboard at local level are:

- ✓ Works councils in all locations and regular work routines
- ✓ Collectively agreed allowances based on performance and function
- ✓ Mobile working
- ✓ Sports groups (Spremberg)
- ✓ Team-building measures (Germany)
- ✓ Hamburger Recreation Center (Hungary)

## Our performance

### Our KPIs

Please see figure 13 below.

### Our targets

At group level, only targets that are required by law are implemented. Examples are maximum overtime and minimum rest time.

Hamburger Containerboard has a specific target to introduce company integration management.

## 13 / WAGES, WORK-LIFE BALANCE AND EMPLOYEE WELLBEING

*in percent and headcount*

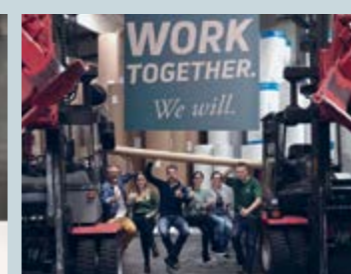
	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Total turnover rate</b> <i>in percent</i>	13.2	16.9	17.2	9.1	14.0
<b>by gender</b>					
female	11.8	16.7	18.0	7.6	11.1
male	13.5	17.0	16.8	9.3	14.6
<b>by age</b>					
under 30 years	29.5	15.0	45.2	17.8	32.1
30–50 years	10.2	19.8	13.5	6.9	10.4
over 50 years	9.1	10.0	10.9	7.8	9.3
<b>Parental leave</b> <i>in headcount</i>					
total number of employees that took parental leave	62	3	4	27	28
female	40	2	4	17	17
male	22	1	0	10	11

# The sum of our passionate employees built who we are – Prinzhorn Group



At Prinzhorn Group, our success is driven by our passionate employees and together we shape the future. We strongly believe in the following key factors:

- ✔ **People:** To provide a motivating spirit of development, for an empowered team.
- ✔ **Performance:** Being proud and having fun by achieving goals and creating success.
- ✔ **Responsibility:** We are in business to contribute with our sustainable products to a bright future.



# Diversity and equal opportunities

## Our impact

As a production company, Prinzhorn Group creates work opportunities for people who reside in different countries. This implies paying special attention to local anti-discrimination laws, diversity and equal opportunities. Every person is different and it is particularly important to respect that fact. As a company and in our role as an employer we strive to promote diversity and offer equal opportunities to all employees, regardless of gender, age, cultural background, religion, disability or sexual orientation. We believe that creating conditions at work that offer equal opportunities to all employees — across hierarchies and countries — can help tap the full potential of a diverse workforce. Prinzhorn Group offers a wide range of career opportunities to all employees and thus makes a positive contribution to the labour market.

## Our approach

We offer all our employees equal rights and opportunities, regardless of gender, age, cultural background, religion, disability or sexual orientation. This attitude and approach is especially reflected in our compensation measures, flexible working hours, employment contracts, appropriate remuneration and pension schemes. A detailed overview of our work-related benefits can be found in the chapter [Wages, work-life balance and employee wellbeing](#). It is important to us that we treat employees equally across the whole Group. This attitude and approach is also reflected in all the educational formats

and training the company provides, including employee development measures. All our training courses are specifically designed to empower our employees and support diversity regardless of gender, religion or nationality. A detailed overview of our training courses can be found in the chapter [Employee development and training](#).

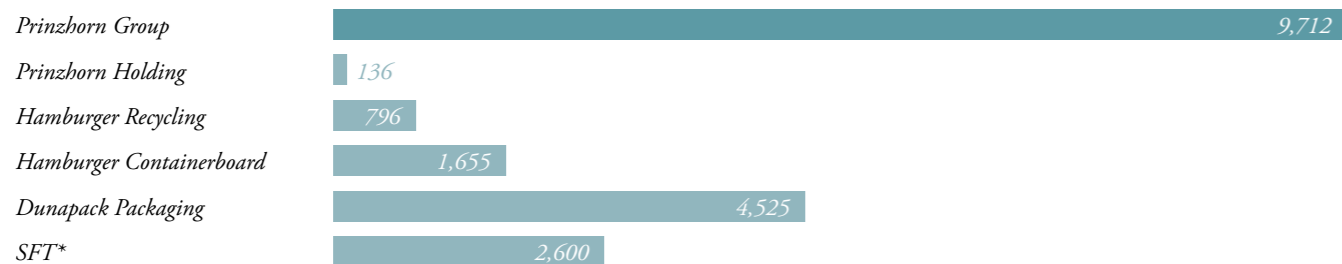
Our groupwide Code of Conduct (CoC) is our core document to ensure equal opportunities as it covers all the fundamental needs of our employees and applies to all of them. The Prinzhorn Code of Conduct reflects all our principles with regard to the above-mentioned employee concerns, ensuring equal treatment for all. It is our expectation that every employee respects the personal dignity, privacy and personal rights of every individual. There is no tolerance of discrimination based on nationality, ethnic origin, skin colour, culture, religion, ideology, gender, age, sexual or political preference, disability or any other non-objective criterion. These principles apply to international cooperation as well as to conduct toward external partners. The local management is responsible for ensuring compliance with the CoC. A detailed overview of our Code of Conduct can be found in the chapter [Governance, tax and anti-corruption](#).

At divisional level, Hamburger Containerboard has specific initiatives to support diversity and equal opportunities:

- ✓ Representatives for severely disabled persons (Germany)
- ✓ Youth representatives (Germany)

## 14 / TOTAL NUMBER OF EMPLOYEES

in headcount



\* SFT is currently not in scope, but will be included in the future.

## Our performance

### Our KPIs

Please see figure 14 on page 44 and figure 15 below.

## Our targets

The targets for diversity and equal opportunities are determined on the basis of the local legal requirements so that we can comply with the local laws.

## 15 / DIVERSITY AND EQUAL OPPORTUNITY

in headcount and percent

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Total number of employees</b>					
<b>by gender</b>					
female	1,289	42	222	238	787
male	5,796	94	547	1,417	3,738
<b>Number of employees by employment type</b>					
<b>Total number of full-time employees</b>					
<b>by gender</b>					
female	1,190	28	211	205	746
male	5,752	89	539	1,398	3,726
<b>Total number of part-time employees</b>					
<b>by gender</b>					
female	99	14	11	33	41
male	44	5	8	19	12
<b>Diversity of governance bodies</b>					
<b>Total number of governance body members*</b>					
	60	11	14	18	17
<b>share by gender</b>					
female (%)	5	0	0	11	6
male (%)	95	100	100	89	94

\*Following job levels are included: Management Board, Ext. Management Board, CDO, Cluster MD/Regional Director

# Employee development and training

## Our impact

High-quality education and training is a central element of employee development at Prinzhorn Group. We choose to invest in our people because only with educated, skilled and motivated employees we can gain competitive advantage on the market. Providing the conditions in which employees at all levels can fully develop their skills and take on more challenging responsibilities over time not only benefits our people but also our company. Through our various academies and our internal talent program, we provide our employees with a working environment that helps them achieve their personal development plan.

## Our approach

With the implementation of groupwide Human Resources (HR) Information System we have standardised and harmonised our HR processes that facilitate human resources management and supports the company's growth strategy. We are constantly focusing on improving our HR Information System and providing HR analytics to support business decisions. Our Information System represents a platform where we host all of our HR processes that in the end accompany an employee through the entire employee life cycle.

We therefore encourage our employees to develop their work-related and personal skills through a variety of training and further education programmes. The success of our training schemes is ensured by, among other things, reviews and feedback rounds.

Among the measures, we have already introduced throughout the Group are the following:

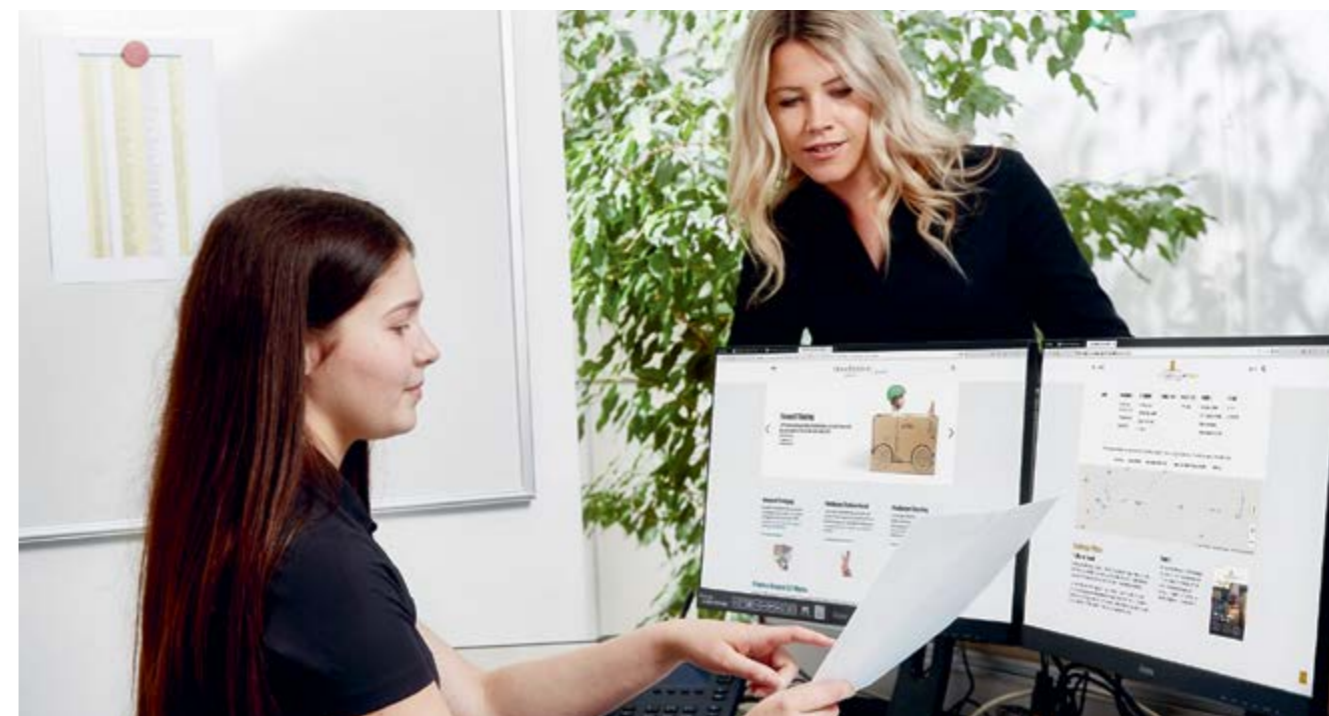
## Learning Management System

In 2021 we have introduced our Learning Management System (LMS), a global learning module of our HR Information System, to address the changed needs of our employees and business due to the pandemic. Now our learning platform allows the employees to see and effectively manage their training assignments and provides access to e-learning modules and different digital learning options. The LMS monitors the progress of learners, tracks their training history and satisfaction, offers online exams or quizzes, presents scores and issues certificates, while also managing resources and enabling automatic email notifications. Thus, the LMS makes the interaction process effective for all the stakeholders, lets learners assess their learning progress and allows learning administrators and instructors to manage learning data to continuously improve the training offered.

## Leadership and Management Academy & Expert Academy

The Leadership and Management Academies are our Group learning programmes that develop our executives' leadership skills. The academies address two different target groups, but the content is aligned. The Leadership Academy was designed to bring together senior management across divisions and countries to discuss topics that represent the core values of the Group and to develop a common understanding of our leadership culture. The concepts of emotional intelligence and resonant leadership shape our leadership culture and form the foundation of the content.

The Management Academy was designed to bring together middle management from all divisions to discuss topics that represent the core values of the Group and to develop a common understanding of our leadership culture. Throughout the course, participants reflect on the role of leadership and its challenges, the focus on results and feedback, and achieve a deeper understanding of leading different personality types and change management.



The Expert Academy, which is clearly separated from the other academies, offers a broad training catalogue for all Leadership and Management Academy participants with a focus on soft skills such as time and conflict management, coaching, communication, motivation and presentation that improves employees' overall work performance. The training content is complemented by strategically important topics such as lean, agile and project management as well as courses that include dealing with decision-making, meeting efficiency targets and goal-setting. All the courses are optional and the learners can choose according to their individual development needs. Since managers can recommend their team members to participate in training courses, networking between different management levels is promoted.

## FIT (Talent Management) Process

FIT stands for Finding Inspiring Talents and was introduced in 2018. FIT focuses on identifying and developing talents to support the achievement of our strategy targets (Grow 2030) to ensure that Prinzhorn Group can count on motivated and ambitious employees who want to develop and grow from the inside. Business growth can only be achieved with highly committed, capable and willing employees. With FIT we can better respond to business needs, stay attractive as an employer and create great development opportunities for our high potential and high performer.



### Succession Management

Succession planning at Prinzhorn focuses on nominating and developing successors to the most critical position to create greater organisational stability and resilience. It can be achieved by preparing new leaders within the company to take more responsibility in the future and to plan smooth transitions from one key employee to another. Succession planning was introduced groupwide in 2021.

### Other initiatives

In addition to the measures described above, our Hamburger Containerboard and Dunapack Packaging divisions have introduced special measures to offer their staff tailored development opportunities.

Examples at Hamburger Containerboard:

- ✔ Supporting dual study programmes
- ✔ Maintaining contacts with relevant universities
- ✔ Supporting management with personnel developers
- ✔ Providing a training circle and training progress for every individual trainee

Examples at Dunapack Packaging:

- ✔ Offering a 360-degree feedback process
- ✔ Developing function-specific training to ensure necessary know-how, competencies and skills
- ✔ Implementing a training plan for each new employee depending on previous education and work experience
- ✔ Meeting ISO 9001 standards

A detailed overview of the certifications can be found in the [appendix](#).

### Our performance

#### Our KPIs

Please see figure 16 below.

## 16 / EMPLOYEE DEVELOPMENT AND TRAINING

in headcount and percent

	Prinzhorn Group		Prinzhorn Holding		Hamburger Recycling		Hamburger Containerboard		Dunapack Packaging	
Group Leadership Academy	150	(2%)	32	(2%)	17	(2%)	30	(2%)	71	(2%)
Group Management Academy	367	(5%)	4	(3%)	20	(3%)	136	(8%)	207	(5%)
Group Management Academy International	64	(1%)	2	(1%)	22	(3%)	17	(1%)	23	(1%)
Group Expert Academy*	148	(2%)	23	(17%)	23	(3%)	19	(1%)	83	(2%)
FIT nomination ratio	151	(2%)	11	(8%)	10	(1%)	40	(2%)	90	(2%)

\* Numbers for Group Expert Academy from end of March 2022

# Social commitment, partnerships and transparency

### Our impact

Alongside the environment, people are playing an increasingly important role in Prinzhorn Group's corporate culture. As a major employer, we try to give back as much as possible to the local communities where our plants are located, paying special attention to high-quality education for the next generation. By actively engaging in these communities, we achieve positive impacts not only on society but also on our business. Our positive social impacts result from supporting local education, income generation, collaboration and participation.

In addition to the social impact, a good local reputation benefits our business. Our advantage is that our environmental improvement measures become visible to a wider public. In addition, we want political stakeholders to see Prinzhorn Group in a positive light and intend to achieve positive resonance.

### Our approach

We always consider the concerns of the wider community at national and international level. Community involvement builds trust and serves as a link to the issues that are important to us. Local general managers are expected to represent the Group as part of the local community and play a positive role in its development.

Prinzhorn Group maintains a Corporate Social Responsibility (CSR) strategy that includes the following CSR areas and also affects different stakeholders within the scope of our business and CSR activity.

- ✔ Education  
Support of external projects at schools and universities that guarantee a good education for our future employees. Examples are: Sponsoring professorships at technical universities/schools, sponsorship of education programmes for future employees, donation of corrugated material for technical schools, cooperation on science and innovation projects.

- ✔ Environment  
Support of environmental projects around our plants. Examples are: Collection of waste together with local people/communities followed by a barbecue BBQ, organising a "green day" at our premises to highlight what we do for the environment
- ✔ Workforce  
All employee-related sponsorship activities. A detailed overview of examples and further explanations of these activities can be found in the chapter [Wages, work-life balance and employee wellbeing](#).
- ✔ Community  
All community-related projects. Examples are: Sponsorships of charity events or organisations e.g. Red Cross, sponsorship of local fire brigades, blood donations.

We want to do good things that support our business and the community around us. In the long run, we intend to create value with CSR projects that support our local business as directly as possible, while creating benefits for all parties involved and a "win-win" situation for all stakeholders.

At divisional level, we have many different initiatives as described below.

### Hamburger Recycling

Hamburger Recycling Croatia made donations to the area affected by the earthquake in Sisak-Moslavina County on 29 December 2020. The Protulipac family from Glina was given a prefabricated house with all necessary furniture, hydro-thermal insulation, electric heaters and air conditioning.

In addition, Hamburger Recycling and L'Oréal are running an awareness-raising campaign to show consumers in the Adriatic-Balkan region the importance of sorting and recycling cosmetics packaging. The campaign is due to run until summer 2022 with the option of extension into 2023.

The joint information campaign, with its websites [beauty4thefuture.bg](http://beauty4thefuture.bg) | [beauty4thefuture.hr](http://beauty4thefuture.hr) | [beauty4thefuture.rs](http://beauty4thefuture.rs), started in October 2021 in Croatia, Serbia and Bulgaria with the aim of providing answers to some common questions every person may have and educating the public about the possibilities of sorting and recycling beauty and hygiene products. The cooperation with L'Oréal shows once more that reducing waste is the responsibility of all companies in the supply chain. "Education of the end user is one important piece of this puzzle," adds Slobodan Simovic, Regional Director and General Manager of Hamburger Recycling Croatia.

In the Czech Republic special support is also given to local projects. There is a particular focus on education, charity and social support. Examples are school collections (campaigns and competitions with prizes).

In Hungary Hamburger Recycling has waste collection campaigns on Earth Day and paper awareness campaigns for schools.

#### Hamburger Containerboard

Hamburger Containerboard in Dunaujvaros is committed to supporting primary schools, secondary schools and kindergartens in Dunaujvaros and the surrounding area more effectively. In view of the current COVID-19 pandemic, the most urgent needs are hygienic conditions and education in a safe environment. By the time this educational year began, the air of three kindergartens in Dunaujvaros had become cleaner thanks to the air conditioners and ozone generators provided by Hamburger Containerboard Dunaujvaros additionally to the renovation of sanitary equipment in elderly buildings that had been carried out. We also contributed to effective online education and donated IT tools such as computers and jumbo projectors to four schools in the region.

Other initiatives of Hamburger Containerboard at local level include:

- ✓ Participation in local interest groups (Trostberg / Spremberg).
- ✓ Support of a canoe club and children's home (Spremberg)
- ✓ Scholarships for local students (Gelsenkirchen)
- ✓ Regular Christmas donations
- ✓ Paper awareness campaigns
- ✓ Local sport clubs and events in the local area

#### Dunapack Packaging

Dunapack Packaging offers a robust corrugated board partition in neutral white. These boards are supplied to schools in Bulgaria, Turkey, Romania, Austria, Greece and Poland to offer an additional means of protecting children in schools from infection during the COVID-19 pandemic. This helps support education in our neighbouring countries and underlines the social impact of our activities there.

To further support pupils in their education, we also supply our neighbours in Croatia with cardboard tables due to the more difficult learning conditions during the COVID-19 pandemic. The idea was born to create a table from corrugated board. Tables were donated to several schools in the wider neighbourhood of our plant. With this initiative we supported about 700 schoolchildren and their families by providing an important piece of equipment that enabled them to continue their education.

Further initiatives of Dunapack Packaging at local level include:

- ✓ University internship and cooperation with local high schools
- ✓ Christmas cards made by people with a disability
- ✓ Cooperation with the regional fire departments and the Red Cross
- ✓ Invitation of local schools to present our plant to school classes

# GOVERNANCE

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# Governance, tax and anti-corruption

## Our impact

We are aware of our geographic position and the responsibility it entails. With sites in Central and Eastern Europe (CEE), Southeast Europe (SEE), Turkey and Russia we have the long-term aim of closing the gaps in development, wealth, income and social welfare that exist between these regions and Western European countries. In addition, we want to raise economic standards. As we do this, we take our impact on society and relevant markets seriously. Consequently, we place a special focus on good corporate governance, tax and anti-corruption which is not only characterised by compliance with applicable laws, but also sets self-imposed standards and corporate values that define morally responsible action.

## Our approach

We follow all applicable laws in our geographical locations which means we automatically respect human rights. Our focus is on competition and cartel laws as these are indispensable for establishing long-lasting business relationships, integrity and trust. In addition, we have a groupwide Code of Conduct, Group tax policy and a whistleblower system installed.

## Governance body and its role

The highest governance body is the Supervisory Board of Prinzhorn Holding GmbH, which primarily supervises the Management Board of Prinzhorn Holding GmbH. The nomination, selection process and tenure of members of the highest governance body and its committees are governed by legal requirements (Austrian Commercial Code, UGB) and the bylaws of the Supervisory Board of Prinzhorn Holding GmbH. The Chair of the highest governance body is not simultaneously a senior executive in the organisation. The role of the highest governance body is overseeing the management of impacts.

- ✓ Non-executive members: Gottwald Kranebitter (chairman), Thomas Prinzhorn (vice chairman), Christian Planegger (member), Volkmar Angermaier (member), Josef Schinwald (works council), Josef Glatzl (works council) Gerald Prinzhorn (member) and Alois Czipin (member); no non-executive members, in accordance with the Austrian Commercial Act

- ✓ Shareholder representatives: Thomas Prinzhorn, Christian Planegger, Gottwald Kranebitter, Volkmar Angermaier (at least three)
- ✓ Owners and beneficiaries are represented by Thomas Prinzhorn.

The Annual General Meeting (100% of Prinzhorn Holding GmbH is owned by the Thomas Prinzhorn Privatstiftung, TPPS), represented by the management of TPPS (owner), appoints, grants and discharges the executives of Prinzhorn Holding as well as its Supervisory Board members. The assembly of Beneficiaries of TPPS appoints the Advisory Council of TPPS, which itself appoints the management of TPPS. The Advisory Council of Thomas Prinzhorn Privatstiftung consists of the following members: Franz Haimerl, Volkmar Angermaier, Thomas Prinzhorn.

There is also an Audit Committee which is responsible for topics related to audits and consolidated financial statements. It holds two meetings per year and consists of the following members: Gottwald Kranebitter (chair), Volkmar Angermaier, Josef Schinwald. Committee members must have specific knowledge of finance. The Audit Committee confirms the audit plan of the internal audit department, which includes effectiveness and process topics. Another committee is the Personnel (Human Resources) Committee, which has been integrated into Supervisory Board meeting agendas but deals with staff topics arising.

The strategic programme is developed by management and the Supervisory Board approves the budget (always for the next fiscal year) and material investments. The Group strategy is continuously reviewed and investments are confirmed and released by the Supervisory Board of the highest legal entity, Prinzhorn Holding GmbH. The mission and core values (reliability, sustainability, passion) are being agreed with the Supervisory Board of Prinzhorn Holding GmbH, and these are continuously reviewed and adapted. The highest governance body also reviews the impact of various plants on local communities and their direct and indirect influence on the workforce, jobs and social welfare. This is done on a regular basis in quarterly Supervisory Board meetings and on special occasions.

Impacts on people are dealt with separately by the Supervisory Board (e.g. COVID-19 bonus, war in Ukraine).

The due diligence process concerning potential acquisition targets is usually on a more operative level.

Currently, there is no standardised process concerning the commitment to remediate negative impacts and no grievance mechanisms. Incidents are resolved ad hoc. Every supervisor as part of our leadership culture must fulfil organisational and supervisory duties. He/she must ensure that within his/her area of responsibility there are no violations of laws, internal guidelines or the Code of Conduct that could have been prevented or made more difficult if he had properly supervised his subordinates. The supervisor remains responsible even if duties are delegated. There were no conflicts of interest detected according to applicable law within the reporting period.

Supervisory Board meetings are held quarterly so that management board can report on actual business development, report on extraordinary developments, request transactions that need release by Supervisory Board members and report on important selected topics that were seen as important by either management board members or requested by the supervisory board members. The Management Board / Extended Management Board holds monthly meetings. The company purpose and environmental, social and governance (ESG) topics are also important matters that are addressed during such meetings. The start of work on an ESG framework, reporting and subsequent programmes was recently reported to the Supervisory Board. The responsibility for compiling the information was delegated to a project group consisting of authorised people from all divisions on the one hand and representatives of the Holding on the other.

## Conflicts of interest

All employees are required to take their business decisions in the best interests of Prinzhorn Group and based on the existing laws and regulations. The following rules apply to avoid conflicts of interest and loyalty. Any personal interest that may exist in connection with the

performance of personal duties and any attempt by business partners to influence employees, their family members or close personal friends by granting benefits must be reported without delay. We follow a transparent contract-awarding procedure: employees may not award or procure the award of any contract to family members or close personal friends, except with the prior written consent of their supervisor. Employees must not have private orders executed by companies with which they are engaged in business for Prinzhorn Group if they could gain uncustomary benefits from this. This applies in particular if an employee has, or may have, direct or indirect influence on the appointing of a company by Prinzhorn Group or if an employee is professionally involved with the handling of orders by such a company. Supervisors or managers are not allowed to abuse their authority to issue instructions with the objective of using an employee's services for private purposes. Employees must not operate or run a business or work for a company which, in whole or in part, competes with Prinzhorn Group. Employees are not allowed to hold a direct or indirect interest in a non-listed company which, in whole or in part, competes with Prinzhorn Group, except for subordinated interests in the form of share funds or similar investments where an investor is not regularly informed of the various shareholdings. Prior written approval must be obtained for any interest in a company which is a business partner of Prinzhorn Group. Such approval will be granted by management and is documented in the personnel file. The approval will not be granted or may be withdrawn if an employee has professional dealings with the company concerned. Any interest of a close relative in a competitor or in any company of the kind described above must be reported in writing by an employee to Human Resources and will be documented in the personnel file if such interest could affect the interest of the company.

## Code of Conduct

Our groupwide Code of Conduct (CoC) is our core document as it defines our basic principles and objectives, general rule of conduct and rules for dealings with business partners and third parties. It was released

by the Management Board of Prinzhorn Holding. The Code of Conduct makes particular reference to environmental and social concerns and sets priorities in this regard. The rules set forth in the Code of Conduct apply to the conduct of employees within the Company and their relationships with external third parties, especially customers and business partners. The implementation of our commitment was delegated to legal entity level. The Code of Conduct states that each supervisor is responsible for ensuring that all employees comply with the Code and no transfer of responsibility is possible.

#### Group tax policy

Our strategy and values concerning our behaviour in relation to tax and tax authorities are to be managed in a proactive, responsible and reliable way. Our tax strategy shows a strong commitment to tax management in relation to business ethics. That means for tax governance no withholding of taxes and compliance with applicable international tax legislation (e.g. OECD rules on transfer pricing). Our tax planning follows business activities. Additionally, tax evasion, tax constructions and tax haven activities are to be avoided.

#### Whistleblower system

The whistleblower system, which was introduced in 2021, is an online system that allows every employee and all external persons to post a message via a weblink, either anonymously or by giving contact details. This ensures that incidents are logged and dealt with appropriately. The system links to company websites in almost all the Group countries in the respective languages. A rollout to Austria and Germany is currently planned.

#### Our performance

##### Our targets

The target of Prinzhorn Group is to fulfil the Group tax policy (strategy, mission, values etc.) qualitatively.

##### Our next steps

We want to establish a central coordination function for ESG management and a central function for legal compliance, both at Group level. We are still evaluating their future structure and how to integrate their expertise into business strategy in an appropriate process. A detailed overview of our next steps in ESG can be found in the chapters [Sustainability at Prinzhorn](#).

## 17 / WHISTLEBLOWER SYSTEM



Whistleblower sends message regarding e.g. financial crime, property crime, competition-law, employee treatment, data protection



Message received by Observer Group & Case Allocators



Case Allocators distribute messages to Case Managers for processing

# Material compliance, safe products and customer health and safety

#### Our impact

The health and safety of our customers is of top priority. We have an indirect impact on our customers' health and safety during the use phase of goods packaged in our products. Potential negative impacts on health could be caused by pollutants migrating into food. Other potential negative impacts could result from violations of relevant regulations, guidelines and laws. Product recalls resulting from a lack of product safety or lack of testing evidence can have a negative economic impact such as compensation payouts for indirect costs incurred by customers and damage to our reputation.

We strive to avoid these impacts by analysing pollutants and substances of concern in products and by means of quality assurance and further measures. With all our product-related measures, we assure our customers the best possible protection of human health.

Opportunities in this context arise in particular from the development of innovative packaging solutions. In addition to a high level of safety for the packaged goods and the consumer, these can also bring environmental advantages such as resource conservation.

#### Our approach

Our divisions take appropriate measures and implement corresponding policies to ensure that material compliance conforms with applicable law, products are safe and the health and safety of our customers is not endangered in any way. These principles are also part of our CoC, which states that the success of our products and services is inseparably connected with their consistently high level of quality. A detailed overview of our Code of Conduct can be found in the chapter [Governance, tax and anti corruption](#). In addition, every employee must remove and report any quality defects. Raising awareness of quality is a constant leadership task.

#### Hamburger Recycling

Hamburger Recycling ensures compliance with ISO 9001 certification in Turkey, Bulgaria, Croatia, Hungary and Romania.

#### Hamburger Containerboard

All Hamburger Containerboard sites are also certified according to ISO 9001. In addition, Hamburger Containerboard has introduced the so-called GMP (good manufacturing practice) policy. This policy states that additives must comply with BfR (German Federal Institute for Risk Assessment) Recommendation 36. This ensures that the requirements for materials that come into contact with food are met. A GMP guideline has also been implemented which defines the standards regarding hygiene by means of a risk analysis. It is based on the CEPI food contact guidelines and is audited internally every year. The declaration of compliance according to CEPI was updated in 2021.

In addition, all sites and grades have ISEGA certification for food contact materials (including guidelines on heavy metals and toy safety). Every two years the paper grades are tested by the independent German ISEGA institute, thereby ensuring a high level of food safety. The paper grades can therefore be used safely for food packaging.

In Germany and Austria, all suppliers have to comply with the REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulation. Accordingly, only additives which are listed in the REACH regulation and do not contain SVHCs (substances of very high concern) are used in production.

### Dunapack Packaging

Dunapack has introduced various measures and management systems at its sites to ensure material compliance and the safety of products and consumers. Dunapack Packaging also has ISO 9001 certification for all sites. Some of the plants are certified in accordance with the food hygiene ISO 22000 (FSSC), one of the most important food standards. Plants in Romania, Poland and Turkey also have BRC certification, a global standard that sets clearly defined requirements for food safety. Depending on the location, there are regular analyses regarding food safety, measures to ensure compliance with applicable laws and special processes to meet customer requirements. The site in Vienna is an excellent example of this.

In Vienna, Austria, there are regular ISEGA assessments of food safety compliance to ensure compliance with the currently valid threshold values for migrated substances (e.g. bisphenol A) stipulated by different laws and regulations. In addition, further assessments are conducted at the request of customers by independent organisations in cooperation with external laboratories. The plant in Vienna also introduced general characterisation of the material corrugated paper to comply with applicable law as it provides an overview of how the material behaves. General commitments of the plant in Vienna include REACH, halal, vegan, California Proposition 65, MOSH/MOAH and direct food contact. There are also collaborations between containerboard and packaging plants in case of any customer requests regarding topics like halal, vegan, etc. In the event of a new customer request regarding this topic, all the suppliers are checked and the origins of the materials are proven beyond doubt. In this way, the customers' requests and their specific dietary needs are met. A detailed overview of the certifications can be found in the [appendix](#).

# Appendix

# Certifications

	ISO 14001	ISO 9001	ISO 45001	ISO 10002	ISO 27001	ISO 50001	ISO 22000 (FSSC)	ISO 8000	EMAS	FSC®	TS EN 15713	DIN EN 15593	TS COVID 19	GMP	ISEGA	BRC	Sedex	Ecovadis
<b>Hamburger Recycling</b>																		
Turkey	x	x	x	x	x						x		x					
Bulgaria	x	x	x															
Croatia	x	x																
Hungary	x	x																
Romania	x	x	x															
Poland																		
Czech Republic																		
Slovakia																		
Serbia																		
<b>Hamburger Containerboard</b>																		
Hungary	x	x	x				x		x	x				x			x	
Austria	x	x					x			x				x			x	
Germany (Spremberg)	x	x					x			x				x			x	
Germany (Trostberg)	x	x					x			x				x			x	
Germany (Gelsenkirchen)	x	x					x			x				x			x	
Turkey (Corlu)	x	x	x							x				x			x	
Turkey (Denizli)	x	x	x							x				x			x	

	ISO 14001	ISO 9001	ISO 45001	ISO 10002	ISO 27001	ISO 50001	ISO 22000 (FSSC)	ISO 8000	EMAS	FSC®	TS EN 15713	DIN EN 15593	TS COVID 19	GMP	ISEGA	BRC	Sedex	Ecovadis
<b>Dunapack Packaging</b>																		
Hungary (Budapest, Dunaujváros)	x	x	x				x	x		x							x	x
Hungary (Nyíregyháza)	x	x	x				x	x		x							x	x
Hungary (Mosonudvar)	x	x								x								
Romania (Sfântu Gheorghe)	x	x	x				x			x							x	x
Romania (Bucharest)	x	x	x							x						x		
Poland (Ujazd)	x	x								x						x	x	x
Poland (Lubliniec)	x	x								x						x		x
Austria (Vienna)		x								x							x	x
Austria (Straßwalchen)		x								x							x	
Bulgaria	x	x	x							x							x	
Croatia		x					x			x								
Germany		x				x				x		x					x	
Turkey (Adana, Denizli, Çorlu)	x	x	x							x						x	x	
Turkey (Eskisehir)	x	x	x			x				x							x	
Greece	x	x					x			x								
Ukraine (Khodoriv)		x					x			x							x	
Ukraine (Oleshky)		x								x							x	
Russia (SFT Packaging Kuvshinovo)		x					x			x							x	
Russia (SFT Packaging Maykop)		x					x			x							x	
Russia (SFT Packaging Taganrog)		x								x							x	
Russia (SFT Packaging Aleksin)		x								x						x	x	

# Environmental performance

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Raw materials</b> <i>in tonnes</i>					
<b>Non-renewable materials used</b>					
Chemicals ( Additives, Glue, Filler, Colours)	116,978	-	-	116,978	-
Sand	1,280	-	-	1,280	-
Total non-renewable material used	118,258	-	-	118,258	-
<b>Renewable materials used</b>					
Virgin Fibers	0	-	-	0	0
Recycled Fibers	0	-	-	0	0
Recycled Paper	1,121,761	-	-	0	1,121,761
Waste paper	439,440	-	439,440	-	-
Virgin Paper	125,330	-	-	0	125,330
Virgin Fibers (Zellstoff)	14,901	-	-	14,901	-
PFR (Paper for Recycling)	2,497,408	-	-	2,497,408	-
Fillers	9,843	-	-	9,843	-
Starch	130,109	-	-	108,079	22,029
Total renewable material used	4,338,791	-	439,440	2,630,231	1,269,121

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Waste</b> <i>in tonnes</i>					
<b>Hazardous waste diverted from disposal</b>					
Prepared for reuse	17	-	-	8	9
thereof onsite	-	-	-	-	-
thereof offsite	17	-	-	8	9
Recycling	83,093	-	-	865	82,228
thereof onsite	-	-	-	-	-
thereof offsite	83,093	-	-	865	82,228
Other recovery operations	16,429	-	-	16,429	-
thereof onsite	-	-	-	-	-
thereof offsite	16,429	-	-	16,429	-
Total hazardous waste diverted from disposal	99,539	-	-	17,302	82,237

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Waste</b> <i>in tonnes</i>					
<b>Non-hazardous waste diverted from disposal</b>					
Prepared for reuse	9	-	-	-	9
thereof onsite	-	-	-	-	-
thereof offsite	9	-	-	-	9
Recycling	158,332	-	59	24,336	133,938
thereof onsite	-	-	-	-	-
thereof offsite	158,332	-	59	24,336	133,938
Other recovery operations	201,232	-	1,217	199,928	87
thereof onsite	-	-	-	-	-
thereof offsite	201,232	-	1,217	199,928	87
Total non-hazardous waste diverted from disposal	359,574	-	1,276	224,264	134,034
<b>Total waste diverted from disposal</b>					
Waste prevented	459,113	-	1,276	241,566	216,271
<b>Hazardous waste directed to disposal</b>					
Incineration (with energy recovery)	5,082	-	-	4,996	86
thereof onsite	3,840	-	-	3,840	-
thereof offsite	1,242	-	-	1,156	86
Incineration (without energy recovery)	11,837	-	34	11,803	-
thereof onsite	-	-	-	-	-
thereof offsite	11,837	-	34	11,803	-
Landfilling	24,120	-	17,271	6,849	-
thereof onsite	0	-	-	-	-
thereof offsite	24,120	-	17,271	6,849	-
Other disposal operations	2,595	-	2,441	154	-
thereof onsite	-	-	-	-	-
thereof offsite	2,595	-	2,441	154	-
Total hazardous waste directed to disposal	43,634	-	19,746	23,802	86



	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Waste</b> <i>in tonnes</i>					
<b>Non-Hazardous waste directed to disposal</b>					
Incineration (with energy recovery)	199,724	-	-	199,710	14
thereof onsite	177,036	-	-	177,036	-
thereof offsite	22,688	-	-	22,674	14
Incineration (without energy recovery)	19,725	-	-	19,725	-
thereof onsite	-	-	-	-	-
thereof offsite	19,725	-	-	19,725	-
Landfilling	39,490	-	-	39,415	75
thereof onsite	-	-	-	-	-
thereof offsite	39,490	-	-	39,415	75
Other disposal operations	71,631	-	-	71,631	-
thereof onsite	-	-	-	-	-
thereof offsite	71,631	-	-	71,631	-
Total non-hazardous waste directed to disposal	330,570	-	-	330,481	89
<b>Total waste directed to disposal</b>					
Waste directed to disposal	374,204	-	19,746	354,283	175
Total waste generated	833,317	-	21,022	595,849	216,446

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Energy usage und CO<sub>2</sub> Emissions*</b> <i>in megajoule</i>					
<b>Fuels / Transport</b>					
Diesel	158,859,978	-	71,998,637	58,253,951	28,607,389
Petrol	9,598,882	-	2,312,168	832,733	6,453,981
LPG	18,674,181	-	324,772	3,487,356	14,862,054
CNG	16,901	-	16,901	0	0

\* Diesel, Petrol, LPG, CNG and Propane were converted using factors from Austrian Federal Environmental Agency

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Energy usage und CO<sub>2</sub> Emissions*</b> <i>in megajoule</i>					
<b>Heating and process heat</b>					
Natural Gas (for heat)	5,957,670,632	-	400,396	5,014,940,338	942,329,898
Heating oil light	955,703	-	-	793,703	162,000
Propane	428,608	-	166,414	-	262,194
Biogas	440,617,860	-	-	440,617,860	-
Biomass	1,844,791,832	-	316,800	1,844,475,032	-
Coal	2,717,079,146	-	-	2,717,079,146	-
RDF	3,570,107,914	-	-	3,570,107,914	-
Purchased Steam	1,503,719,239	-	-	1,345,424,440	158,294,799
<b>Electricity</b>					
Purchased electricity	2,230,931,646	-	11,922,586	1,856,555,178	362,453,882

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>CO<sub>2</sub> Emissions</b> <i>in t CO<sub>2</sub> equivalent</i>					
Direct CO <sub>2</sub> emissions (Scope1)	759,253	-	5,553	697,694	56,006
Indirect CO <sub>2</sub> emissions for electricity generation (Scope 2, market-based)	405,611	-	1,251	351,962	52,399
Indirect CO <sub>2</sub> emissions for electricity generation (Scope 2, location-based)	331,494	-	1,256	277,782	52,456

\* Diesel, Petrol, LPG, CNG and Propane were converted using factors from Austrian Federal Environmental Agency

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Energy intensity</b> <i>in megajoule and tonnes</i>					
Total absolute energy consumption (MJ)	15,033,149,977	-	87,458,674	13,432,265,107	1,513,426,197
Tonnes of produced product (t)	2,351,864,895	-	457,190	2,348,256	1127845,57
Energy intensity ratio (energy efficiency) (MJ/t)	-	-	191	5,720	373

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Water and effluents during the production</b> <i>in m³ and percent</i>					
<b>Water withdrawal by source</b>					
Surface water	7,594,001	-	0	7,393,761	200,240
Groundwater	4,120,060	-	0	3,967,403	152,656
Third-party water	7,303,311	-	0	7,285,317	17,994
Total water withdrawal	19,017,372	-	0	18,646,481	370,891
<b>Wastewater</b>					
Total wastewater	14,832,454	-	-	14,832,454	-
Share of wastewater with own treatment (%)	59	-	-	59	-

## Social performance

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Employees</b> <i>in headcount</i>					
<b>Total number of employees</b>					
<b>by country</b>					
Austria	1,048	128	28	293	599
Bulgaria	249	-	34	-	215
Croatia	274	-	40	-	234
Czech Republic	22	-	22	-	-
Germany	1,060	-	2	790	268
Greece	199	1	-	-	198
Hungary	1,175	3	147	351	674
Poland	622	4	91	-	527
Romania	396	-	100	-	296
Serbia	126	-	126	-	-
Slovakia	42	-	42	-	-
Slovenia	6	-	6	-	-
Turkey	1,417	-	131	221	1,065
Ukraine	449	-	-	-	449
Total number of employees	7,085	136	769	1,655	4,525

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Employees</b> <i>in headcount and percent</i>					
<b>Total number of employees</b>					
<b>by gender</b>					
female	1,289	42	222	238	787
male	5,796	94	547	1,417	3,738
<b>by age</b>					
under 30 years	1,201	20	104	292	785
30-50 years	4,536	86	481	939	3,030
over 50 years	1,348	30	184	424	710
<b>by employment contract</b>					
permanent contract (female)	1,231	42	205	218	766
permanent contract (male)	5,534	93	508	1,345	3,588
permanent contract total	6,765	135	713	1,563	4,354
temporary contract (female)	35	0	15	6	14
temporary contract (male)	170	1	35	10	124
with temporary contract total	205	1	50	16	138
with atypical contract (female)	23	0	2	14	7
with atypical contract (male)	92	0	4	62	26
with atypical contract total	115	0	6	76	33
<b>by employment type</b>					
full-time employment (female)	1,190	28	211	205	746
full-time employment (male)	5,752	89	539	1,398	3,726
full-time employment total	6,942	117	750	1,603	4,472
part-time employment (female)	99	14	11	33	41
part-time employment (male)	44	5	8	19	12
part-time employment total	143	19	19	52	53
<b>Governance body members*</b>					
<b>by gender</b>					
female	3	0	0	2	1
male	57	11	14	16	16
total	60	11	14	18	17
rate female (%)	5	0	0	11	6
rate male (%)	95	100	100	89	94

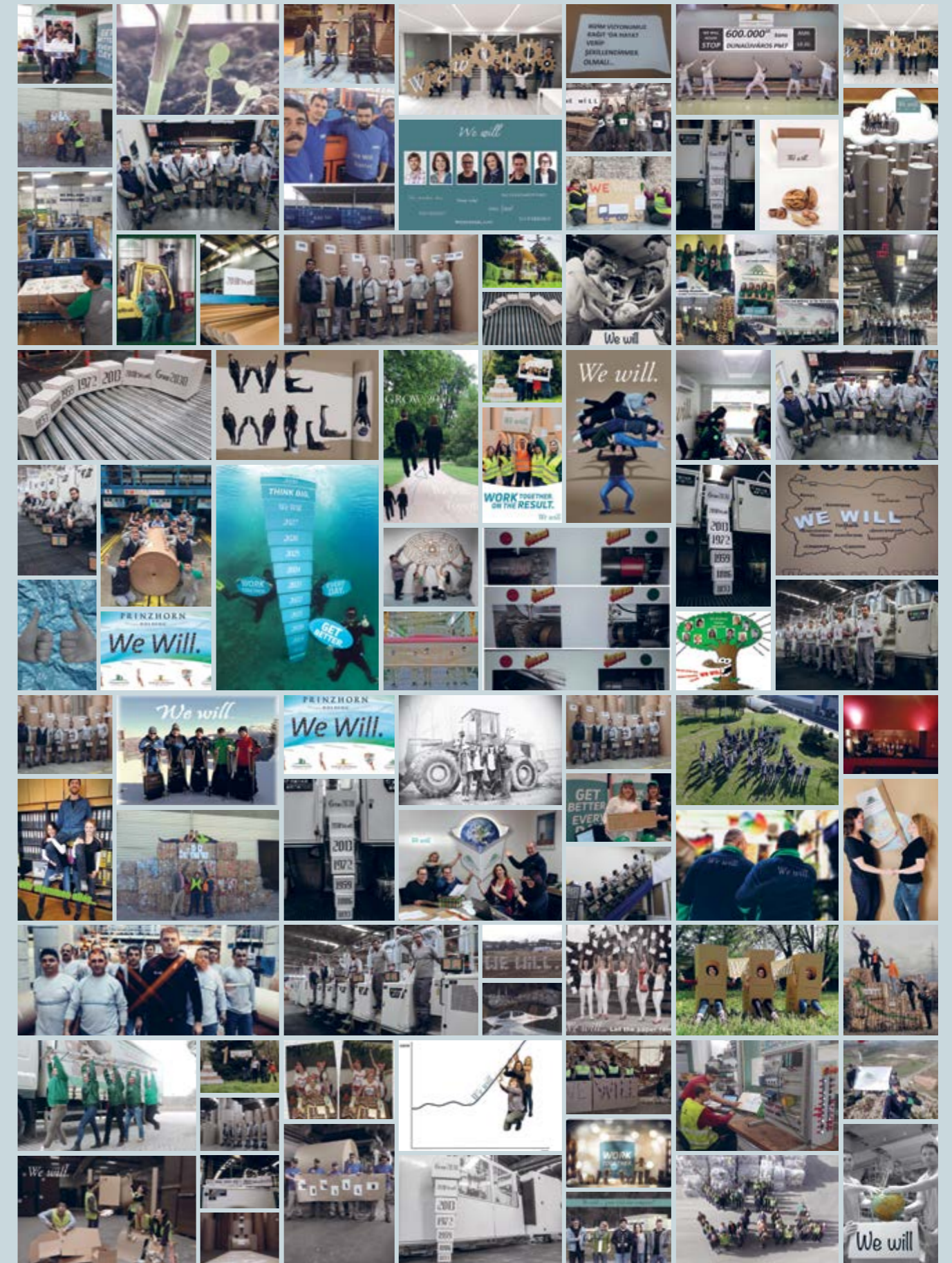
\* Following job levels are included: Management Board, Ext. Management Board, CDO, Cluster MD/Regional Director

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Employees</b> <i>in headcount and percent</i>					
<b>Governance body members</b>					
<b>by age</b>					
under 30 years	0	0	0	0	0
30-50 years	28	4	7	7	10
over 50 years	32	7	7	11	7
rate under 30 years (%)	0	0	0	0	0
rate 30-50 years (%)	47	36	50	39	59
rate over 50 years (%)	53	64	50	61	41
<b>Employee by category</b> <i>in percent</i>					
<b>Management</b>					
<b>by gender</b>					
rate female	13	15	29	12	11
rate male	87	85		88	89
<b>by age</b>					
rate under 30 years	7	0	6	1	9
rate 30-50 years	72	71	74	65	73
rate over 50 years	21	29	20	34	18
<b>Non-management</b>					
<b>by gender</b>					
rate female	19	36	29	15	19
rate male	81	64	71	85	81
<b>by age</b>					
rate under 30 years	19	20	15	20	19
rate 30-50 years	62	61	60	56	65
rate over 50 years	19	20	25	25	15
<b>White-collar</b>					
<b>by gender</b>					
rate female	41	31	55	34	43
rate male	59	69	45	66	57

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Employee by category</b> <i>in percent</i>					
<b>by age</b>					
rate under 30 years	13	15	13	13	12
rate 30-50 years	69	63	73	60	73
rate over 50 years	18	22	14	26	15
<b>Blue-collar</b>					
<b>by gender</b>					
rate female	8	0	14	5	8
rate male	92	0	86	95	92
<b>by age</b>					
rate under 30 years	19	0	14	20	19
rate 30-50 years	62	0	57	55	65
rate over 50 years	19	0	29	25	16
<b>Number of new employee hires</b> <i>in headcount and percent</i>					
<b>by gender</b>					
female	205	7	49	21	128
male	917	13	127	128	649
total	1,122	20	176	149	777
rate female (%)	16	17	22	9	16
rate male (%)	16	14	23	9	17
rate total (%)	16	15	23	9	17
<b>by age</b>					
under 30 years	498	3	57	62	376
30-50 years	523	13	81	75	354
over 50 years	101	4	38	12	47
rate under 30 years (%)	41	15	55	21	48
rate 30-50 years (%)	12	15	17	8	12
rate over 50 years (%)	7	13	21	3	7

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Number of new employee hires</b> <i>in headcount and percent</i>					
<b>by collar</b>					
blue-collar	850	0	131	111	608
white-collar	272	20	45	38	169
<b>Turnover overall by</b>					
female employees (%)	12	17	18	8	11
male employees (%)	14	17	17	9	15
Total turnover rate (%)	13	17	17	9	14
<b>Parental leave</b>					
<b>employees that took parental leave</b>					
female	40	2	4	17	17
male	22	1	0	10	11
total	62	3	4	27	28
<b>employees that returned to work in the reporting period after parental leave ended</b>					
female	26	0	7	7	12
male	22	0	1	11	10
total	48	0	8	18	22
<b>total number of employees due to return to work after taking parental leave</b>					
female	61	2	7	20	32
male	3	1	1		1
total	64	3	8	20	33

	Prinzhorn Group	Prinzhorn Holding	Hamburger Recycling	Hamburger Containerboard	Dunapack Packaging
<b>Employee development and training</b> <i>in hours</i>					
Total employee training hours*	103,332	0	3,819	24,178	64,103
*data from 2020					
<b>Employee education by training</b> <i>in headcount</i>					
Group Leadership Academy	150	32	17	30	71
Group Management Academy	367	4	20	136	207
Group Management Academy International	64	2	22	17	23
Group Expert Academy	148	23	23	19	83
FIT number of nominated employees	151	11	10	40	83
<b>Ratio of employees in training</b> <i>in percent</i>					
Employees on Group Management Academy	5.2	2.9	2.6	8.2	4.6
Employees on Group Management Academy International	0.9	1.5	2.9	1.0	0.5
Employees on Group Expert Academy	2.1	16.9	3.0	1.1	1.8
FIT nomination ratio	2.1	8.1	1.3	2.4	1.8



# Abbreviations

<b>BFR</b>	German Federal Institute for Risk Assessment
<b>BRC</b>	British Retail Consortium Global Standards
<b>CDO</b>	Chief Direction Officer
<b>CEE</b>	Central and Eastern Europe
<b>CEO</b>	Chief Executive Officer
<b>CEPI</b>	European Containerboard Organisation
<b>CFO</b>	Chief Financial Officer
<b>CNG</b>	Compressed Natural Gas
<b>CO<sub>2</sub></b>	Carbon Dioxide
<b>CoC</b>	Code of Conduct
<b>CSR</b>	Corporate Social Responsibility
<b>CSRD</b>	Corporate Sustainability Reporting Directive
<b>DP</b>	Dunapack Packaging
<b>EBS</b>	Susbtitute Fuel (Ersatzbrennstoffe)
<b>EHS</b>	Environmental Health and Safety
<b>EMAS</b>	Eco-Management and Audit Scheme
<b>ERP</b>	Enterprise Resource Planning
<b>ESG</b>	Environment, Social, Governance
<b>EUTR</b>	European Timber Regulation
<b>FEFCO</b>	European Federation of Corrugated Board Manufacturers
<b>FIT</b>	Finding Inspiring Talents
<b>FSC®</b>	Forest Stewardship Council
<b>FSSC</b>	Food Safety System Certification
<b>GmbH</b>	Gesellschaft mit beschränkter Haftung
<b>GMP</b>	Good Manufacturing Practice
<b>GRI</b>	Global Reporting Initiative
<b>HCB</b>	Hamburger Containerboard
<b>HR</b>	Human Ressources
<b>ISEGA</b>	ISEGA Forschungs- und Untersuchungsgesellschaft mbH

<b>ISO</b>	International Organization for Standardization
<b>IT</b>	Information Technology
<b>KIBIS</b>	Competence Center for Work-life and Family conscious Human Resources Management
<b>KPI</b>	Key Performance Indicator
<b>kWh</b>	Kilowatt Hour
<b>LED</b>	Light-emitting Diode
<b>LMS</b>	Learning Management System
<b>LNG</b>	Liquefied Natural Gas
<b>LPG</b>	Liquefied Petroleum Gas
<b>LTI</b>	Lost Time Injuries
<b>m<sup>2</sup></b>	Square Meter
<b>MbO</b>	Management by Objective
<b>MD</b>	Managing Director
<b>MJ</b>	Megajoule
<b>MOAH</b>	Mineral Oil Aromatic Hydrocarbons
<b>MOSH</b>	Mineral Oil Saturated Hydrocarbon
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>OHS</b>	Occupational Health and Safety
<b>PFR</b>	Paper for Recycling
<b>RCCM</b>	Recycled Corrugator Case Material
<b>REACH</b>	Registration, Evaluation, Authorisation and Restriction of Chemicals
<b>SDGs</b>	Sustainable Development Goals
<b>SEE</b>	Southeast Europe
<b>SVHC</b>	Substances of Very High Concern
<b>TPPS</b>	Thomas Prinzhorn Privatsstiftung
<b>TÜV</b>	Technischer Überwachungsverein
<b>UGB</b>	Austrian Commercial Code
<b>UN</b>	United Nations

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