

# SUSTAINABILITY REPORT

2022

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# FOREWORD

Dear readers,

I am pleased that you are currently perusing the second sustainability report of the Gabriel-Chemie Group. Much has transpired since our initial report in 2020, with one challenge following another, all of which required entrepreneurial foresight, empathy, and responsibility to overcome.

The Covid-19 pandemic, with its travel restrictions, short-time work, and the necessary protection of all our employees, has posed challenges for us all. Fortunately, we managed to retain all our employees and did not have to cut jobs due to the crisis. In the wake of Covid-19, there was an economic crisis marked by the closure of many companies, job losses, disruptions in supply chains, and volatile raw material prices. Currently, we find ourselves in a geopolitical conflict, the repercussions of which are expected to occupy us for many years to come.

Despite all these challenges, in this report, we want to focus on the topics and areas of action that we can directly positively influence. Building upon our last materiality analysis from the 2020 report, we aim to present the current status quo, detailing the goals we have already achieved and where we need to sharpen our focus.

The areas of action defined are People, Emissions, and Circular Economy.

As a family person, the well-being and safety of my family and our workforce are of utmost importance to me. All of you are the heart of the Gabriel-Chemie Group. Numerous measures aimed at improving work-life balance, providing educational opportunities, and promoting health and safety in the workplace are intended to make us an attractive and responsible employer.

Climate change is one of the greatest challenges we currently face. As guests on our planet, we have a responsibility to preserve it in a way that ensures a livable environment for future generations. We actively work to reduce greenhouse gas emissions and achieve the 1.5-degree goal outlined in the Paris Agreement.

A central theme for us is the circular economy. Like many manufacturing companies, we generate large quantities of packaging waste and process-related plastic waste. We implement numerous measures to give new life to these materials and keep them in circulation.

Ultimately, it is us humans who play a crucial role in implementing sustainability and climate protection.



**ELISABETH SOMMER**  
CEO Gabriel-Chemie





## Independent, international and familial

Our company was founded in 1950 by Josef Houska as a family business and is currently owned by the second generation of the family. Over the past 70 years, our development has consistently been marked by growth. Adapting strategically and wisely to events such as the economic miracle, the oil crisis of the seventies, the subsequent consumer and plastic boom, the global financial crisis, and most recently, the challenges in the fight against climate change, has demanded and strengthened us throughout the decades.

The present-day Gabriel-Chemie Group is directed from its Austrian headquarters in Gumpoldskirchen and ranks among the leading masterbatch manufacturers in Europe. Our network of subsidiaries in Germany, the United Kingdom, Hungary, the Czech Republic, Poland, Spain, Italy, and Russia extends our reach far beyond the borders of Europe. We prioritize clear customer orientation and ongoing internal optimization processes, including the development of products, product innovations, and processes aimed at improving both quality and efficiency, as well as achieving solid growth.

Our structure and global network allow us to operate in markets worldwide. Our clients are not only located in the Americas but also in Africa, the Middle East, and the Asia-Pacific region. We accompany our customers with European quality around the world.



19  
50

## ESTABLISHMENT

**JOSEF HOUSKA**

establishes a company for Import-Export wholesale in Vienna.

**COLOUR  
COMES INTO PLAY**

with the sale of sythetic dyes.

19  
60

19  
70

## MASTERBATCH

**FIRST COLOUR GRANULATES**

are produced in the factory in Vienna.

**EXPANSION  
NEW MARKETS**

in Eastern Europe and the Middle East are being penetrated. The company is expanding.

19  
80



## More than colour

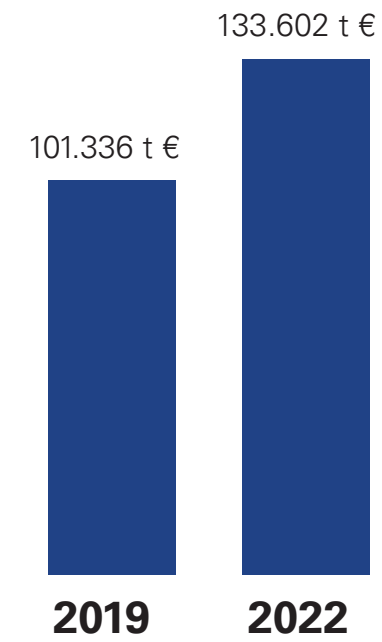
In the 1950s, the company founder Josef Houska began importing and trading dyes for the textile, leather, and paper industries. Today, we specialize in the coloring and finishing of thermoplastic plastics, offering not only color masterbatch but also additive masterbatch and combination masterbatch for plastics. Our customers span various sectors of the plastic processing industry, including manufacturers of food and cosmetic packaging, products for the construction and agriculture sectors, industrial and consumer goods, as well as producers of medical products and packaging. Due to this diversification, employed as an instrument of our risk policy, we are well-equipped as a company to withstand downturns in individual sectors.

## Family Business

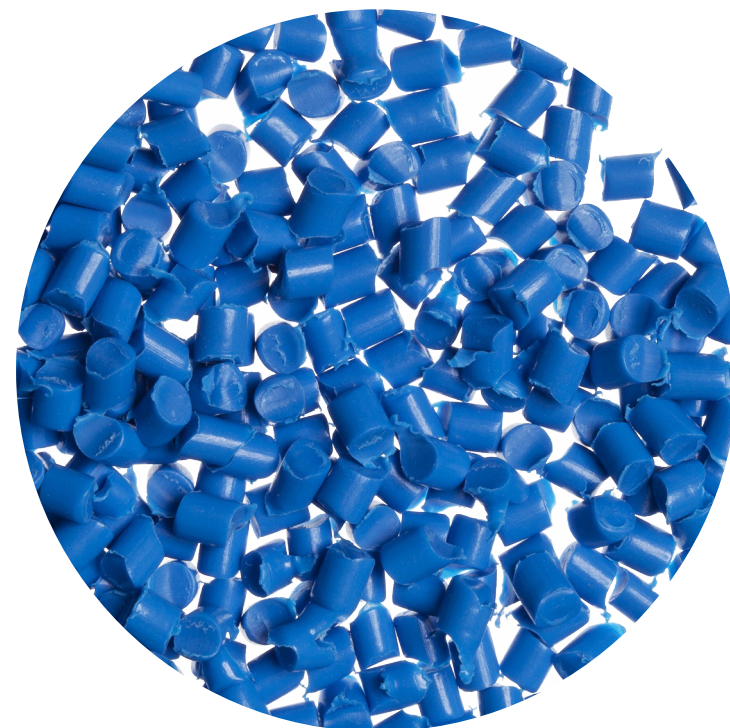
The Gabriel-Chemie Group remains privately owned by the second generation of the family. The interests of the owners are represented in the Board of Trustees, while the operational management of the Group is led by the Management Board. The family is represented on the Management Board by Elisabeth Sommer as CEO and Stefanie Sommer as CSO (Chief Sustainability Officer). Stefan Fodroczi (CCO - Chief Commercial Officer) and Andreas Berger (CFOO - Chief Financial and Operations Officer) complete the leadership team.

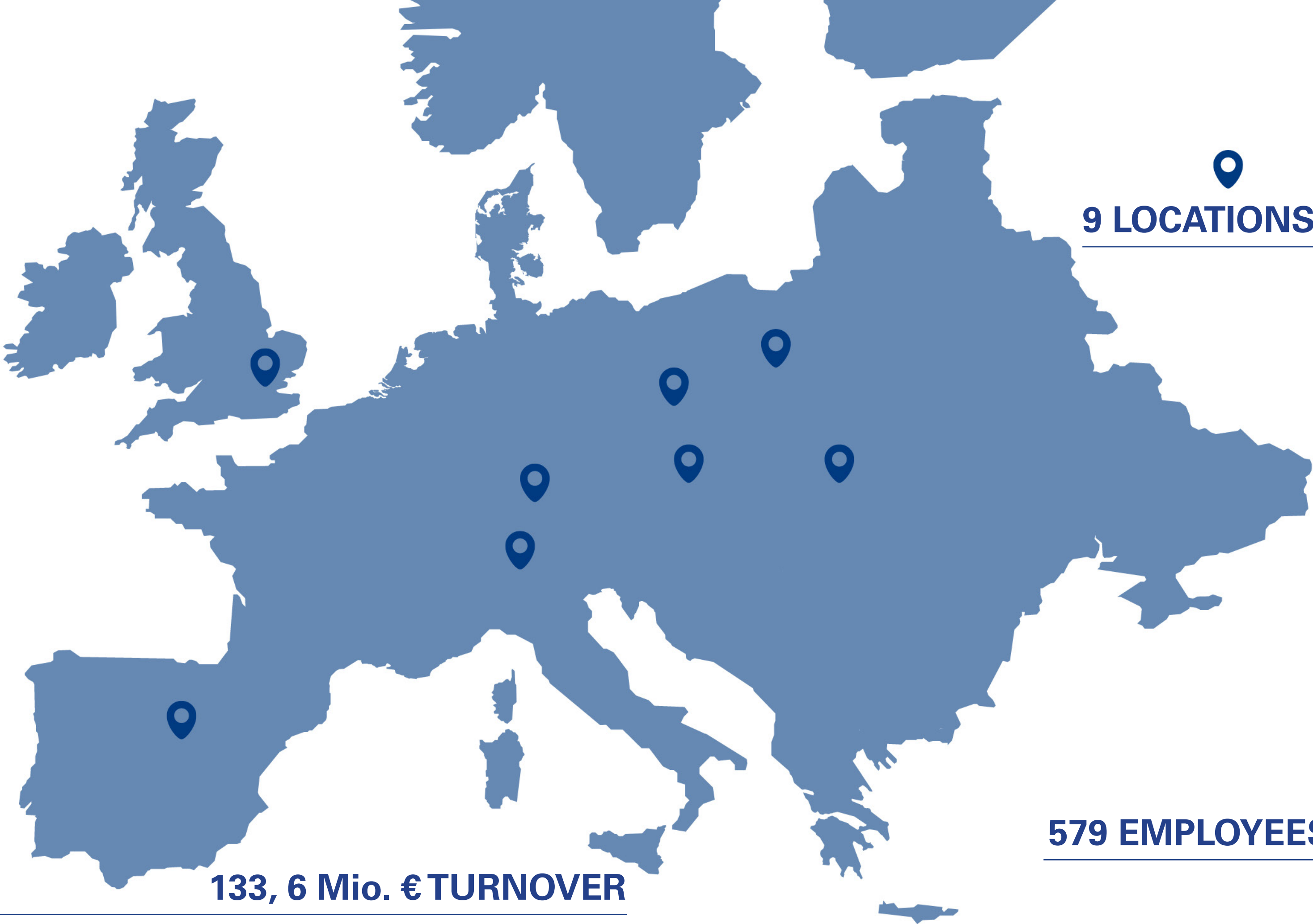
## Gabriel-Chemie by numbers

### Turnover



### Employees





  
**9 LOCATIONS**

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**133, 6 Mio. € TURNOVER**

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**579 EMPLOYEES**

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### **EcoVadis**

Since 2023, we have been assessing our sustainability performance through the international rating agency EcoVadis. Our company has been evaluated based on 21 indicators in four thematic areas: environment, labor and human rights, ethics, and sustainable procurement. This provides our customers with an objective assessment of our efforts. In our initial evaluation, we received the „Silver“ award, placing us among the top 25% of all companies evaluated by EcoVadis.

## **NICOLE ZIEGLER**

**Corporate Responsibility & Sustainability Manager**



### **Certifications**

The quality of our products and services must not only meet the highest international and national criteria, but must also satisfy all customer-specific requirements. Successfully meeting these ever-changing challenges requires first and foremost an awareness of quality that is dynamically propagated throughout the entire group of companies among all employees.

An efficient management system is of crucial importance for companies in today's world, particularly with regard to sustainability and long-term competitiveness. Particularly in the context of sustainability, management systems enable companies to take better account of environmental and social aspects. They support compliance with legal requirements and international standards, such as ISO 14001 for environmental management or ISO 26000 for social responsibility. By complying with these standards and pursuing sustainable goals, companies can strengthen their reputation and facilitate access to markets with strict sustainability requirements.

EN ISO 9001: Austria, Germany, Great Britain, Hungary, Czech Republic, Italy

EN ISO 14001: Austria, Germany, Great Britain, Hungary, Czech Republic

EN ISO 13485: Austria, Germany

EN ISO 22000: Austria

EN ISO 26000 as a guideline for social responsibility: all locations

ISCC PLUS (International Sustainability and Carbon Certification): Germany

# OUR VISION

## **We are an independent, internationally positioned family-owned company**

Our main objective is to ensure the company's continued existence. Stability and security of the company are at the forefront, ensuring that the innovative spirit of our founder, Josef Houska, continues to thrive and inspires many future generations. We make sure that the company is handed over to each successive generation in an improved state.

## **Our employees are the heart of our company and the key to our success**

We focus on the family concept and togetherness is very important to us. Because only together we can achieve our goals! Our Gabriel-Chemie family is a team that respects and trusts each other, goes through ups and downs together and works together in a solution-orientated way. We always promote the development of all our employees and give them the opportunity to learn.

## **We see our partners as part of the family**

Whether employees, customers, suppliers, the environment or society, we focus on partners who share our values. We listen and understand the needs of our customers. Together we develop innovative, sustainable and reliable products & solutions.

## **Sustainable out of conviction**

We make our actions and decisions in an economically, ecologically and socially. We want to proactively shape the future, develop solutions that benefit society and limit activities that damage the environment. In this way, we become part of a positive change in society and help to increase the value of plastic.

## **Innovation is the process that drives us forward**

We are curious and consciously leave our comfort zone. We find new ways and think outside the box. The digital transformation is one of our most important topics for the future and should ensure that our available resources are optimally utilised for the



**FAMILY**



**SUSTAINABILITY**



**INNOVATION**



# OUR MANAGEMENT

## Our Management Board

The owner family is represented by Elisabeth Sommer (CEO) and Stefanie Sommer (CSO). The Management Board is completed by Andreas Berger (CFOO) and Stefan Fodroczi (CCO). Sustainability as a central motive is located directly on the Management Board with Stefanie Sommer as Chief Sustainability and Strategy Officer. The central focus of the sustainability strategy with its economic, environmental and social aspects is defined in close dialogue with the Sustainability Office (Sustainability Officer), Environmental Management and the Management Board. The operational implementation of the defined topics is carried out by the sustainability officers and the site managers. Regular CSR audits in accordance with ISO 26000 ensure that our sustainability topics are anchored and deepened our sustainability topics away from the headquarters.



## 1 Elisabeth Sommer Chief Executive Officer

„As the second-generation managing director of a family business company, healthy growth and continuous expansion - while taking all entrepreneurial risks - is my credo in order to prepare Gabriel-Chemie for the requirements of the future and future generations“

## 2 Stefanie Sommer Chief Strategy & Sustainability Officer

„In addition to the product side, we pay great attention to sustainable solutions with regard to the efficient use of raw materials and the consumption of clean energy. This involves measures that we have defined as part of our sustainability strategy, which reduce costs for us as a company and protect the environment at the same time.“

## 3 Stefan Fodroczi Chief Commercial Officer

„The joy of innovation and a passion for plastics connect us with our customers and partners. We take our responsibility seriously and work together on sustainable innovations and customised solutions, true to our motto „Bringing life to plastics!“

## 4 Andreas Berger Chief Financial Operating Officer

„It is important to me that, on the one hand, the financial security of the family business is guaranteed in the long term and that we establish technologies/processes that do not have to shy away from with the state of the art. The intensification partnerships with our stakeholders is a prerequisite for achieving this goal.“

# STAKEHOLDER DIALOGUE

As an international player, we are involved in numerous project partnerships, initiatives and associations in Austria and internationally. The list is exemplary and does not claim to be exhaustive.

## **Verpackung mit Zukunft**

Together with partners along the value chain, we find solutions for packaging with a future. Each company makes its own contribution contribution to overcoming the challenges. We are working together to minimise the impact on our environment. Every day we learn more about these impact and combine individual measures into a holistic solution together. Packaging with a future sees itself as a communication platform for all information on all aspects of packaging and the circular economy in Austria and positions itself as a transparent and accessible discussion partner.

## **RespAct**

We are a member of Austria's leading corporate platform for responsible business. Respect informs, networks and promotes CSR in Austria as a topic leader.

## **Plastics Cluster**

We are active in the Plastics Cluster (KC), a cross-industry network of the plastics sector. The plastics cluster initiates, promotes and coordinates the co-operation between companies and acts as an interface between partner companies, research institutions and decision-makers in the plastics location Austria.

## **VÖK Association of Austrian Plastics Processors**

The VÖK represents the interests of the plastics industry in specialised committees. VÖK was initiated by our company founder Josef Houska together with other companies. As part of our membership, we support young talent through the „VÖK Scholarship Fund“.

## **Cooperations**

We have an excellent network in the plastics industry and are intensively involved in plastics technology training centres, universities and technical colleges, where we carry out development projects. We co-operate with both manufacturers of recycling plants and with recycling companies to test the suitability of our products. We are also looking to collaborate with developers of bio-based polymers - as a sustainable alternative to petrochemical plastics - as a further focal point.

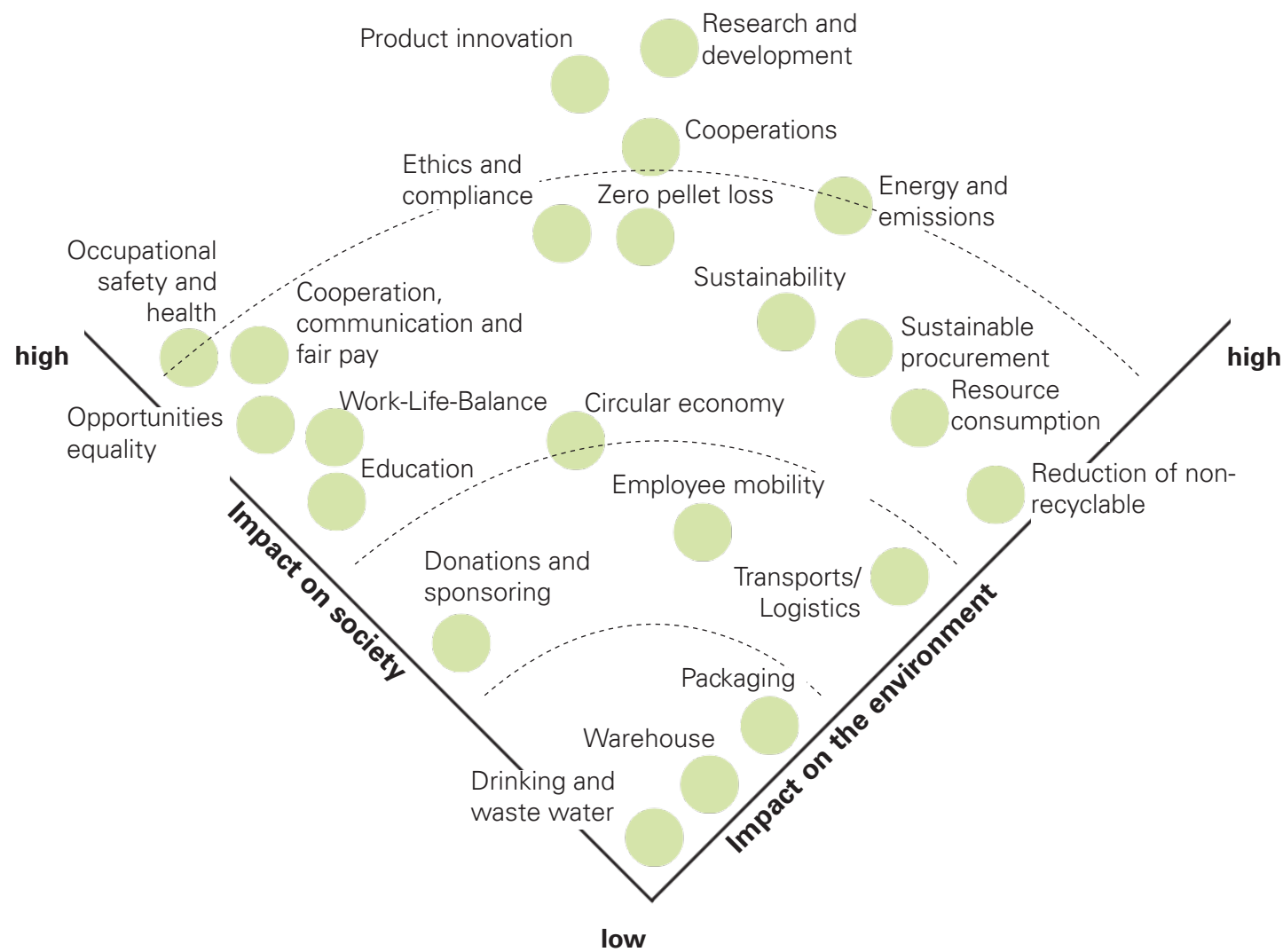




# KEY SUSTAINABILITY TOPICS

To focus on the key sustainability issues, we initially examined the entire value chain and identified all relevant sustainability-related topics. On this basis, individual topics were prioritized according to the intensity of their impact on the environment, society, and the economy resulting from our business activities, as well as in accordance with the expectations and interests of stakeholders (self-assessment). Strategic action fields were then determined.

## Key topics



## Strategic fields of action

Building upon our essential topics, we have defined strategic action areas in which we implement targeted measures for the sustainable development of our company.

### 1 Environmental protection

- GHG emissions
- Zero pellet loss

### 2 Circular Economy

- Resource consumption
- Waste management
- Product innovation

### 3 People

- Occupational health and safety
- Equal opportunities
- Training and further education
- Work-life balance

### 4 Governance

- Sustainable procurement
- Ethics and compliance
- Supply chain management



## Development measures

### Resource Consumption

By reusing and recycling raw materials, the demand for primary resources is reduced, leading to a lower impact on natural resources.

### Waste Management

Our aim is to minimize waste through reuse and reduce its negative impact on the environment.

### Product Innovation

We develop products that optimize the usability of recycled materials, enabling a circular economy. Additionally, we design products that enhance the detectability, sortability, and thus, recyclability of the end product.

### Greenhouse Gas Emissions

The fight against climate change is one of the greatest challenges of our time. We focus on reducing our direct and indirect CO<sub>2</sub> emissions through the use of renewable energy.

### Environmental Protection Measures

We are committed to responsibly managing our environment and naturally comply with applicable laws. Additionally, we implement voluntary measures to prevent any loss of granules into the environment (Zero-Pellet-Loss).

### Occupational Safety and Health

We implement measures for accident prevention and the well-being of all employees. This includes initiatives aimed at achieving a better work-life balance.

### Equal Opportunities

We respect and promote all individuals regardless of their age, gender, physical condition, nationality, ethnic background, religion, or sexual orientation. We value and welcome cultural diversity within our organization.

**„We are committed to reducing our direct and indirect CO<sub>2</sub>-emissions through the use of renewable energy.“**

### Education and Training

Competent employees are the key to success. Individual development plans, targeted training, and career opportunities within the company are essential elements for creating a positive work environment where talents can flourish.

### Sustainable Procurement

In line with sustainable procurement management, we consider relevant criteria with a particular focus on environmental and climate protection, occupational safety, and human rights.

### Ethics and Compliance

In our dealings with all stakeholders, we expect an attitude that aligns with our value system. Our code of conduct for employees and suppliers serves as a guideline for collaboration.



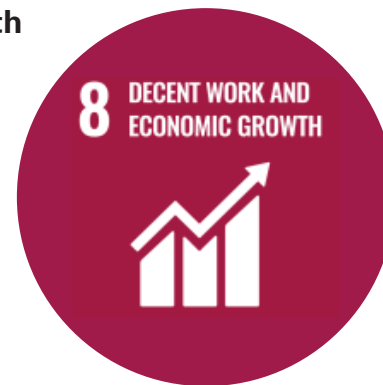
# SUSTAINABLE DEVELOPMENT GOALS

As a manufacturing company, we also aim to contribute to the positive transformation of our society in collaboration with others. We commit ourselves to the implementation of the United Nations' Agenda 2030, which encompasses 17 Sustainable Development Goals (SDGs). This agenda provides an internationally binding framework that considers all dimensions of sustainable development, with the overarching goal of ending extreme poverty „in all its forms and everywhere in the world.“

Within the scope of our business activities, we have identified four development goals where we can make a direct contribution to implementation. These goals are Goals 8, 12, 13, and 14.

## SDG 08 - Sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Continuous, healthy growth and steady expansion are the parameters for sustainable growth while taking all entrepreneurial risks into account. We ensure compliance with the law, our internal guidelines and our Code of Conduct. We offer fair and performance-related wages throughout the Group, provide a modern, safe working environment and distance ourselves from forced and child labor.



## SDG 12 - Sustainable consumption and production

We design our production to be as sustainable as possible. We implement measures to reduce waste generation and reuse valuable waste. We increasingly focus on using high-quality production waste as a carrier polymer and on reducing production-related losses.



## SDG 13 - Measures for climate protection

We are committed to the 1.5-degree target of the Paris Agreement and continuously strive to improve our ecological footprint. We implement corresponding measures, such as expanding renewable energy, implementing energy-saving initiatives in production, and efficiently utilizing resources to combat the impacts of climate change.



## SDG 14 - Life under water

Significantly reducing all forms of marine pollution is a major concern for us. Therefore, we take measures in our area to prevent any loss of plastic granules.

# CLIMATE

## Climate change

The climate crisis is one of the greatest challenges of our time and affects us all, regardless of our location or lifestyle. Climate change has diverse effects that impact various aspects of our lives.

Ecologically, climate change is causing changes in ecosystems and biodiversity. The loss of habitats, alterations in temperature and precipitation patterns, and rising sea levels threaten many species of animals and plants. These changes have repercussions on the entire food chain and can lead to the collapse of ecosystems.

On a social level, climate change can worsen the living conditions of many people. More frequent and intense extreme weather events such as heatwaves, droughts, floods, and storms can cause significant damage to infrastructure, housing, and agricultural areas, jeopardizing the livelihoods of many individuals. The impacts are often more severe in poorer regions, as they have fewer resources to adapt to climate change.

The economic impacts of climate change are also substantial. Natural disasters and extreme weather events result in immense costs for repair and reconstruction. There is a risk that certain industries heavily dependent on natural resources may be affected, while new opportunities may arise in areas such as renewable energy and sustainable technologies.

To limit the impacts of climate change and adapt to changing climate conditions, we all have a role to play. Reducing greenhouse gas emissions, expanding renewable energy, and protecting ecosystems are crucial measures to mitigate climate change.

## OUR GOAL

Reduction of the share of fossil energy by 30% in the group-wide electricity mix by 2025.

Ongoing conversion of all locations to LED technology. Reduction of non-recyclable production waste by 50% by 2023.

Prevention of the loss of plastic granules: Group-wide implementation of Zero Pellet Loss measures by 2025.

## WHERE WE ARE

In 2022, 65% of our electricity was sourced from renewable sources. Our goal is to reach 85% by 2030.

The conversion to LED lighting is ongoing, occurring as needed, with complete conversion in our Austrian production.

In 2022, non-recyclable production waste was reduced by 24% compared to 2019.

Zero Pellet Loss measures have been implemented at all locations and are evaluated as part of environmental audits.





## Expansion of Photovoltaics

A significant portion of our Scope-1 and Scope-2 emissions, specifically 74% in 2021, is attributed to energy consumption, making it the primary leverage point for greenhouse gas reduction. To reduce greenhouse gas emissions and simultaneously become less dependent on rising energy prices, we are heavily investing in the expansion of photovoltaic systems.

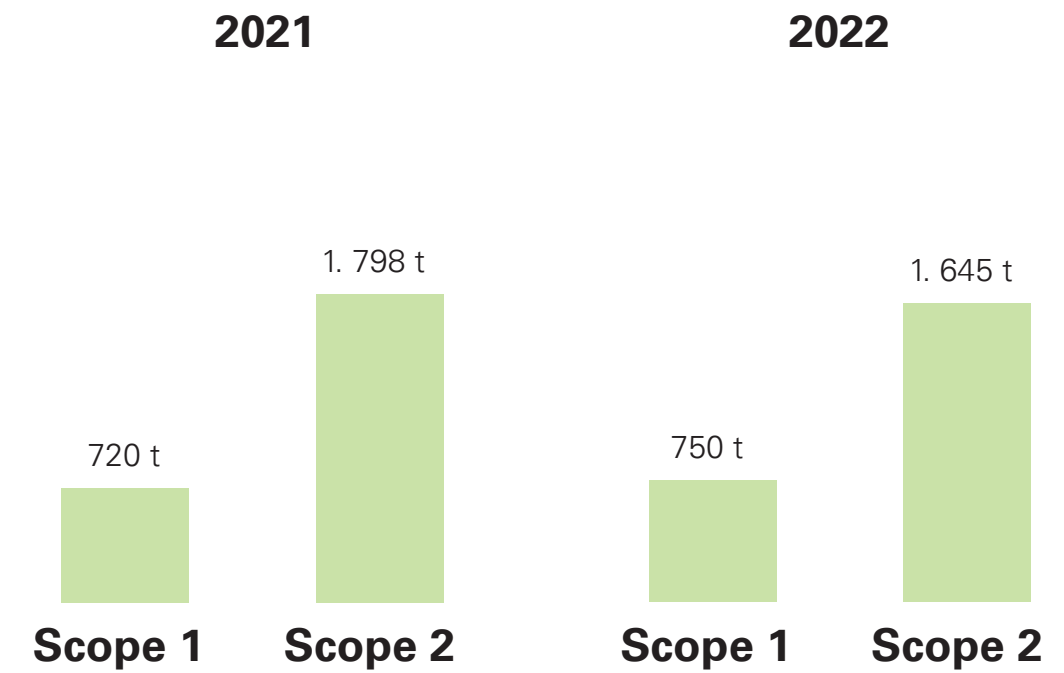
Our first smaller photovoltaic system was installed in 2007 at the Germany location and has since been expanded to 130 kWp capacity by 2023. Since 2020, an 881 kWp system has been operational at the headquarters, with an expansion to 1,300 kWp planned for 2024. The evaluation of photovoltaic systems at additional locations within the GC Group is ongoing. This photovoltaic initiative is complemented by green energy products available in some countries, gradually transitioning to these to achieve our set goal. By 2030, we aim to be largely independent of gas and coal.

Additionally, we continuously analyze our production processes and deploy new, more efficient technologies to use energy as effectively as possible. HIER FEHLT NOCH EIN SATZ AUS DER LETZTEN KORREKTUR

## Energy key figures

	2019	2022
<b>ENERGY</b>		
Energy Consumption	14 680 MWh	15 244 MWh
Share of renewable energy	55%	53%
Energy Consumption per sqm	33,31 kWh	32,88 kWh
Share of electrical energy	75%	73%
<b>WATER</b>		
TOTAL Water consumption	86 991m <sup>3</sup>	112 436m <sup>3</sup>
Share of well water	52%	70%
<b>MATERIALS</b>		
Share of polymers	53,54%	51,62%
Share of colorants	26,90%	28,63%
Share of additives	10,14%	10,48%
Others	9,43%	9,27%
<b>WASTE</b>		
Share of recyclable materials from production process	31,66%	65,55%

## CO<sub>2</sub>-emissions





# ENVIRONMENT

## Zero pellet loss

The pollution of water bodies by plastics is a growing concern, impacting the image of plastic as a material. While a significant portion comes from plastic packaging and fishing nets, the entry of granules into water bodies must not be neglected. We are implementing numerous measures to prevent the unintentional entry of granules, flakes, powder etc. into water bodies.

These measures include physical interventions such as specialized filters, as well as awareness-raising and training programs for all employees in handling raw materials and preventing contamination.

## World Clean Up Day

We support this global action day by having volunteers from the company clean up areas with litter. This event, as part of our social initiatives, is a focal point at Gabriel-Chemie. It strengthens awareness of environmental protection and fosters a sense of belonging within the GC Family.





# CIRCULAR ECONOMY

## Everything revolves

Creating a working circular economy is one of the most important challenges of the coming years. A circular economy is an economic model in which resources are used as efficiently as possible in order to minimize waste and reduce environmental impact. In contrast to the linear economic model, the circular economy provides for materials and products to be reused, repaired, refurbished and recycled in a closed loop so that they remain in a circular system for as long as possible, which brings many benefits.

### Resource Conservation

By reusing and recycling materials, the demand for primary raw materials is reduced, leading to a lower impact on natural resources.

### Climate Protection & Reduction of Waste

By avoiding waste and the associated greenhouse gas emissions, the circular economy can contribute to supporting the fight against climate change.

### Economic Opportunities

The circular economy offers new business opportunities that can complement the existing business model.

## Production-related waste

In the course of our production processes, significant amounts of waste, including overproductions, naturally accumulate. However, this waste represents a valuable resource, the production of which has already caused emissions. We are working to keep these materials in the circular economy for as long as possible, such as through accompanying processes, reducing the need for new materials and simultaneously saving emissions.

### OUR GOAL

Use of 40 kt (kilotons) of our own regenerated material for carriers by 2025.

Product range with a focus on sustainability and the circular economy by 2023.

One flagship project per year with a focus on sustainability.

Reduction of production-related losses by 30% by 2023.



### WHERE WE ARE

We prepare high-quality films from our laboratory for further use as carrier polymers. In 2022, we were able to give 8.5 tons a second life.

In 2021, we introduced the product lines MaxiLoop and Maxi-Blue, both focusing on sustainability, and these product lines are continually expanding.

One of our current flagship projects envisions restricting the consumption of the valuable resource water: water-retaining, compostable films for the agricultural industry.

In 2022, we successfully reduced production-related losses by 23% compared to 2019.

## Flagship project: water-retaining agricultural films

At the end of 2022, Gabriel-Chemie collaborated with graduates from the Vienna TGM in a flagship project, providing guidance and support. Rising temperatures, depleting groundwater reserves, and withering crops present significant challenges faced by current and future generations due to climate change. The increasing frequency of droughts and heatwaves, combined with the expansion of concrete-covered and sealed soils, has dramatic consequences for the economic and social development of humanity.

The majority of freshwater consumed by humans is used in agriculture, especially for irrigating arable land. About 70% of the total water consumption is attributed to agriculture, encompassing food production. In some developing countries, the percentage is even higher. Automated irrigation systems, predominantly used in industrialized nations, do not facilitate sustainable and long-term irrigation, as a significant portion of the water used seeps away unused.

## STEFAN FODROCZI

CCO

„Bringing life to plastics. We are developing innovations that drive sustainable solutions. One of our current projects with the vision of combating global water scarcity is the development of water-retaining, compostable films for the agricultural industry. Interested application partners are warmly welcome.“



„Reduce water use by 50% - we are working on it“

As part of a diploma thesis at the TGM, a formulation for functional films was developed which, with their water-storing capacity, represent an opportunity to save water and supply agricultural areas with moisture over a longer period of time. Common agricultural films to protect seeds, e.g. from pests, are widely available on the market. What is new about the film developed, however, is its water-retaining property and thus its additional ecological benefit. This is further enhanced by its biodegradability and compostability, as well as by the predominantly natural substance-based formulation of the film. The latter also allows nutrients to be released into the soil and thus a rapid regeneration of soil quality.



## Maxi Loop & Maxi Blue product range

As part of our sustainability efforts and in response to climate change, we have expanded our Sustainable Solutions product portfolio with the series MaxiBlue and MaxiLoop.

While Maxithen builds on our traditional product range, MaxiBlue includes climate-friendly, biogenic alternatives, and polymers from chemical recycling as carrier polymers. These serve as sustainable alternatives to fossil-based polymers.

For biogenic polymers, we place a strong emphasis on sustainability, preferring raw materials that arise as by-products of other industries or constitute waste products. Within the MaxiBlue series, we avoid using plants as raw materials if their cultivation is specifically for the purpose of becoming plastic, or if their intensive cultivation negatively impacts ecosystems, whether through deforestation or water consumption.

On the other hand, MaxiLoop encompasses all products based on either our own or purchased regenerated carriers, or products that enhance recyclability, thus supporting the circular economy. This includes various additive formulations:

### Compatibilizer

minimize the negative effects of contaminations in the regenerated material from foreign polymers.

### Anti-Odor

reduces specific inherent odors of the regenerated material that cannot be physically removed.

### Brightener

refreshes the appearance of the used regenerated material as an optical brightener.

### NIR Black

serves as an alternative to conventional carbon black variants but is detectable in the sorting process.

### Special Anti-Oxidants and light stabilizers

to maintain the mechanical properties of the regenerated material.

## „What if plastics could talk?“

We see significant potential for the circular economy in our TagTec application. For the first time, it has been possible to embed a variety of different information into the plastic matrix. These data, stored in a cloud, can be applied at various stages of the lifecycle, from manufacturing and quality assurance through the supply chain to the circular economy at the end of the product's life.

This ensures, for example, material definition and the identification of individual parts. TagTec is offered not only with predefined application modules but also as a custom-tailored solution for specific purposes. It provides a variety of different application possibilities, including use in sorting facilities.

**MARK HANNAH**  
Head of Marketing

“With the new product lines, we meet the desires of our customers who are increasingly mindful of the CO<sub>2</sub>-footprint of their products and packaging. With MaxiBlue and MaxiLoop, we offer numerous serious alternatives without having to make concessions to functionality and appealing aesthetics.”



# PEOPLE IN THE SPOTLIGHT

## Employer Branding

A satisfied and engaged team is the cornerstone of a successful company. The satisfaction of our employees directly impacts productivity, the quality of work, and ultimately the long-term success of our business. In an increasingly competitive work environment and during times of skilled labor shortages, sustainable employer branding becomes crucial to attract and retain talented employees. Our employer branding initiatives aim to create a positive perception among our current and potential employees, strengthening the connection to the GC family.

## STEFANIE SOMMER

### CSO

„Employer branding is highly valued at Gabriel-Chemie. We collaborate intensively with technical schools and universities to engage promising talents for our company at an early stage. In our daily work environment, we strive to foster a corporate culture where innovations can emerge and thrive.“

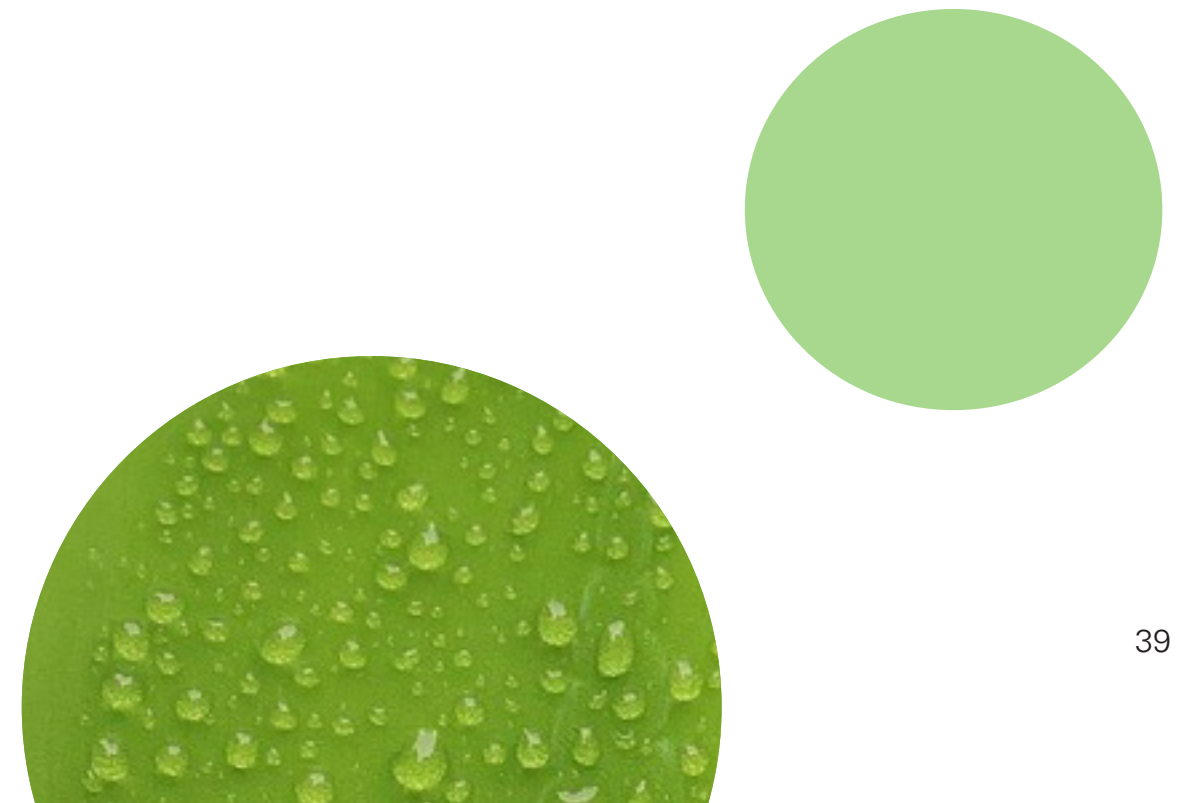


## Familial working environment

We aim to be an attractive employer that appeals to qualified candidates and retains promising talents in the long term. One way to achieve this goal is the familial working environment that prevails in our company. The culture of using informal address throughout the company, even at the highest management levels, is just one example. We place great importance on a trusting relationship between employees and us as the employer, enabling long-term employment relationships.

## Clear communication

Open and transparent communication on an equal footing is crucial to increase employee satisfaction. Employees should be regularly informed about company developments, goals, and changes. By exchanging information and involving employees in decision-making processes, a sense of belonging and engagement is fostered. Employee satisfaction is anonymously assessed every two years by an external partner.



## Fit for the future

Most employees want to develop and enhance their skills. Individual development plans, targeted training, and career opportunities within the company are therefore essential elements of our employer branding. When employees feel that their company invests in their professional and personal development, their satisfaction and motivation to make a valuable contribution to the company's success increase. Our GC Academy, where our employees share their valuable knowledge as presenters, has been in existence for many years and is the basis of our culture of learning and exchange. In addition to this extensive offering, we provide many training sessions with external partners adapted to the requirements of modern work life. Furthermore, we emphasize continuous onboarding events and conferences that promote exchange between locations.

## Equal opportunities

We promote women in technology as well as in leadership positions. In our Austrian headquarters, we have a female representation of 50% at the board level, and we also have female site managers at three other locations (Russia, Hungary, and the UK).

**25%**

**PERCENTAGE OF WOMEN**  
throughout the company.



## Occupational safety and health

As a manufacturing company, unfortunately, the risk of workplace accidents is always present. We differentiate between near misses, minor accidents, and serious accidents and document them. Our focus is on preventing any type of accidents, and our employees are encouraged to identify potential risks and contribute improvement suggestions. During the reporting period, there were no work-related accidents resulting in fatalities. To maintain health, we offer the opportunity for an annual preventive examination in collaboration with an external institute/laboratory, in addition to the extended occupational medical care provided by an occupational physician.

## Occupational accidents

	serious accidents	minor accidents	commuting accidents	fatal accidents
2019	11	6	3	0
2020	3	5	0	0
2021	6	9	3	0
2022	3	4	1	0



## Work-Life-Balance

We offer numerous initiatives to all our employees for maintaining health, physical exercise, and achieving a higher work-life balance. The list is exemplary for the Austria location, and initiatives at other locations may vary.

Yoga Sessions

Preventive examinations and occupational physicians

Annual health check-up

Procurement and care of work clothing

Weekly volleyball

Employee referral programs

Fresh fruit and vegetables daily

Employee discounts at many stores

Meal subsidies

Family-friendly working hours through flextime in many positions

Summer party/ Christmas party

Teleworking in suitable positions

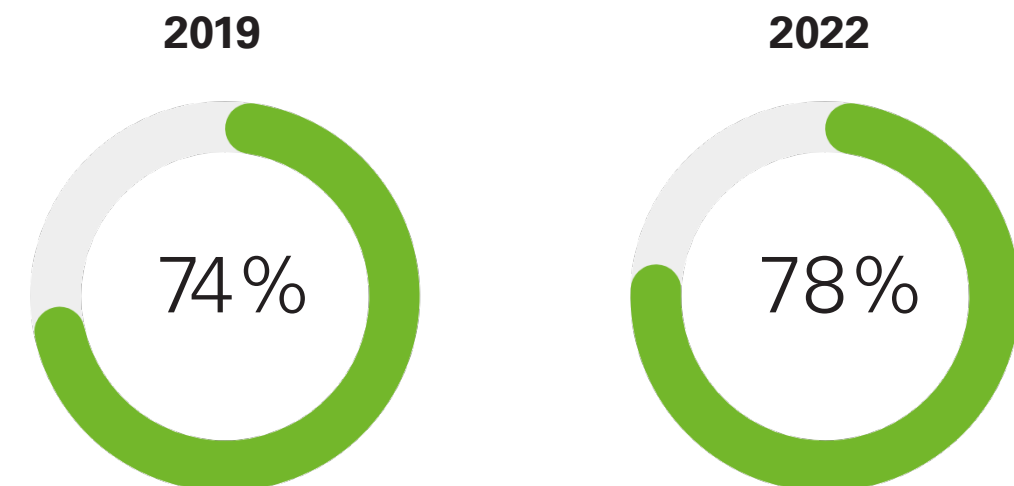
Free tea/ coffee/ milk, as well as soda dispensers

## Best in Class

We aim to be one of the most attractive employers in the regions where we operate. To measure this goal, we conduct an anonymous employee survey every two years in collaboration with an external partner. This survey is designed to encourage discussions on important topics within the company and help identify and address weaknesses while enhancing our strengths. Our objective is to increase employee satisfaction, ensuring the continued success of the Gabriel-Chemie Group in the future.

By 2025, we aim to implement measures that will raise employee satisfaction with Gabriel-Chemie as an employer to 80 percent.

## Employee satisfaction



## HR key figures

	2019	2022
Total employees	603	579
Men (workers)	277	238
Men (staff)	146	170
Women (workers)	29	40
Women (staff)	151	149
Employees with part-time job (men/ women)	37	36
Female members of the management board	2	2
Male members of the management board	3	2
Women in management positions	7	16
Men in management positions	40	41
Average sick days per employee	12,7	13,9
Training and development hours total	6 572	5 002*

## OUR GOAL

- Introduction of a group-wide flexitime model by 2025.
- Increase in training hours per employee by 25% by 2025.
- Raise satisfaction with Gabriel-Chemie as an employer to 80% based on the biennial employee survey by 2025.
- Introduction of an E-Learning initiative and expansion to 100 courses by 2023.

## WHERE WE ARE

The group-wide flexitime model has been developed ready for implementation at all locations. The introduction will be completed in 2023.

The number of training hours will be continuously increased.\*

Satisfaction with Gabriel-Chemie as an employer is continuously increasing. When the target was defined, it was 74%; in 2021, 78% of employees already voted for their satisfaction. The next survey will take place in 2024.

Due to the coronavirus pandemic, there has been a trend towards e-learning, webinars, etc. This has significantly increased the online offering.

\* Following the restrictions resulting from the coronavirus pandemic prevention measures, the regular training programme resumed in 2022, but did not yet reach the previous level. For the following years, the regular course of GC Academy training is planned again and the aim is to continuously increase the number of training hours, so that the achievement of the target by 2025 can be assessed as positive and considered realistic.

# CORPORATE GOVERNANCE

Our customers not only value the top quality of our products but also the reliability and reputation of their partners. Our corporate leadership is guided by internationally recognized principles and standards. The goal of our responsible corporate governance is to secure the competitiveness of our company and sustainably increase its value. We raise awareness among our employees about our principles, our stance, and our internal policies, encouraging them to take personal responsibility so that their behavior aligns with our principles and guidelines.

## Code of Conduct

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As a globally operating family business, we are aware of our social, societal, and environmental responsibility and fully commit to it. The third generation of the family is ready to drive the positive development of our company and lead us into a new, changed world where sustainability is above all actions. We currently operate with a total of nine locations worldwide. Especially now, in times of climate change, it is our duty to handle the issue of plastic and its use responsibly and sustainably. We expect this level of responsibility from all participants in the entire value chain. Our Code of Conduct defines how we achieve our goals, the values we represent, and what we expect from our partners and employees.

Based on our values, the Code of Conduct provides guidelines for ethically impeccable, legal, and compliant behavior within the Gabriel-Chemie Group and all representations. It is structured in its chapters according to the three pillars of sustainability: Economy, Social, and Environment, and is based on the 10 principles of the UN Global Compact.

An online training of the Code of Conduct is mandatory for all employees annually. Participation and acknowledgment of the content are to be confirmed by each individual. The Code of Conduct is also an integral part of the onboarding process for new employees.

## Whistleblowing

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If employees observe violations of the Code of Conduct, they are to report them promptly to their supervisors or the HR department. The identified breaches of the code will be investigated while maintaining confidentiality. Those who report identified misconduct will not face any negative consequences of any kind.

In accordance with the EU Whistleblower Directive, we operate an online solution on our website for reporting incidents.



# SUSTAINABLE PROCUREMENT

The use of materials of the highest quality, expertise in development and manufacturing processes, an innovative spirit in tune with the times, and unique products that inspire our customers are our recipe for success. To ensure the highest quality standards for our customers, we rely on high-performance, innovative, and absolutely reliable suppliers. In line with a sustainable orientation of our supply chains, we consider many criteria with a particular focus on environmental protection, occupational safety and human rights.

## What we pay special attention to

We constantly strive to be one of the most efficient procurement organizations in the masterbatch industry to support our corporate goals to the best of our knowledge and conscience. With modern supply chain management, we minimize procurement risks, ensure the supply and contribute to our operating results with our added value. As a globally operating company, we are aware of our social and environmental responsibilities and stand by these responsibilities.

## Supply Chain Management

We coordinate all operational flows of goods, information and finances to optimize the performance and supply security of the entire group. We analyze and evaluate our suppliers and their upstream suppliers beyond the usual standard. Our goal to assess all our suppliers based on defined hard and soft factors (on-time delivery, quantity compliance, complaint rate, etc.) has been implemented ahead of schedule. For suppliers with an annual purchasing volume exceeding 100,000 euros, we will rely on external ratings such as EcoVadis for evaluations in the future.

## Reliable partners

We are committed to conducting our business in accordance with high ethical standards and the applicable national laws. We also expect this commitment from our partners. To ensure compliance with legal requirements and ethical principles throughout the supply chain, a code of conduct has been developed for all suppliers and their subcontractors. Compliance with this code of conduct must be ensured by all suppliers and their subcontractors. Already, more than 95% of our core suppliers have agreed to accept and sign our code of conduct. Also, all new suppliers applying through our landing page are required to confirm their acceptance, otherwise they are excluded from the application process.

## ANDREAS BERGER

CFOO

"In addition to an extended supplier evaluation concept beyond the current standard, we aim to develop a procurement manual for the entire group in 2024. This is of particular importance due to our size and purchasing volume."



## Regional value creation

Our procurement policy for all materials is derived from our corporate goals. Our procurement philosophy is based on a long-term and partnership-oriented collaboration with a focus on producers from Europe. In addition to strengthening the European economy, we mitigate dependence on global supply chains. We are well aware that in volatile times, the issues of cost-effectiveness and business success on one hand, and regionalism and sustainability on the other hand, are not always easy to reconcile. Nevertheless, in 2022, we already record a usage of materials produced in Europe at 74%.

**„A fair cooperation is the basic prerequisite for the continuous optimization of all relevant performance parameters in our value chain and the foundation for shared success.“**

## Supply-Chain-Risks

Like all companies, we are exposed to potential dangers and uncertainties in our supply chains. These risks can be diverse, including insolvencies, production relocations, energy supply, raw material shortages, to name just a few. Our forward-looking risk management develops strategies to minimize these risks and make the supply chains more resilient.

## Logistics & transport

All the goods we buy also have to be transported to us. The way in which this is done has an impact on our CO<sub>2</sub> footprint. In our vision, we have set ourselves the goal of reducing CO<sub>2</sub> emissions caused by logistics by 50% by 2030. We are currently in discussions with our suppliers and various freight forwarders about the possibilities. De facto, emission-free trucks are not yet an alternative for the volumes of goods to be transported due to the current framework conditions, on the one hand due to the large number of heavy-duty trucks that need to be replaced and on the other hand due to the lack of infrastructure for megachargers.

## OUR GOAL

95% of existing suppliers accept our Code of Conduct by 2023. We aim to reach 100% by the end of 2024.

100% of new suppliers accept our Code of Conduct.

Self-disclosure from all suppliers with a purchasing volume < 100k p.a. by 2025.

Regional value creation: Increase the share of European material usage to a minimum of 60% by 2025.

Evaluation of all suppliers with hard and soft facts in the QM system by 2023.

## WHERE WE ARE

In 2022, the share of existing suppliers was over 95%. All new suppliers must accept our Code of Conduct as part of the onboarding process.

Self-disclosure from suppliers is not automated yet; in the future, we will assess our strategic suppliers through EcoVadis.

In 2022, the purchase of raw materials from Europe was at 74%.

The evaluation is now automated through our complaint management software.

## **ABOUT THIS REPORT**

In this report, we particularly highlight our activities in the ecological and social aspects, substantiating them with numbers. The reporting period for the disclosed information and key figures covers the fiscal year 2022. The report has been reviewed and approved by the management. The next reporting is expected in 2024.

This report contains data on economic aspects of the company, employees, and the environment. It addresses – unless explicitly stated otherwise – all locations of our group.

Imprint  
GABRIEL-CHEMIE GESELLSCHAFT M.B.H.  
Industriestraße 1  
2352 Gumpoldskirchen  
Austria T +43 2252 63630-0  
[www.gabriel-chemie.com](http://www.gabriel-chemie.com)  
[csr@gabriel-chemie.com](mailto:csr@gabriel-chemie.com)

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