



SUSTAINABILITY AT BRANOPAC

2018

WE PROTECT YOUR PRODUCTS...
...MAINTAINING THE VALUE OF GOOD PRODUCTS



Branopac
Solutions with System

SUSTAINABLE THINKING DETERMINES OUR FUTURE!

Dear readers,

BRANOpac can look back on more than a century of tradition as an independent family business. Since it was founded in 1875, the requirements in the market have changed substantially – but what has stayed the same is our conviction that quality is the basis for long-term success. As a producer of technical papers and films, we have made a name for ourselves in the packaging industry worldwide and are always committed to sustainability. For us, sustainable business management means always combining our entrepreneurial activities with the assurance of our environmental and social responsibility.

From an environmental perspective, the key challenge on the path to more sustainability is to implement the manufacturing of our products with the guarantee of handling finite resources thoughtfully and effectively protecting the environment.

We faced this responsibility as a company at a comparatively early stage – thanks to a variety of measures, we were able to significantly lower emissions in our production process in recent decades and gradually reduce its energy requirements. Thanks to our own research and development, our product range is also largely free from raw materials whose procurement and processing are associated with drastic environmental impacts.

We want to take further steps towards environmental sustainability in the future and orient our corporate strategy towards this extensive change. This allows us to protect global resources and continue to provide added value to our customers and society as a whole.

At the same time, sustainable business management also means that we must be true to our social responsibility towards employees and society. For us as a medium-sized company, the high dedication, performance capacity, creativity and also the loyalty of our employees are essential. We want them to feel comfortable at our company for the long term and encourage their development according to their skills. We support this with professional training and develop-

ment offers as well as with opportunities for personal growth, appropriate remuneration and a comprehensive health management. Our understanding of social responsibility far exceeds the boundaries of our company and we support projects and investments in the areas of honorary work, sports, culture and education.

In the following Sustainability Report, you will read what we are currently working on at BRANOpac so that we can make a significant contribution to sustainability especially in the areas of ecology and social services. However, these are just the start of our transition and we think that there is no reason to settle only for what we have already achieved. Only if we constantly question our own activities and the orientation of our own operations in respect to the environmental and social dynamics of our time can we continue to succeed as a company.

Our priority for the future is thus to ensure that sustainability isn't just a buzzword but rather continues to be the proven guiding principle for our entrepreneurial thinking and activities. Join us in this process.

Sincerely yours,

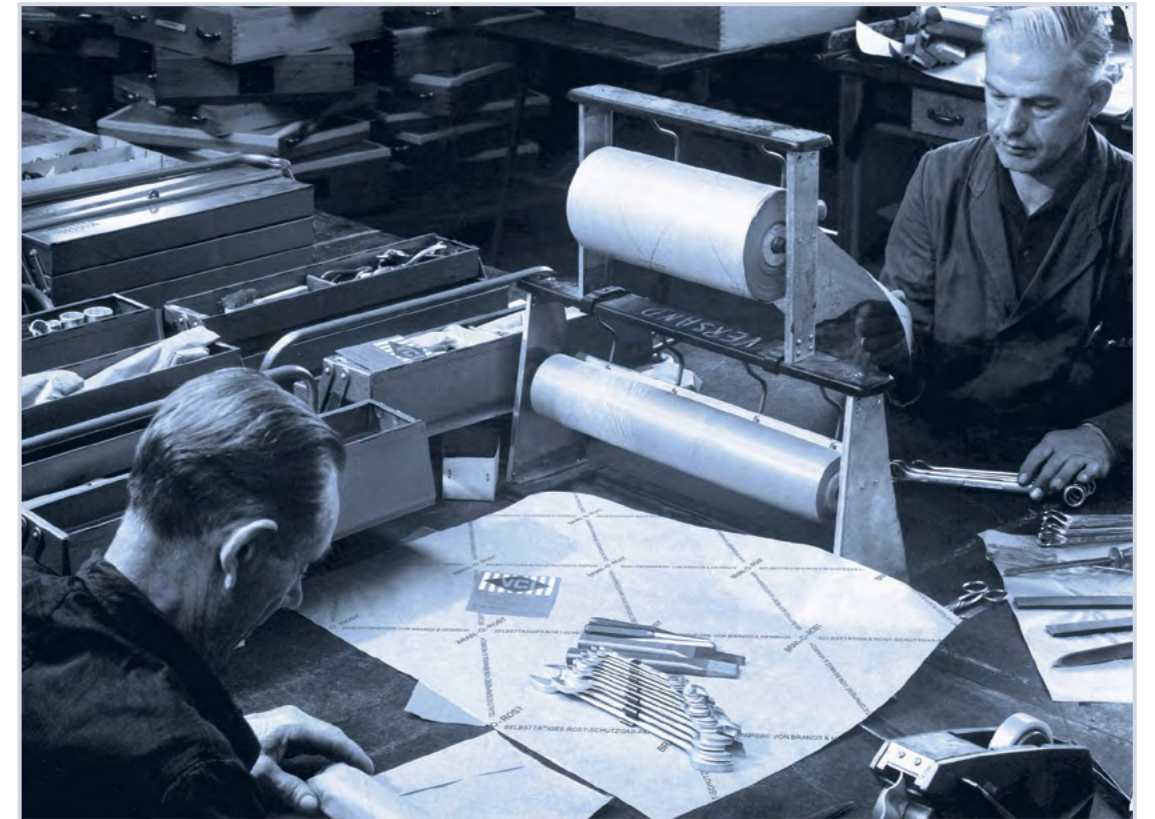
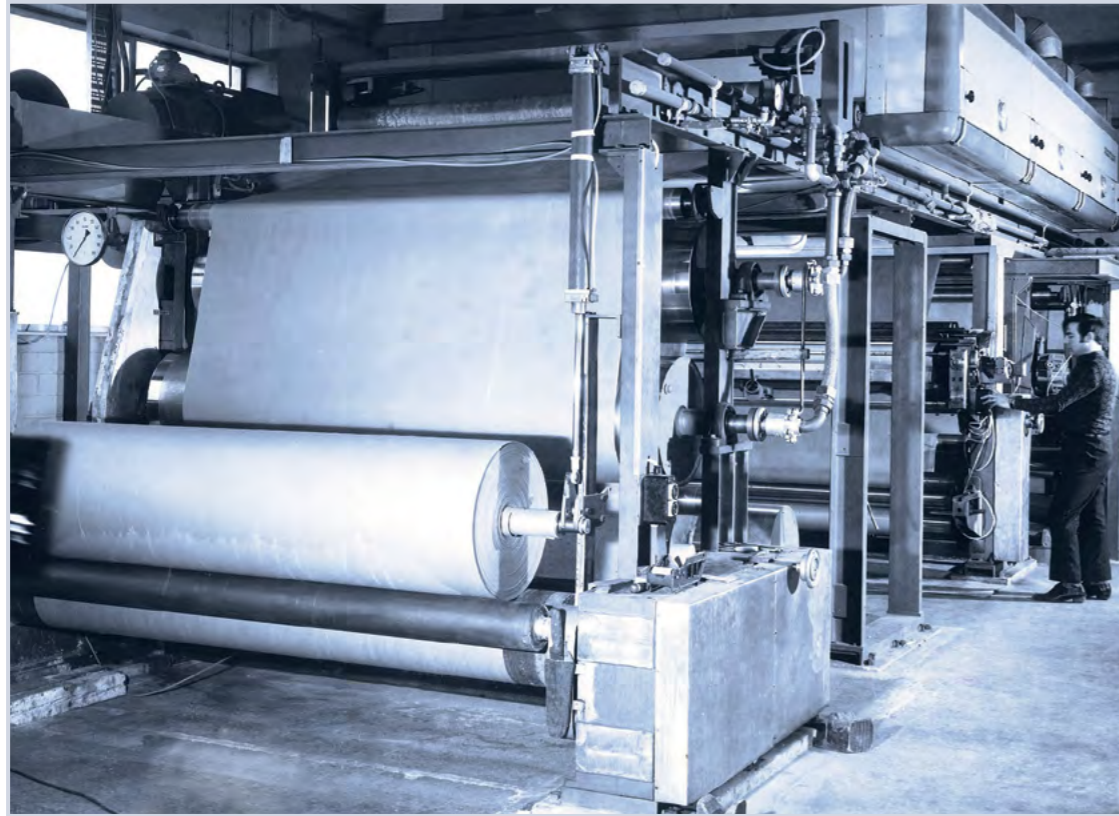
Jörg Schulte

Managing Director BRANOpac GmbH

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FROM GERMANY INTO THE WORLD

BRANOpac can proudly look back on more than a century of tradition as an independent family business. Our history can be traced back to the year 1875, when the wholesale packaging company Brangs + Heinrich was founded. BRANOpac ultimately emerged from this in 1987 as an independent company. That same year – still in Eschborn near Frankfurt – we started to manufacture technical protective products: an area in which we have continued to be a leading company to this day and which we continuously serve with innovations and quality products.



As a 100% subsidiary of the family-managed BRANOholding, we are part of the BRANOgroup and have become a global player: With subsidiaries and trading partners in Europe, the USA and Asia as well as four competence centers worldwide, which make it possible to provide complete and individual service packages, we have created a network that ensures the economic viability of our production along with access to global markets. This allows us to deliver our BRANOproducts from Lich in Hesse to the entire world while staying firmly rooted in Germany.

No matter where products need temporary protection against external environmental influences – application solutions from BRANOpac are used almost everywhere, during transport as well as in storage or processing. We are the market leader in many of these specialized areas, for example with our VCI corrosion protection papers and films, which effectively protect metal products against corrosion.



10%
Training rate

300+
Employees worldwide

1200+
Consultations annually

70
Trading partner

1

2 3

4 5

6

7

200+
Laboratory analysis

40
Countries

100%
In-house development

BRANOpac subsidiaries and locations worldwide

- | | |
|-----------|----------|
| 1 USA | 2 France |
| 3 Germany | 4 Italy |
| 5 Croatia | 6 India |
| 7 China | |

The BRANOpac product portfolio

Functionality, quality and reliability: Divided into four business units, BRANOpac products meet the most exacting standards in each special area. This makes us a valued partner in the industry.

BRANOGuard

BRANOpac seeks and finds the optimal solution for you and your products, exactly in line with your ideas and requirements.

The high-quality corrosion protection products from BRANOpac have been manufactured exclusively in Germany on machines specially developed for this purpose since 1961. Thanks to its continuous process optimization, BRANOpac now has optimally furnished production facilities. These systems enable the processing of papers, films, nonwovens and numerous other materials as well as the production of master batches.



BRANOsience

Its own research and development unit makes it possible for BRANOpac to customize specific customers' wishes and needs.

The developer team consists of highly qualified and motivated employees who create innovations and always keep holistic aspects in mind while working out each specific product solution. As a result, our customers benefit from many years of experience in the execution of complex customer projects and the comprehensive knowledge about development processes.



Blechrein

With the brand Blechrein, BRANOpac is committed to keeping special moments very special when preparing food, from the emotionality all the way to the result.

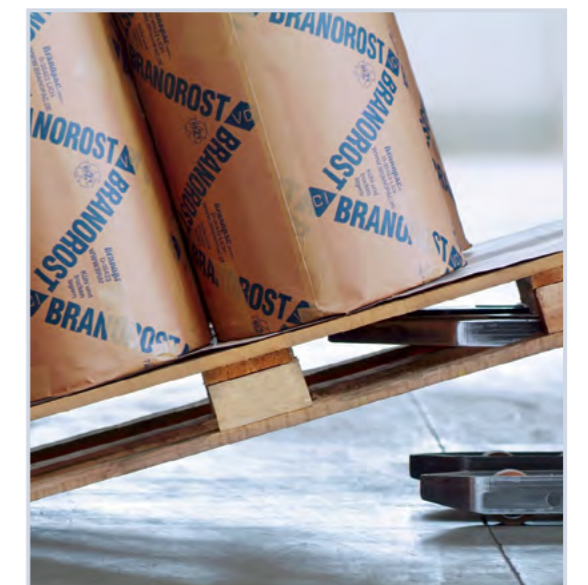
With top quality and excellent release properties, Blechrein products are well-suited for a variety of uses in the food industry and are valued worldwide by large bakeries, pastry shops and amateur bakers. Blechrein offers the right paper for any occasion, whether grease-proof, heat resistance or with non-stick coating – so that there are no limits to one's creativity.



BRANOftech

In a variety of areas, the special solutions by BRANOpac for sophisticated technical applications offer reliable protection and help increase efficiency.

Refined papers, cardboards and other carrier materials for a wide range of applications such as the packaging and transport industry, photo and printing industry, the composites industry, in medical areas and even in theaters are products from the BRANOftech segment. Our specialized machine park also makes it possible to realize individual customers' wishes in the area of technical papers.



2 | APPROACH TO SUSTAINABILITY

HOW WE ALREADY CONTRIBUTE TODAY TO THE SOCIETY OF TOMORROW

As a company, we are aware of our environmental and social responsibility and strive to help shape the transition towards a sustainable society. We can contribute to this with our entrepreneurial activities.

2.1 How our products contribute to sustainability

Sustainability through savings

Protecting natural resources and ensuring the preservation of our livelihoods are the main current challenges for the industry. How do we contribute to this specifically?

For example, our BRANOguard products contribute by providing effective corrosion protection – a process that affects virtually every metallic component.

This protection makes it possible to extend the products' lifespan, thus saving valuable raw materials and energy for the production and processing of spare parts. Even during the application of our BRANOguard products, a contribution can be made for the conservation of natural resources. Instead of working with corrosion protection waxes or oils, our VCI technology enables an application that completely eliminates a cleaning of the components, thus saving resources.



Goods and merchandise from all sectors are sent out into the world every day – often this requires great amounts of packaging materials and lacks environmental efficiency, due to the high energy requirements of the transport. When it comes to transportation, BRANOproducts can make a significant contribution to environmental protection thanks to our BRANOtech papers and cardboards, which minimize the packaging volume needed for transportation. In contrast to standardized containers, BRANOtech products make it possible to use only the required amount of packaging materials. As a result, resources can be saved and more goods can be transported in a smaller space. This makes the shipping more effective as well. Our papers with anti-slip or anti-stick properties can also protect products, for example during the load restraint.

By reducing the use of resources in industrial processes, their use in private households should be lowered at the same time. Because the responsibility of environmental sustainability is carried not just by the industry but by each of us. We see great potential in this area too, for example with cooking or baking. Not only do the Blechrein papers consist of sustainable

raw materials like paper and neutral silicone, their re-usability also results in a reduction of household waste. Additionally, product features such as constantly high detach properties help avoid baking and cooking mistakes caused by sticking. A positive side effect: this also reduces elaborate cleaning measures.



2.2 Our environmental responsibility



Environmental protection made by BRANOpac

Each production also causes the release of CO₂, because many processing steps are energy-intensive and associated with waste substances. Although this can't be prevented, it can be minimized, which is what we are striving towards. Among other things, this is assisted by the precise identification, depiction and optimization of energy-rich processes, a monitoring of consumption that we have performed since 2006 as part of the quarterly environmental report in compliance with DIN EN ISO 14001. But how can high-energy processes be optimized? For example by using alternative raw materials, technologically improving the production lines or implementing energy consumption guidelines.

If the corresponding reduction isn't possible, carbon-neutral energy concepts are used, for example in the form of photovoltaic systems or thermal flue gas cleaning systems with a regenerative heat exchanger. This lowers the share of energy obtained from the outside and thus emissions.

Water is another valuable resource. We also need this for some of our process steps, which makes us also responsible for the generation of waste water that must be properly disposed of. Especially in the face of the increasing water scarcity worldwide, we strive to consistently reduce our consumption.

As a company, we have realized that our sustainability concept is a continuous process, which is why we are permanently working on further expanding our activities. This includes not just the sustainability of our products but also the introduction of innovative approaches and an increasingly eco-friendly product value creation.

For that reason we are planning to integrate our suppliers and customers further into the sustainability process and increase awareness of the cradle-to-cradle approach. We also see high potential in the use of biologically based or degradable raw materials and already implement the corresponding measures in the development of new products, by drawing on our competence in the area of research and development and on cooperations with external programs.

2.3 Our social responsibility

Our contribution to the social sustainability of our society

The shortage of skilled personnel is already a major challenge facing the economy. Driven by demographic changes, there will be a decrease in employable persons in the coming years. For medium-sized companies in particular, this development will become an increasing problem: According to the Reconstruction Loan Corporation (Kreditanstalt für Wiederaufbau), almost 25% of all medium-sized companies worry that open positions can only be filled with delays, if at all, in the next three years. This trend has also arrived in the packaging industry by now, which means that the hiring of qualified employees will be a great challenge for us as well.

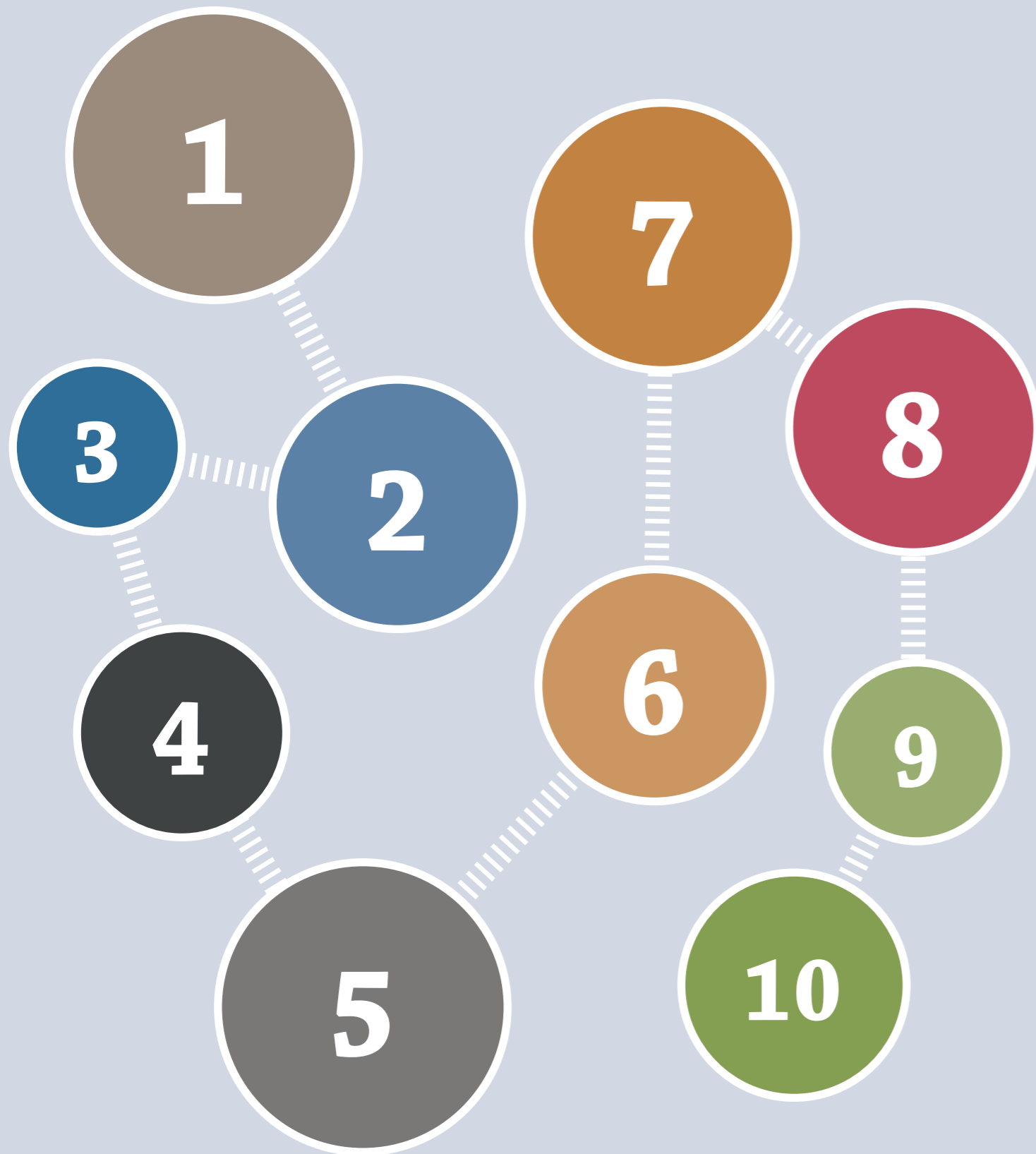
Employees are the central driving force of every company; with their daily commitment and their ideas, they propel the success of the company. Accordingly, we consider it a matter of principle to support them in line with their talents, experiences and skills, for example through continuing training, so that they can develop over the long term and contribute new impulses and ideas. Our business interactions are based on the values of honesty, respect and tolerance. This means that the comfort of our employees at our company is the top priority. As a family-owned company, it is very important to us to ensure that all employees succeed in finding an individual and situationally appropriate balance between their professional and personal lives. Our goal is to create a work environment to which our employees can contribute with joy and commitment.



IMPLEMENTATION OF THE SUSTAINABILITY STRATEGY AT THE COMPANY

In order to act sustainably over the long term, we have outlined all necessary measures in a sustainability strategy that has become the guiding principle for our corporate activities. This has resulted in appropriate management and control measures which precisely define the responsibilities and expand the sustainability concept for everyone at the company in order to ultimately advance its implementation effectively.

3 | SUSTAINABILITY PROCESS



BRANOpac code of conduct

Our company's successful operations are based on our code of conduct. This reflects our corporate philosophy, which is supported by an environmental and social sustainability approach.

As soon as they are hired, each employee receives our BRANOpac code of conduct, which is also published on the Intranet, just like our guidelines for cooperation, corporate principles and quality guidelines. These principles and rules are certainly not untouchable – they are permanently updated and adjusted to the current needs and requirements.

- | | |
|---------------------------|---|
| 1 Honesty | We act honestly and to the best of our knowledge. |
| 2 Cooperativeness | We see ourselves as a team, which is supporting each other in a reliable, prompt and careful manner. |
| 3 Respect | We show respect for employees, customers, business partners as well as for the general public, and thus contribute to a positive corporate image. |
| 4 Tolerance | We advocate equal opportunities for all people regardless of skin colour, religion, gender, nationality, age or disability. |
| 5 Incorruptibility | We avoid the acceptance and allocation of grants, which can conflict with the interest of the company. |
| 6 Fairness | We treat our customers, employees and business partners in a fair way. |
| 7 Confidence | We deal openly and honestly with each other and promote a team spirit. |
| 8 Punctuality | We pay attention to the time of our colleagues by always striving for punctuality. |
| 9 Commitment | We are loyal to our customers, employees and business partners. |
| 10 Sustainability | We act sustainably, deal responsibly with resources and thus actively contribute to the protection and preservation of the environment. |

Compliance

Our entrepreneurial actions and activities are shaped by integrity and compliance. We have also established this in our code of conduct. This is how we create awareness for the ethical, moral and legally sound behavior of our employees. With a variety of measures, we strive to meet the highest standards and making our employees aware of relevant topics particularly in the areas of avoiding corruption and data security.

Dialog with interested parties

The list of stakeholders in BRANOpac GmbH is long and maintaining a lively exchange with them is an important part of our activities. We inform interested parties about current company events and discuss possible consequences and ideas for improvement with them. In this process, we appreciate the honest and constructive dialog that generates many ideas for the development of people and relationships as well as the corporate activities and products at BRANOpac.



BRANOpac GmbH

Among all the interest groups, which one matters most to us?

Our employees!

They know BRANOpac best, which is why personal feedback is very important to us. We strive to make exchanges in the team as transparent as possible – across all departments and hierarchical levels. This is why sustainability is such a frequent topic in the regular meetings and development discussions, since who is more suitable as a messenger of sustainability to all other interest groups than the employees themselves?

Our customers

We also want to increase awareness of sustainability on the other side of the supply chain, since previous exchanges with our customers have repeatedly clarified that our products are often not disposed of properly, which means that a reuse is frequently still an exception. We are aware that it is our responsibility to create the right conditions so that our products are accepted and recycled by suitable processing facilities worldwide. Additionally, we would like to motivate producers to increasingly use recycled materials – everything with the goal of improving the ecological balance of required raw materials and products.

Our suppliers

We also plan to increasingly integrate our suppliers in the sustainability discussion in the future, since we aim to implement this idea along the entire value creation chain. In particular, this includes a more intensive collaboration with our suppliers to create measures focused on sustainable raw materials. This is already an important criterion now in the selection of new suppliers.

Neighbors, people from the region or authorities

Part of our exchange is to create as much transparency as possible within the company and beyond the company boundaries. We are pleased to open our doors to neighbors, interested persons from the region or to authorities in order to give them an inside view of our company and production.

ENVIRONMENT AND PEOPLE AT BRANOPAC

We are taking effective measures in the areas of ecology and social matters as we increase our entrepreneurial sustainability. On the following pages, you can see what we are working on in these areas.

4 | INDICATORS OF SUSTAINABILITY

4.1 Environment at BRANOpac

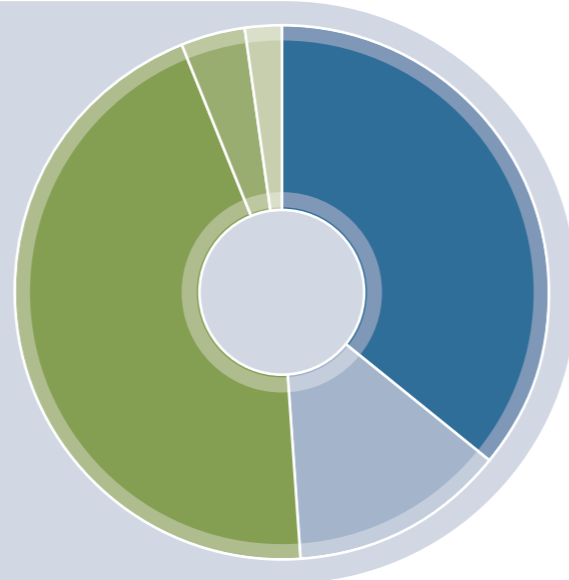
The production of goods is always associated with environmental consequences. Our mission is to keep these as low as possible and continue to reduce them. From the acquisition of raw materials and the optimization of our fuel consumption to raising our customers' awareness of how to handle the product, we have an overview of the entire process – everything with the goal of operating more sustainably.

Operational processing of raw materials

Our products consist of three components: The carrier material, a corresponding coating and dyes that are used for the typical BRANOrhombus or individual printing. The following depiction shows an overview of the used materials and substances.

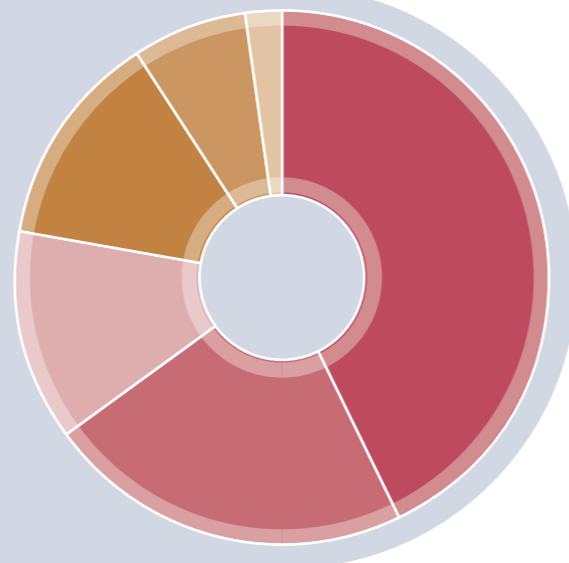
Carriers:

Papers	36%
Cardboards	13%
Polyethylene	45%
Aqueous solution	4%
Aluminium foils	2%



Coating materials and printing colors:

Technical salts	43%
Organic acids	22%
Organic bases	13%
Polymer dispersions	13%
Silicones	7%
Dyes	2%



For us, our sustainable actions already start with the processes before the actual production. Our buyers adhere to precisely defined purchasing guidelines, including our specifically developed supplier code of conduct, which asks them to monitor our suppliers' production of raw materials in more detail. This way we largely ensure that our environmental and work standards are also complied with during the production of the raw materials. In the form of self-disclosure, our suppliers can also confirm their compliance with these standards by means of the supplier code of conduct.

For the papers and cardboards which are the main components of many of our products, we increasingly prefer suppliers that support PEFC®- or FSC®-certified forestry.

Not all of our raw materials simply regrow, which means that the exact inspection of the compliance with environmental standards is all the more important for these fossil substances. We deliberately procure products from companies that comply with strict regulations during the manufacturing process. For the coating substances and dyes, we also acquire materials that are manufactured artificially under lab conditions, thus protecting our natural resources.

When the raw materials have arrived in our production facility, there are various procedural methods that make it possible to only use as many raw materials that are actually needed for the respective customer application. This allows us to save valuable resources. In this context, we constantly aim to stem the requirement of less sustainable raw materials and continue to perform research on alternative materials, such as bio-based, biodegradable polymers.

< 4.1 Environment at BRANOpac

Corporate energy use

Only if you know exactly what is consumed can you initiate corresponding measures to reduce the energy consumption. This is exactly why we committed to an integrated energy savings approach more than 20 years ago. This way the precise consumption of electricity and natural gas is determined for each individual process step and can thus be optimized. We started to modernize our machine park, for example, not only by replacing software components but also installing electrical drives with higher degrees of efficiency.

We are also constantly looking for ways to improve technologies that are used across a range of manufacturing processes, such as lighting, compressed air or ventilation. The result: Not only do these measures reduce the electricity consumption, they also prevent the generation of unusable waste heat.



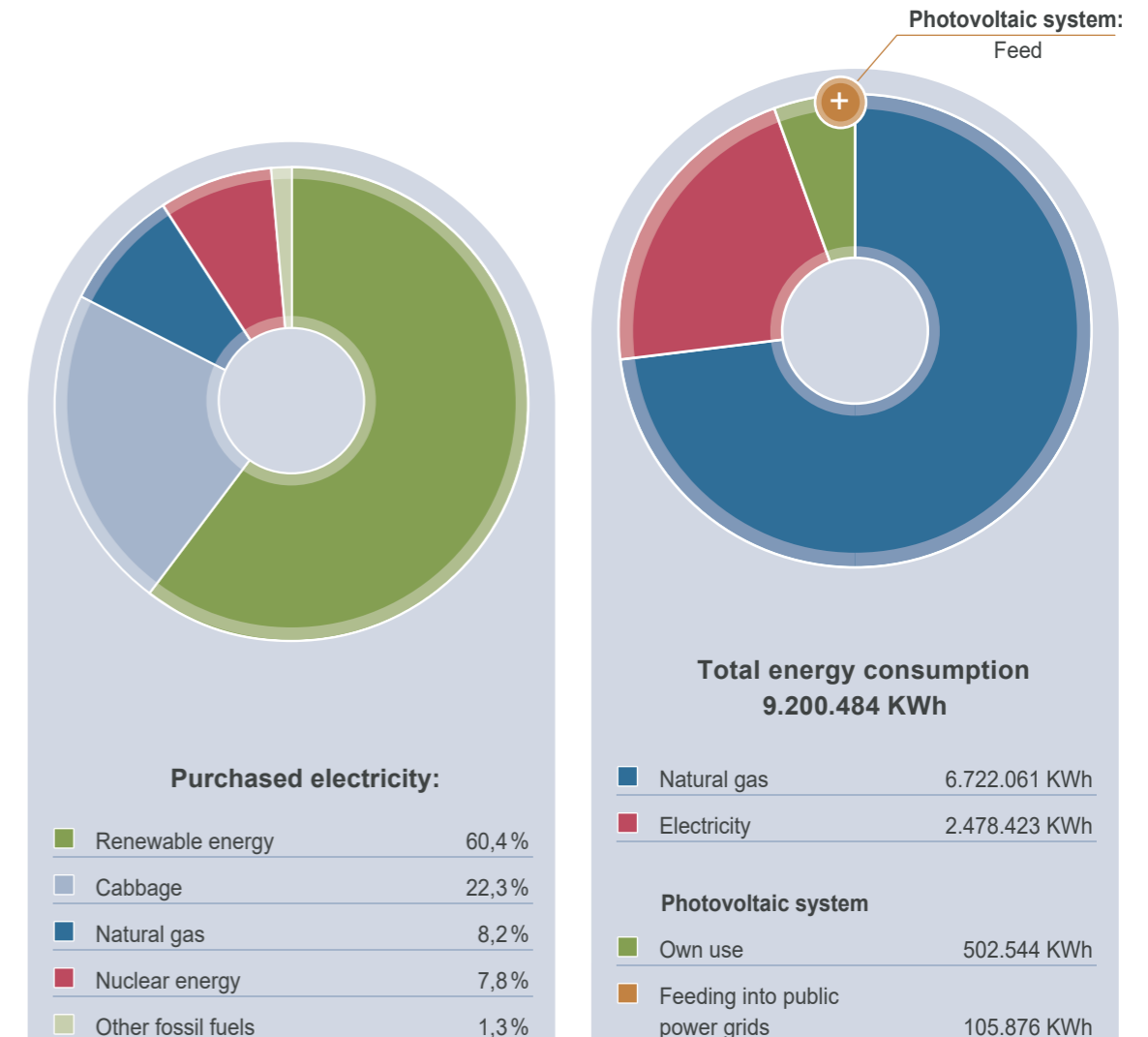
Similar to the use of our raw materials, however, our sustainable activities don't just start with the use of energy but already during its acquisition. As a result, we increasingly use electricity from an ecologically sustainable origin and cover 20-30% of the electricity consumption with our own photovoltaic system. We thus use sunlight as a natural, unlimited and immediately available resource that allows us to guarantee the sus-

tainable origin of our electricity by our own means. In 2018 alone, this helped us save about 290 tons of CO₂ – an expansion of our photovoltaic area on the roof of our production hall is already being planned. We cover the rest of our electricity demand through Gießen's public utilities, which is also mainly generated from renewable energies and exceeds the national standard.



Another energy carrier is natural gas, which is mainly used to heat the production and administration buildings. Just like crude oil, natural gas is also a fossil fuel and thus not available to an unlimited extent. While we currently can't entirely avoid its use, we are making efforts to reduce the consumption through intelligent measures. This includes a flue gas cleaning system, for example, which we already commissioned in 2009 and which uses the waste heat generated from the

production to heat water that in turn heats the company premises. This made it possible to save about 15% of natural gas annually since its start. Thanks to the system, we are contributing to another positive environmental effect: The system prevents the CO₂ generated during the production from entering the air as a polluting emission, which lowers the output of greenhouse gases.



< 4.1 Environment at BRANOpac

Corporate water requirement

Our company also uses water during the production and in the administration. We are closely monitoring its use in the scope of our environmental report. In 2018, the total water volume at the Lich site was about 2,988 m³. This is required particularly to mix coating materials and as processing water in individual machines, as well as in washing systems and other cleaning processes of machines, in the lab, in the canteen, in social spaces, for building cleaning and to water greenspaces.

We consider it our entrepreneurial responsibility to avoid using water whenever possible and prevent contamination of the used water. Thanks to the appropriate measures, 94% of the used water leaves our company every day in the form of non-hazardous water vapor or common household waste water. Only the remaining 6%, which are used for the washing systems and other mechanical cleaning measures, have to be disposed of in a controlled process. BRANOpac cooperates with suitable and reliable outside companies in the region for this purpose.

Corporate emissions

The manufacturing of our products creates emissions, primarily in the form of CO₂. We can detect the effects of the individual parts in our production on our environment with the help of the scope classification framework of the Greenhouse Gas Protocol and derive the appropriate measures from this.

With the help of a catalog of measures, we were already able to achieve enormous success in the reduction of the scope 1 and scope 2 activities. Optimizing these continues to be our goal.

We are also focusing on the scope 3 emissions in order to consistently optimize these processes as well. We can achieve this by increasingly introducing products based on alternative raw materials, since this makes it possible to reduce the energy required for the procurement and disposal of conventional materials.

Scope 1 emissions

Scope 1 emissions come from the company's internal processes and amounted to about 1,919 tons of CO₂equivalents in 2018.

Scope 2 emissions

In contrast, about 1,137 tons of CO₂equivalents were generated through scope 2 processes in 2018. These include emissions from the generation and provisioning of supplied energy from outside the company, which in BRANOpac's case means mainly electricity.

Scope 3 emissions

Scope 3 emissions include emissions from processes of the upstream and downstream value-creation chain. Although these can't be traced directly back to the entrepreneurial activity, they take processes into account which are directly relevant for a company's value creation.



A permanent improvement of our logistics processes will also result in a long-term reduction of the pollutant exchange. In purchasing, for example, we try to place bulk orders with our suppliers as much as possible and acquire raw materials from neighboring regions or states. This will shorten the transport routes and reduce the associated pollutant emissions during transport. We are applying higher packing densities worldwide for storing merchandise. Our dynamic high-bay warehouse system, for example, also makes it possible to use a comparatively large amount of shelf space in a minimal storage area. This allows us to significantly shorten the transport routes and proportionately reduce emissions.

We also try to minimize the distances to our customers with our worldwide competence centers, because these are selected so that travel from or to partners by plane can mostly be reduced. At the same time, we can thus guarantee the highest quality in terms of consultations and support in the entire world.

Corporate waste

For BRANOpac, avoiding waste in the production and management is also part of a sustainable use of resources. We regularly aim to optimize organizational and technical measures to avoid and reduce waste. However, since it isn't possible to entirely avoid waste in all areas, we endeavor to ensure optimal disposal and the reusability of the waste.

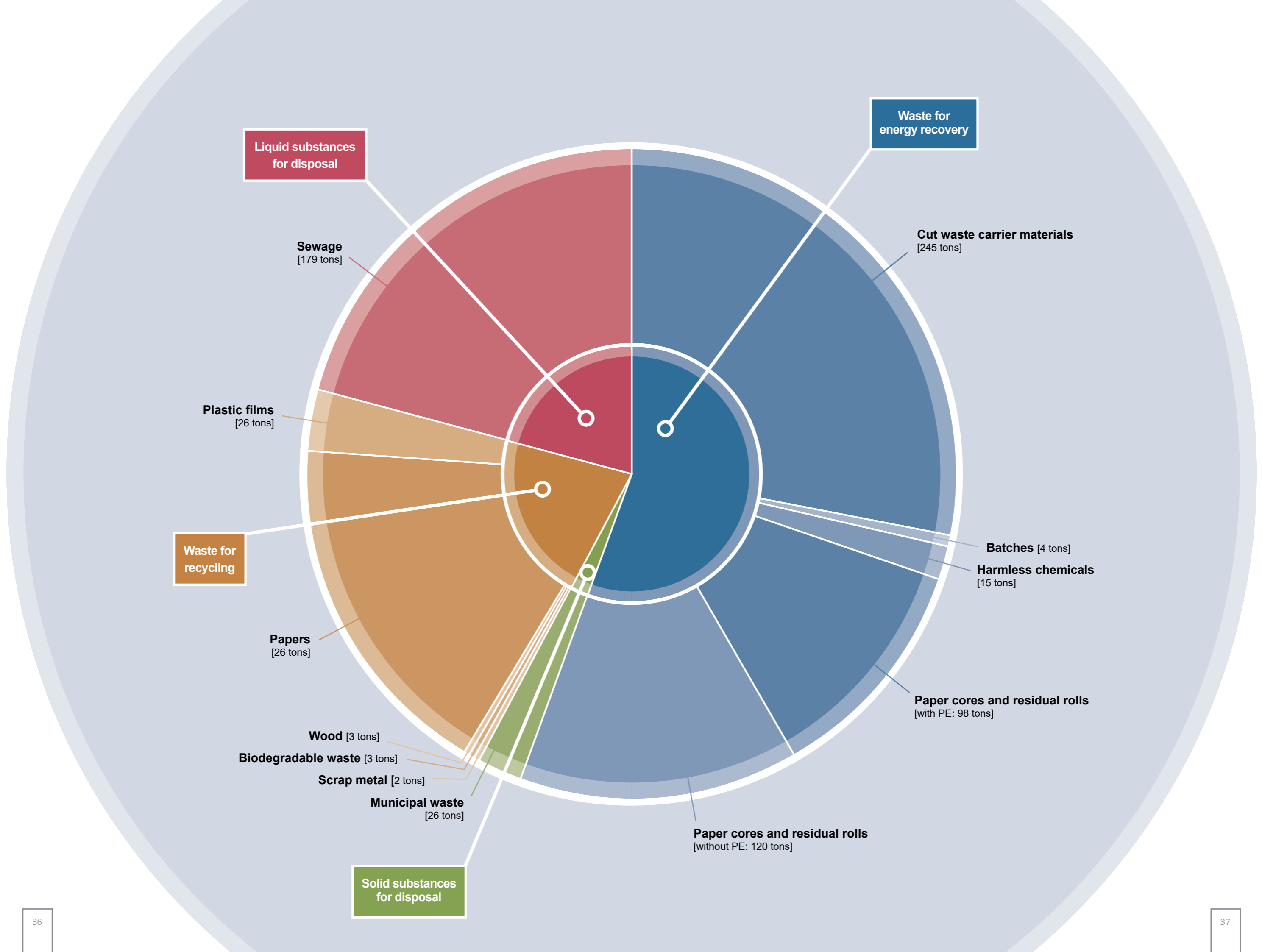
For this purpose, waste is divided into four subgroups:

Waste for energy recovery

Solid substances for disposal

Liquid substances for disposal

Waste for recycling



4.2 People at BRANOpac

Self-image of a modern human resources policy

With their competence, motivation and wealth of ideas, our employees create the foundation for the success of our family business. Accordingly, our human resources policies are designed to create a work environment in which our employees will feel comfortable even in the long term.



Professional advancement

We greatly appreciate our employees' daily commitment to the company. That is why it's important to us to acknowledge and support our employees with their range of talents and skills. To make sure that our team can continue to grow in its areas of interest, we offer a variety of development opportunities, from internal training and on-the-job training measures to the participation in external courses. In 2018 alone, a total of about 2200 hours were spent on training and the new ideas and approaches were immediately integrated in the daily work flow.

In this context, we first fill vacant or newly created jobs internally, thus creating an incentive for further personal and professional development and simultaneously enable the healthy growth of the company from the inside.

We are also aware that no one is perfect and everyone makes mistakes. Communicating this openly is part of our company culture so that supervisors always rely on a professional exchange on eye level. Only if we objectively reflect on mistakes can we grow with them. This discourse takes place not only during employee development discussions, where mutual feedback is exchanged, but also during daily interactions. Everyone can, may and should develop themselves, and thus the company.



< 4.2 People at BRANOpac

The BRANOpac talent management

Demanding and promoting talent – With a training quota of at least 10%, BRANOpac has offered young people a way to get started in the work environment for over 30 years. As an international company, we create the perfect framework conditions for sophisticated training in which our trainees can develop on both a professional and personal level. Our company is positioned internationally and thus offers a comprehensive view into the exciting world of business. At the same time, thanks to our company size, we offer a family environment in which the commitment of each individual is recognized and supported accordingly. From the outset, we see trainees as full team members who take on responsibility and work independently. With additional operational lessons and shared leisure activities, they are also supported beyond their actual professional activity and have the opportunity to get to know all areas of the company. A concept that has proven successful in recent years: In 2017, for example, a team consisting of two of our trainees and schoolmates from the Max Weber School prepared a marketing concept for our Blechrein brand in the English language. With this, they won first place in the national rankings of the world-famous DECA marketing competition.

We are especially proud that our commitment and dedication to trainees has also been recognized beyond the company boundaries and awarded by the Chamber of Commerce in Gießen. In the seven total apprentice jobs – from machine and plant operator and chemistry lab technician to industrial clerks – we offer training with perspective. In the last five years, 96% of our trainees were hired after a successful test.

We offer the opportunity for orientation and further development in the professional world not just to trainees but also students. In addition to working student activities, we have also included dual students in our team in the past. The focus here is on individual support, just as it is with our trainees.



Chemistry lab technician
(m/f/d)



Industrial clerk
(m/f/d)



IT specialist in system integration
(m/f/d)



Specialist in storage logistics
(m/f/d)



Machine and system operator
(m/f/d)



Packaging technician
(m/f/d)



Merchant for Office communication
(m/f/d)



Dual study, Working students and interns
(m/f/d)

< 4.2 People at BRANOpac

Work-life balance at BRANOpac

A significant factor in job satisfaction is the compatibility of professional demands and the personal life. As a company, we feel committed to creating the perfect conditions to achieve this. On this basis we offer a variety of flexible models for working time, such as flex-time, working time accounts, part-time, parental leave, reintegration, mobile office concepts and temporary leaves of absence.

If desired, we offer older employees a gradual reduction of their weekly working hours over a period of several years, thus supporting them as they retire from their professional lives. We thus offer the entire team the opportunity to benefit from the knowledge of the longstanding employees. Especially in consideration of an aging society and the challenge of vacant jobs, this lets us create a reasonable balance.

Health and occupational safety

We are convinced that the majority of diseases, injuries and work-related health problems can be avoided. For that reason we offer our employees different opportunities for promoting their own health. A professional fitness trainer, for example, offers regular strength, endurance and flexibility training as part of BRANOfitness. Similarly, our employees regularly meet to play soccer together as part of BRANOsoccer. This promotes not just personal fitness but also strengthens the cohesion of the team.

However, company healthcare goes far beyond an attractive sports program – a balanced diet also plays a role. In addition to healthy and varied food in our canteen, we make fresh fruit and water available to all employees free of charge. At the same time, we aim to ensure that our employees also stay healthy directly during their activity at our company. Thanks to sustainable occupational safety measures, we were able to consistently keep the work accidents below five on average per year.



Company bicycle

With company bicycles, we want to assist our employees in doing something good for themselves as well as the environment. In cooperation with a leasing provider, we offer our employees the opportunity to lease one or several individually selected bikes and pay the leasing rate through a salary conversion.

This way, we not only encourage physical activity and thus our employees' health, we also create incentives to switch from a car to an eco-friendly bike. Because at BRANOpac we not only get our customer's products but also our employees "cleanly and safely to their destination."



Employee newsletter

BRANOinsight has been a fixed component of our internal communication since 1998. True to the motto "from employees – for employees", our editorial team provides information about current company-related events every quarter. The diverse contents range from current assessments of the economic company situation by the management board to new products or relevant legal changes, reports about delegation visits, the introduction of new employees or personal highlights of individual employees, such as a wedding or birth of a child. Everything that concerns the company or employees on a professional or personal level can be published in BRANOinsight. The publication of the BRANOinsight editions is firmly in the hands of our trainees, for whom this project is a learning opportunity for working in a team and taking on responsibility.



Shared dialog with our employees

Lively exchanges in the team are part of our corporate self-image, which is why we integrate all employees in the discourse, regardless of their positions. It is important to us to create an open communication structure across all hierarchical levels that enable a professional and factual dialog. In addition to regular employee interviews, we want to make the potentials and competences of each individual visible and reflect on the daily performance. This also means that employees can address topics that they care about at any time, thus providing new stimuli. It is exactly this communication and integration of new ideas that we consider essential and it creates a transparency that additionally boosts the motivation of each team member.



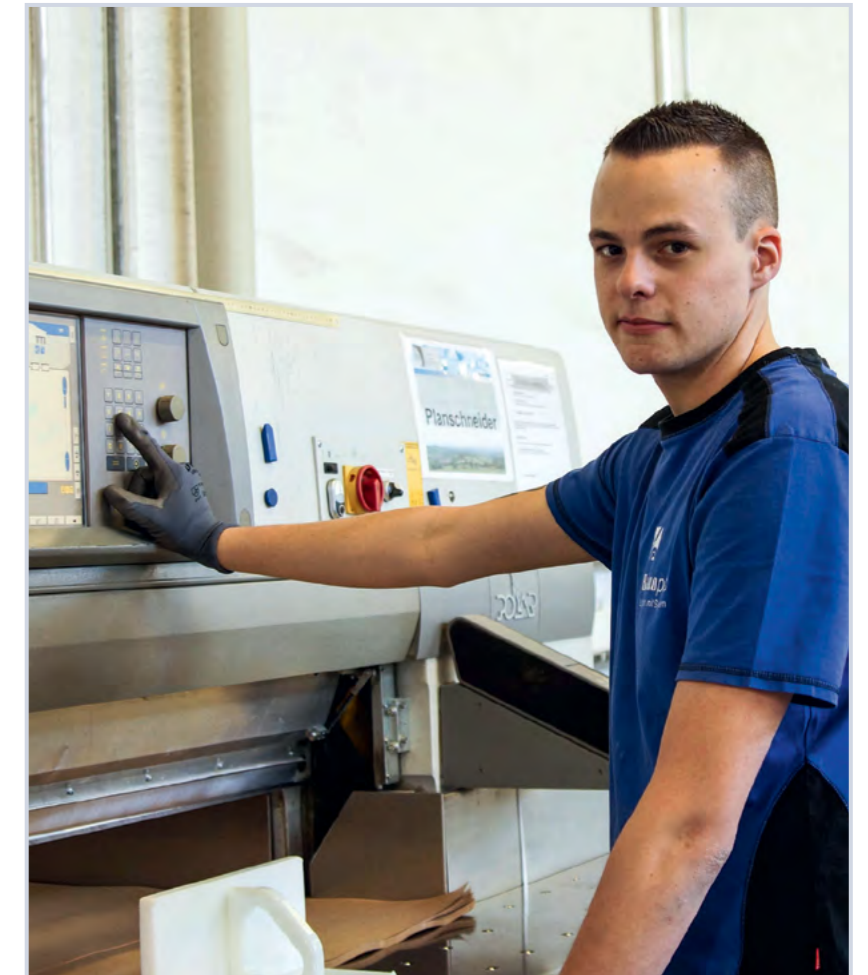
Diversity as a success factor

Our team members come from a total of eleven countries, contributing their diverse cultures and values to the company. Additionally, a significant part of our total workforce – around 40 percent – is active at our foreign locations. We consider this cultural diversity to be an enrichment and decisive advantage. This is because it offers the opportunity to look at the bigger picture, it expands our corporate ideas and, particularly in our interactions with customers around the world, it offers a comprehensive cultural understanding.

For us, diversity is also reflected in the promotion and further development of all employees – regardless of age or gender. People with disabilities are also an integral part of our corporate community. These inclusions, for example, involve the adaptation of the workstations to the corresponding needs and requirements. A close cooperation with the Integration Office plays a key role in this process. This includes the conversion of the workstations in the production and administration departments as well as of lab equipment, for example.

Remuneration approach

We consider fair and attractive remunerations and additional benefits a way to appreciate first-class work. Here as well, equal opportunity plays a key role: At the Lich site, the income ratio of women and men is about 97 %; the minimal difference can mainly be attributed to differences in the individual life and development paths of our employees. Women at BRANOpac, for example, were more likely to take advantage of part-time work and parental leave than men.



Company cooperation

BRANOpac has a long tradition of offering corporate employee participation. As a medium-sized family business, we support the cooperation between management and employees worldwide. That is why we offer our team voluntary options such as company holidays where no vacation time is deducted or special leaves for specific occasions. We also account for bridging days, for example, as only half a vacation day or reward the commitment of the entire workforce with vacation and Christmas bonuses.

As a component of the continuous improvement process, the company suggestion system is firmly anchored and an essential part of working at BRANOpac. All employees can contribute with their own ideas and considerations. These are particularly important for us, since no one knows our products, processes and market requirements more than our employees – which also means that they know and realize best where optimizations are expedient or necessary.

Joint events

For us the team cohesion doesn't end at the end of a workday, which is why we also maintain close contact with our employees outside of working hours. This includes annual celebrations that are held with our employees and their families at all of our sites worldwide. This exchange and the relaxed time together outside of the company create a team spirit that we value very highly.



Development of BRANOpac products – a constant exchange with our employees

To ensure that our products will continue to excel with their top quality, we actively integrate our employees in the new and further development. As a result, it is also part of our philosophy to introduce new products to our employees first and get their feedback.

Our employees' know-how is very important to us, because it is the foundation of our success. For that reason, a lively exchange takes place within the departments and between the administration and production units in order to get a the most comprehensive picture possible of all production steps.

Taking on social responsibility

As a value-oriented family business, we consider it our responsibility to make a social contribution to the region. For that reason, we get involved in a variety of areas such as voluntary work, culture, sports and education with the goal of promoting social cohesion.

- > We are pleased to give all interested parties the opportunity to get to know our company and learn more about our professional and social approaches. In the past, in addition to many school classes, we have also invited a student group from Uganda to get an inside look at the German education system.
- > Culture is a driving force in our society and associated with values which are also shared by BRANOpac. That is why we want to promote them for the long term. For many years, we have sponsored regional cultural events, such as "Art in the Barns of Lich". For this event, barns, workshops and other unconventional places are temporarily turned into art galleries. We also support the "Lich Cultural Days", a cultural event series in and around Lich. In line with the motto "Art meets production", we also converted our warehouse into a concert hall for this purpose. We are proud that we can contribute to increasing the cultural diversity and attractiveness of our home region by supporting these campaigns.
- > As part of a pilot project in cooperation with the district of Gießen and the Gießen Federal Employment Agency, we offer young asylum applicants training at our company. The first participant was able to successfully complete his training as a machine and system operator in 2019 and continue to get further education at our company.
- > We also support such institutions as the German Red Cross and the DKMS. Not only are we glad to donate to this institution, we also organize regular blood donation and DKMS typing campaigns at our company. Additionally, we regularly subsidize activities and new purchases by the volunteer fire department in Lich.
- > We start promoting young talents not just when they enter the professional world but at a young age. We have entered into a cooperation with the Anna Freud School in Lich, which has already supported young people with special needs during their school education for many years. In addition to providing financial grants for the acquisition of teaching materials, our commitment is particularly focused on the co-organization and participation in shared activities with the students. For example, our employees are part of the jury team at annual reading competitions.
- > In addition, BRANOpac has supported local popular and professional sports for a long time. This includes regional sports clubs and local sports events, such as the Lich Cross Triathlon, which also draws nationwide attention.

< 4.2 People at BRANOpac

General statistics

In 2019, over 300 employees worked at our company worldwide; 245 of these are located at our sites in Lich and New Delhi. Over half of our employees have already worked for the company for over ten years. In the same time period, we were also able to show healthy and consistent growth in the number of employees by about five percent each year.

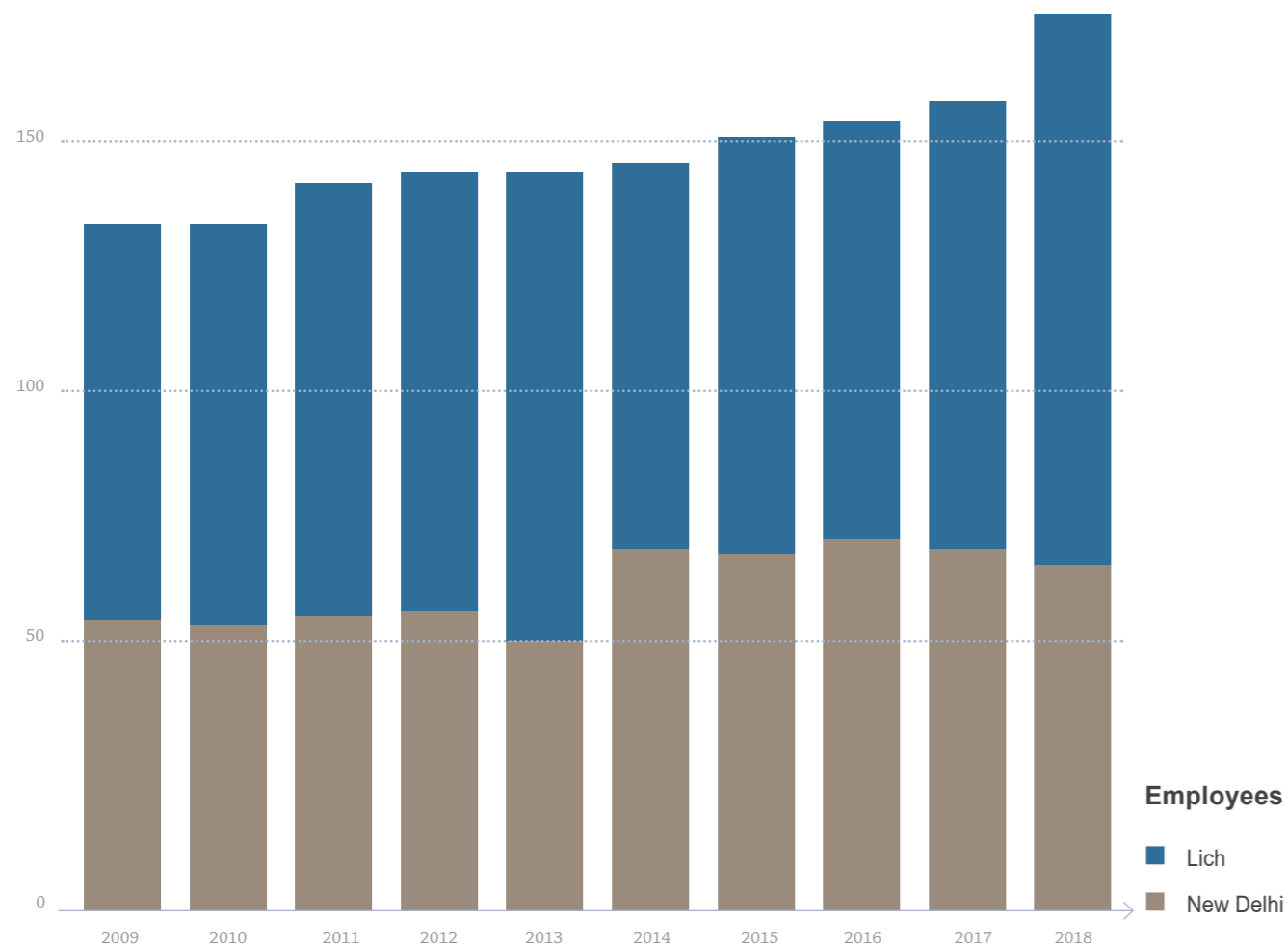
Personnel structure

... in the workforce

women	25%
men	75%

... on the management board

women	33%
men	67%



Intention

This is the first sustainability report from the BRANOpac GmbH. Its key content is a report on how the company is meeting its environmental and social responsibility while integrating its entrepreneurial purpose. The report shows which measures the BRANOpac GmbH has already implemented in this area and which goals are being targeted for the future. The report represents the basis for the next sustainability reports and is directed towards all interest groups. Our goal is to get additional stimuli and intensify an exchange about the individual sustainability topics.

Report parameters

This sustainability report is based on the German Sustainability Codex of the internationally recognized National Council for Sustainable Development. The report includes all 20 sustainability criteria to be addressed.

Editorial notes

The present sustainability report refers to the financial year 2018, which includes the period from 1/1/2018 to 12/31/2018. It is published in the German language. The editorial deadline is May 31, 2019. Although we consistently mention employees or workers with the male gender for better legibility, of course this refers to all female and male employees at our company.

Data entry

The data entry at our company locations is subject to methods and systems with company-wide definitions. The internal reporting and consolidation is carried out through a central data management system at the headquarters of BRANOpac GmbH, where the key figures are reviewed for completeness.

Liability disclaimer

We collected the information, data and key figures in this report with the utmost care. All contents of the report were checked by the responsible employees. However, we cannot rule out the possibility of incorrect information. This report also includes statements based on realistic estimates by the management. As a result of future developments, the ultimately occurring events can differ significantly from the statements made here. The report and the information it contains are not an assessment regarding verified compliance with applicable law, statutory regulations or recognized industry practices.

Layout and statute

Vanessa Reinhardt – art, illustration & design
www.vanessareinhardt.de





Branopac
Solutions with System

Editor and contact

Responsibility BRANOpac GmbH
Gottlieb-Daimler-Str. 18-20
35423 Lich
Germany

Managing Director Jörg Schulte

Email info@branopac.com
Internet www.branopac.com