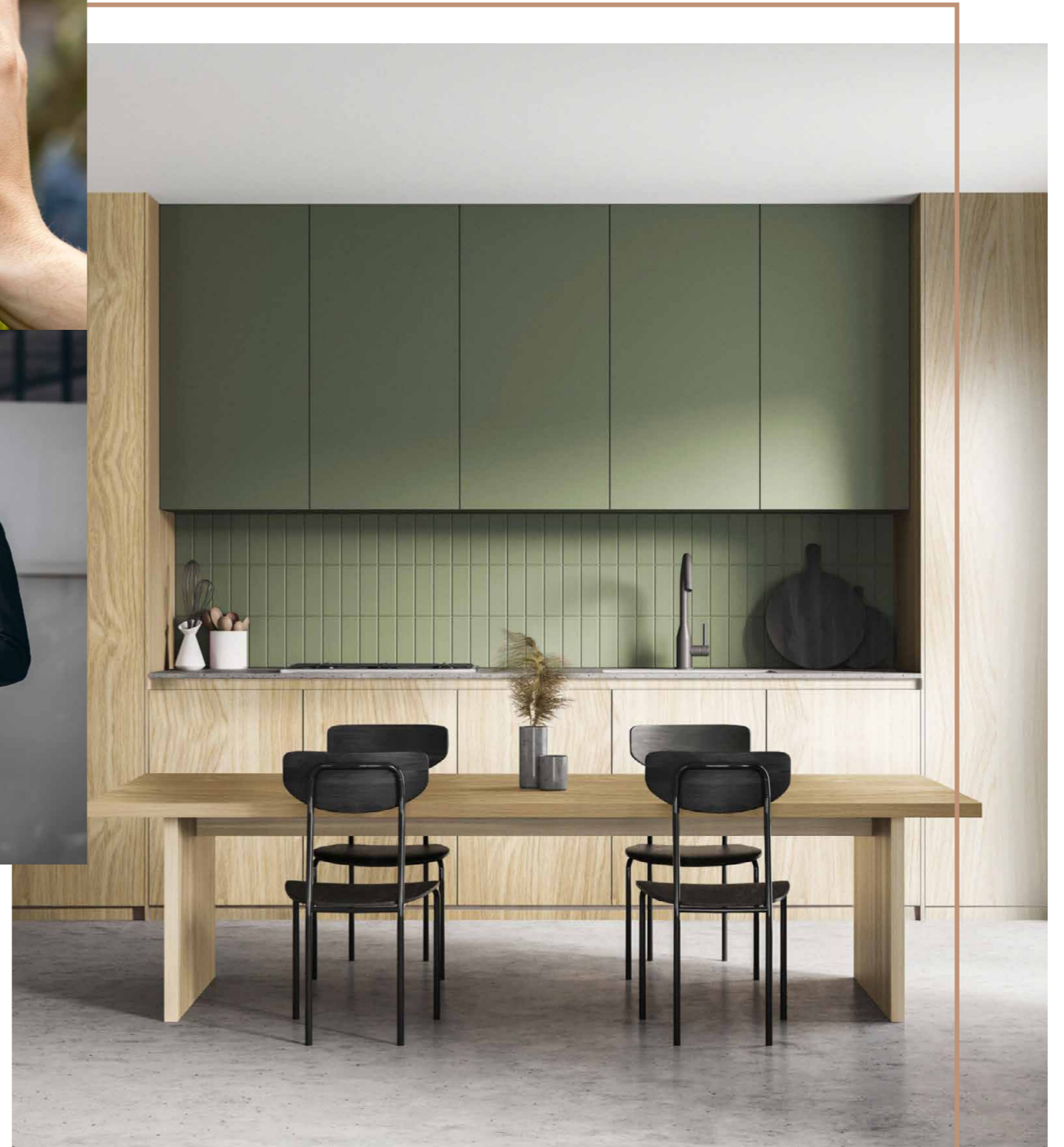
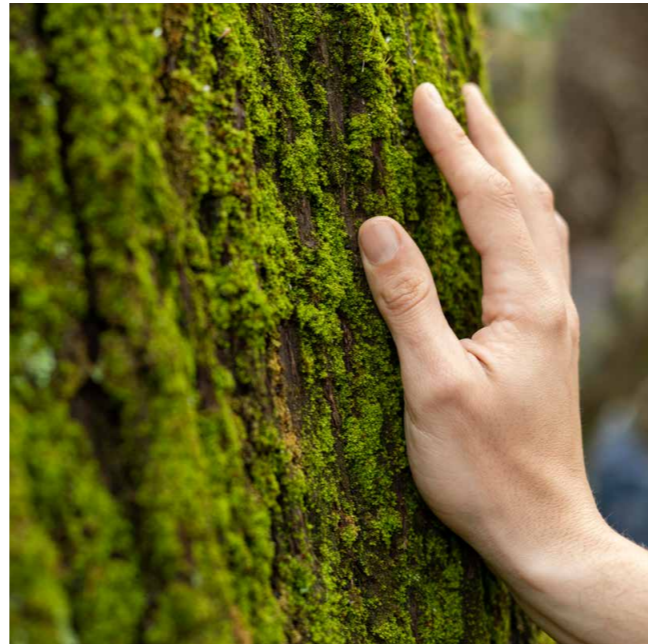


ESG REPORT for Pfleiderer **FOR 2022**



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01 INTRODUCTION





Dear Sirs,

We present to you the Sustainable Development Report of our company for 2022. It is a continuation of the assumptions and goals set by the management board a year earlier. Despite the economic and market consequences related to the War in Ukraine, we consistently tried to implement measures to reduce the impact of our production activities on the natural environment, to ensure job stability and development opportunities for our employees as far as the existing conditions are concerned, and to support important social initiatives

Our process is mainly based on wood raw material in the form of waste from lumber mill industry and recyclable materials. The mix of wood raw materials we use consists of only a small part of wood comes from forests. From this source comes material that is a by-product of comma grooming forests. A significant part of the raw material we use is shavings and sawdust and other waste materials from sawmills and derived wood from recycling. From year to year, we are gradually increasing the share of the latter our production process.

Many years ago we understood that multiple processing of wood and recycling are the only economic models that can guarantee sustainable manufacturing of high-quality wood-based products. In addition, our industry is committed to making a significant contribution to the fight against climate change by reducing carbon emissions. This is why we have implemented wood processing cycles in our plants that manufacture raw particle boards.

Our high quality furniture boards and tops are perfectly suited for a wide range of applications in the field of interior design and furniture production. Our offer is crucial for modern construction industry, where product safety and attributes related to sustainable development are the basis for choosing a supplier.

We also attach great importance to the quality standards of our products and to the very process of designing our products with aesthetics and design in mind. Our goal is for our products to meet the highest aesthetic and functional standards. This will make them an attractive alternative to natural wood.

We are gradually trying to build sustainable foundations for our business. We are trying to be more and more active in the transition towards a low-emission economy so that we can meet global challenges as soon as possible.


Sustainable development of the company also means the well-being of its employees. Our priorities include respect for human rights, decent working and pay conditions as well as safety. As a company, and as each of our employees, we want to actively participate in social life, which is why we are committed to taking part in and supporting various types of activities, especially local ones.

We have set ambitious challenges in all aspects of sustainable development and compliance with best practices.

Grzegorz Kulesza
Managing Director, Member of the Management Board



02 CORPORATE GOVERNANCE



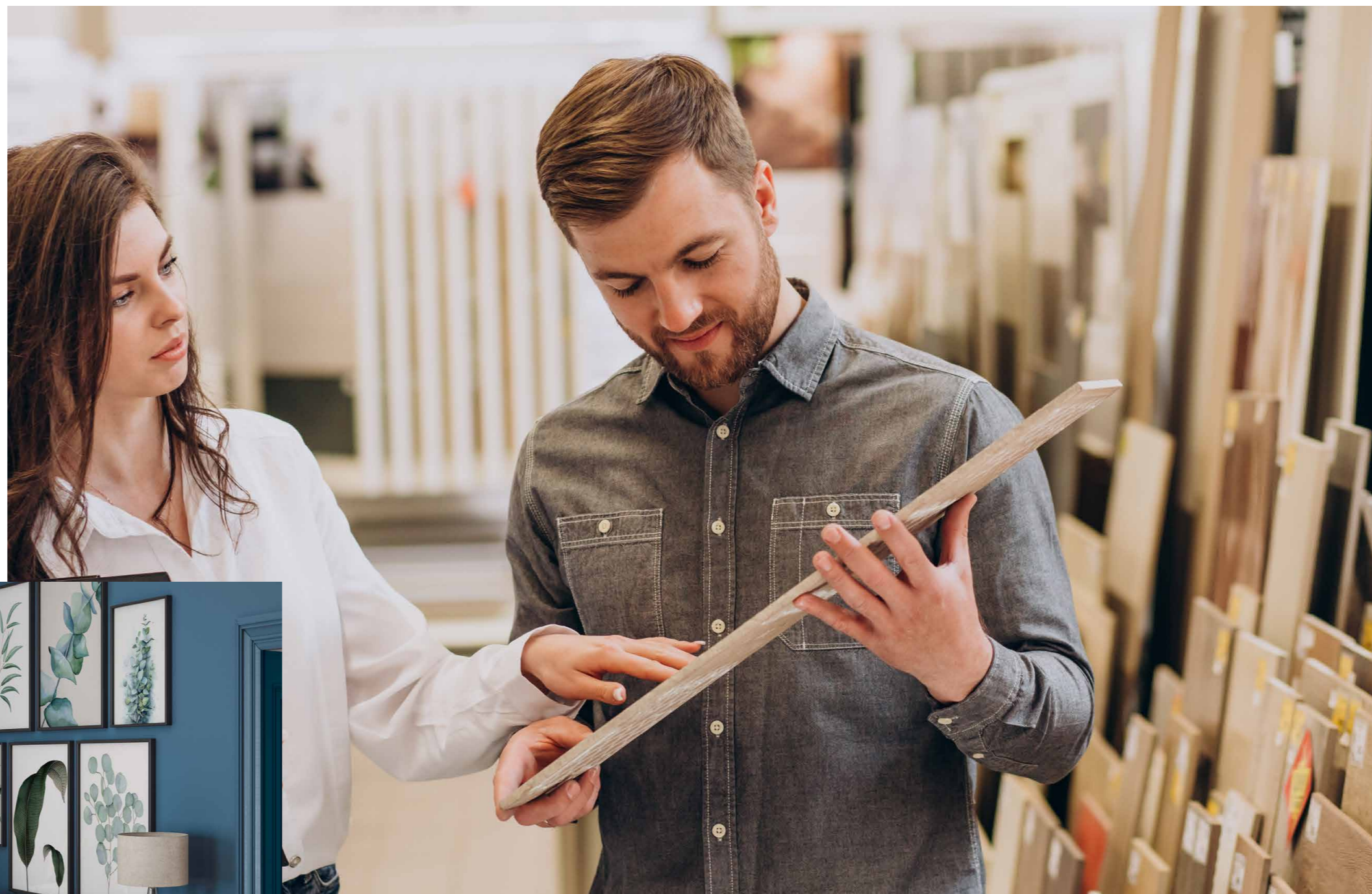
Our mission is partnership in the development and building of common value by ensuring functional and reliable wood-based solutions for the home.

WHO WE ARE

Pfleiderer Polish companies supply solutions that use wood-based materials for the furniture, interior design and construction industries. We offer comprehensive services for furniture companies, carpenters, architects, designers and construction industry companies that provide their services to individual and institutional investors.

Our sales model is based on direct and indirect distribution carried out through an extensive network of authorized Pfleiderer Partner centres, construction networks, independent distributors in the construction industry and DIY chains such as Castorama, OBI, etc.

Pfleiderer Polska exports its products to the Western Europe, Scandinavia, the Baltic States and Southern Europe.

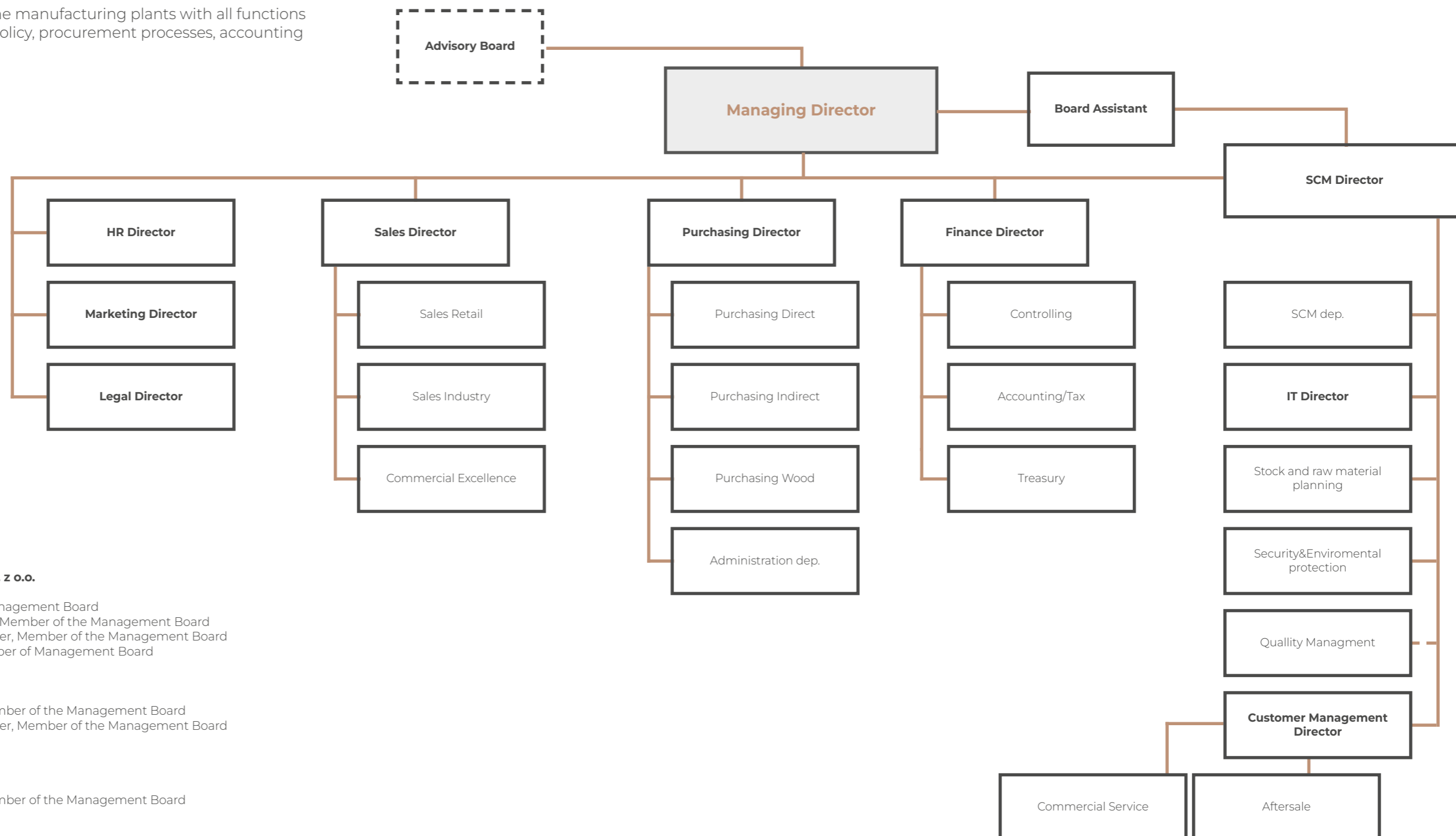


We have constantly and consistently implemented the concept of eco-development, supported by practical and creative solutions related to our offering and broadly understood service.

PFLEIDERER EAST

The structure of Pfleiderer Polska Sp. z o.o.

Pfleiderer East consists of Pfleiderer Polska Sp. z o.o. and 3 manufacturing plants: Pfleiderer Wieruszów Sp. z o.o., Pfleiderer Grajewo Sp. z o.o. and Pfleiderer MDF Grajewo Sp. z o.o. Pfleiderer Polska Sp. z o.o. provides the manufacturing plants with all functions related to product sales, marketing policy, procurement processes, accounting services, etc.



Management Board of Pfleiderer Polska Sp. z o.o.

- Zbigniew Prokopowicz President of the Management Board
- Grzegorz Kulesza Managing Director, Member of the Management Board
- Ewa Rytka Chief Financial Officer, Member of the Management Board
- Dorota Kostrzewa SCM Director, Member of Management Board

Pfleiderer Wieruszów Sp. z o.o.

- Andrzej Wojcieszak Plant Manager, Member of the Management Board
- Małgorzata Paczkowska Chief Financial Officer, Member of the Management Board

Pfleiderer Grajewo Sp. z o.o.
Pfleiderer MDF Grajewo Sp. z o.o.

- Seweryn Górzyński Plant Manager, Member of the Management Board

PFLEIDERER MANUFACTURING PLANTS



1

Pfleiderer Wieruszów Sp. z o.o.
MFC and particle boards
Worktops
Back panels
mfp® construction boards



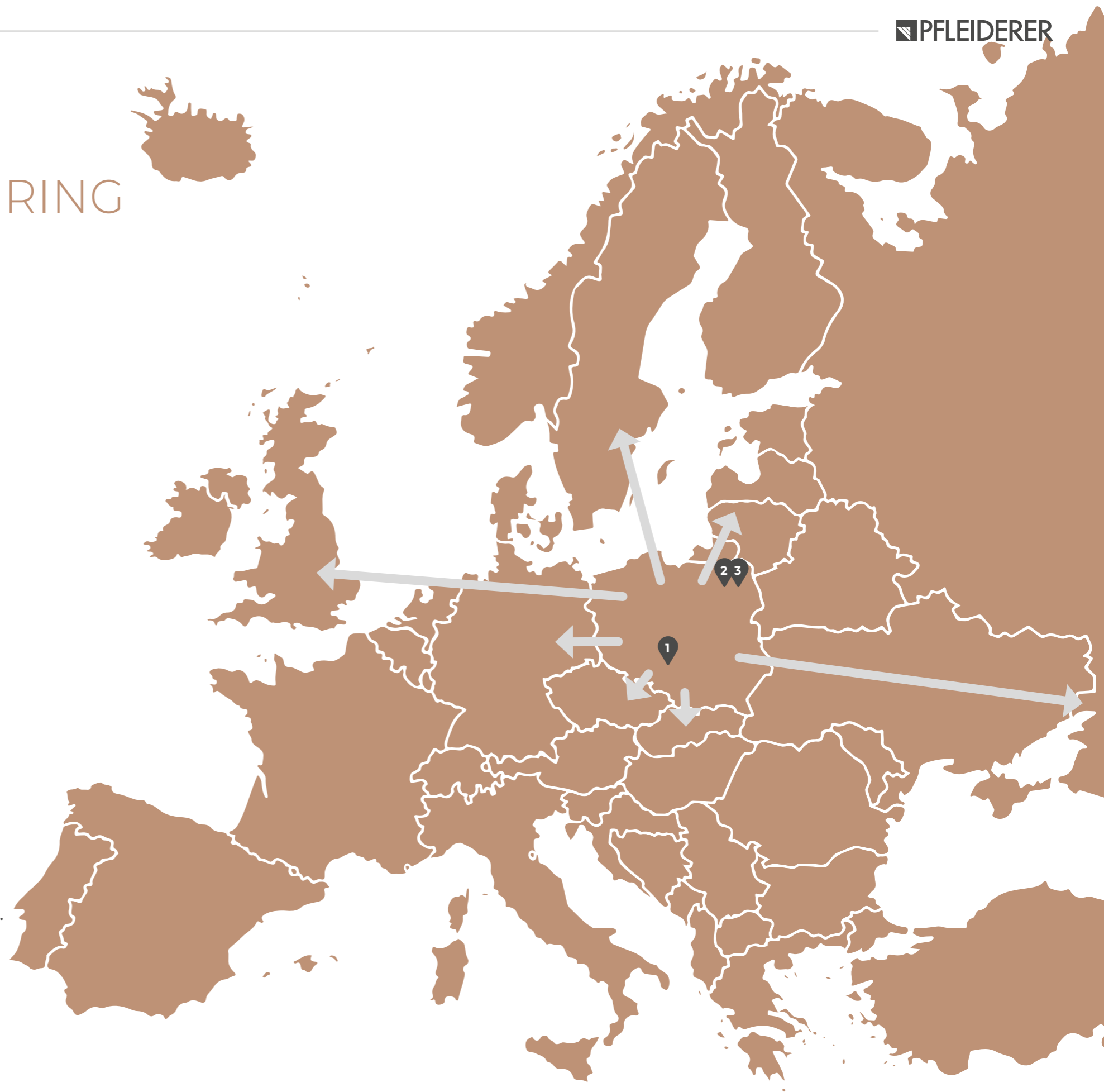
2

Pfleiderer Grajewo Sp. z o.o.
MFC and particle boards
Finish foils and edge bandings
mfp® construction boards



3

Pfleiderer MDF Grajewo Sp. z o.o.
Raw HDF
Lacquered HDF



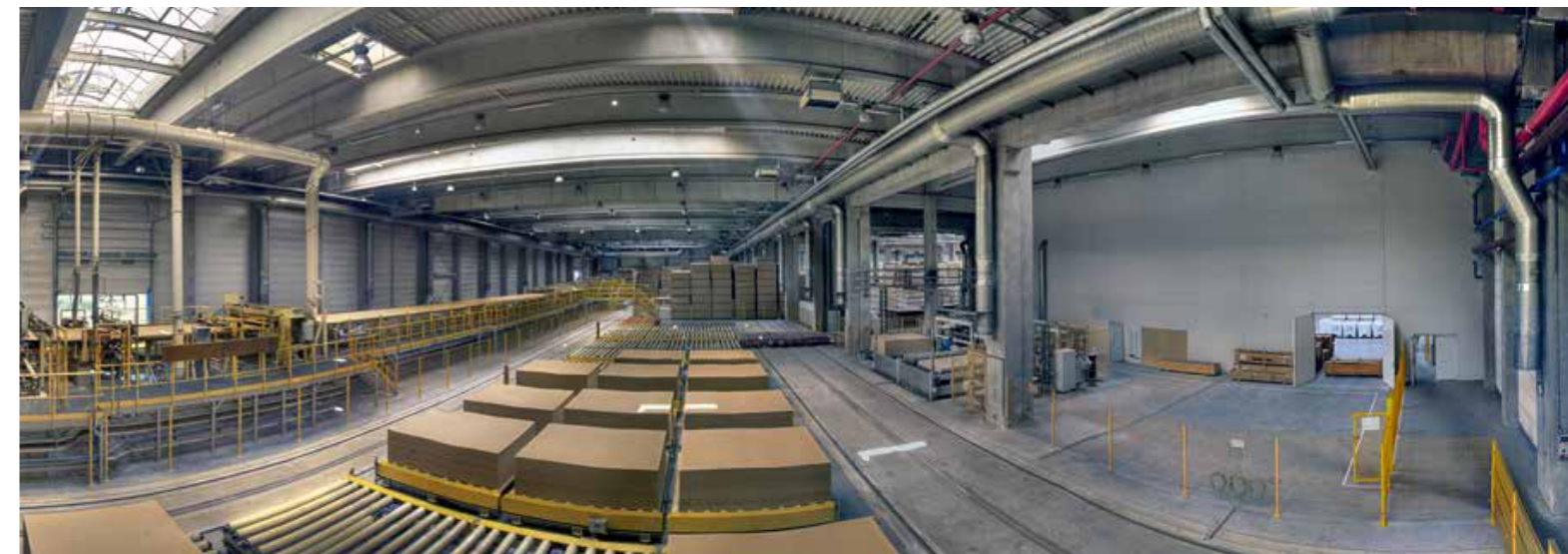
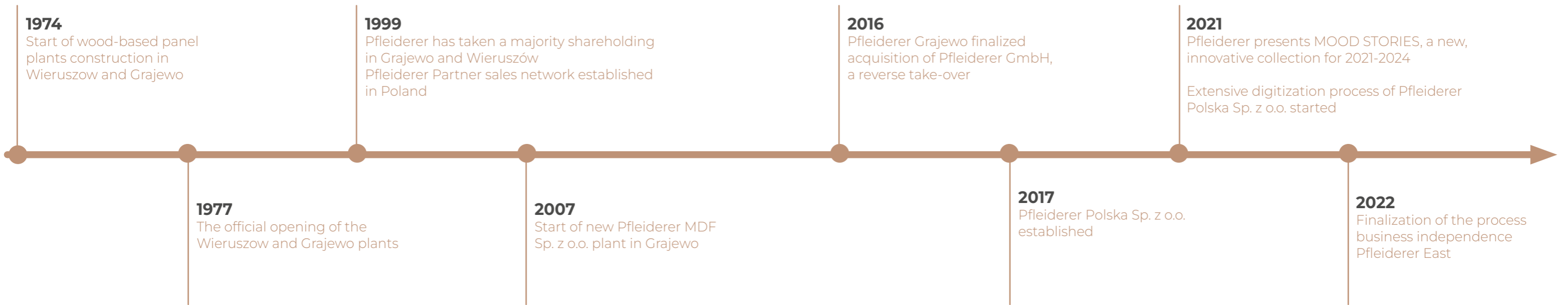
HISTORY - OVERVIEW OF KEY FACTS

Pfleiderer Polska has been the leader in the manufacture of wood-based boards on the Polish and international markets for more than 20 years. Pfleiderer Polska is renowned for the quality and innovative solutions. Our products are used in various industries, such as furniture and construction industries.

The history of Pfleiderer in Poland started in 1999, when a German company, Pfleiderer AG, purchased manufacturing plants in Grajewo and Wieruszów, which were established in 1970s. Since then, Pfleiderer Polska has invested in modern technologies, boosted its production and introduced innovative products to the market.



The history of Pfleiderer Poland is a story of success, built on a solid base of quality and innovation. Thanks to continuous investment and development of its products, the company has become one of the most important players on the market of wood-based panels, and its products enjoy the recognition and trust of customers at domestic and abroad.

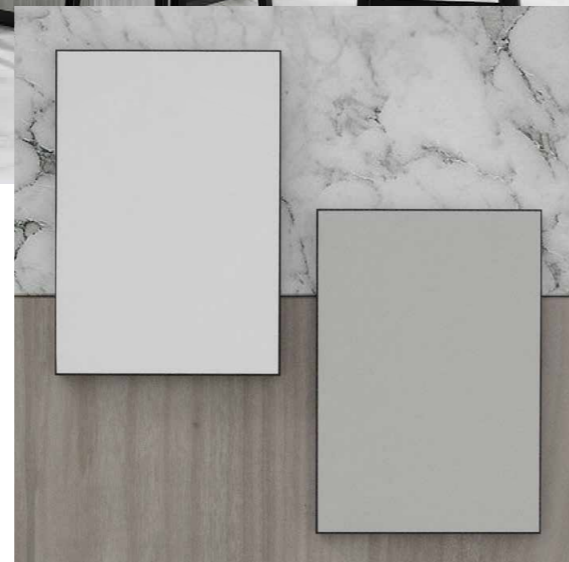


WHAT WE OFFER

Materials for the furniture industry

MOODSTORIES

Materials for the construction industry



ECO DESIGN

Our collection includes reproductions of unique types of wood. Digital technology allows us to recreate any wood pattern and give it a new visual quality. Our ecological furniture boards can successfully replace natural wood. Thanks to their aesthetic qualities and original surface structures, it enables every investor to create a space that is friendly and close to nature.



Awards and distinctions

Our Mood Stories collection has won numerous awards.



ECO BUILDING

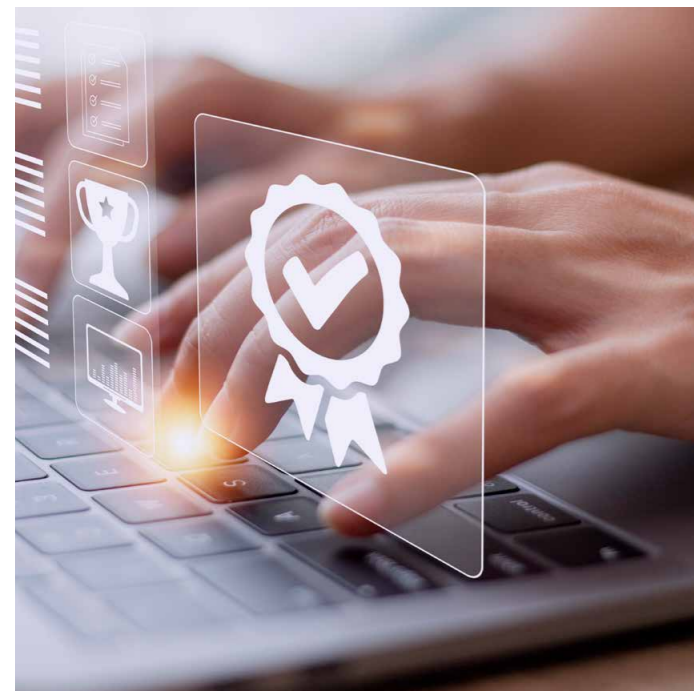
Our products are used in 'zero waste' compliant architectural designs. Wormhous is investor's dream come true for a house for the family of four, who want to live comfortably, close to the nature and in harmony with the nature. The design was prepared by a well-known architect, Piotr Kuczia, a proponent of the design that is environmentally friendly, energy efficient and ecological; Wormhous received the Excellent Communication Design award during German Design Award 2018 event. Among others, mfp® construction boards were used in the project.



Integrated quality management system

All Pfleiderer Polish companies have implemented an integrated management system that is based on ISO 9001:2015 international quality management standard, ISO 14001:2015 environment management standard, ISO 50001:2018 energy management standard and ISO 45001:2018 safety management standard.

The processes defined in the procedure let us achieve the highest level of accuracy and responsibility in the key areas of our operations. The procedures have been regularly improved as an answer to the pace of the changing market environment.



	CE LABEL*	ISO 9001	ISO 14001	ISO 50001	ISO 45001
Wieruszów	●	●	●	●	●
Grajewo	●	●	●	●	●
MDF		●	●	●	●
PPL	●	●	●	●	●

* mfp® construction board

Business Ethics

Code of Ethics and Anti-Corruption Policy

Responsible action is the foundation of our business. Each employee is obliged to follow the Pfleiderer Polska Rules of Business Conduct. We act in a responsible manner and in accordance with the law and our internal rules and regulations because we feel co-responsible for the people and for the natural environment, we want to avoid damage and protect the interests of our business partners.



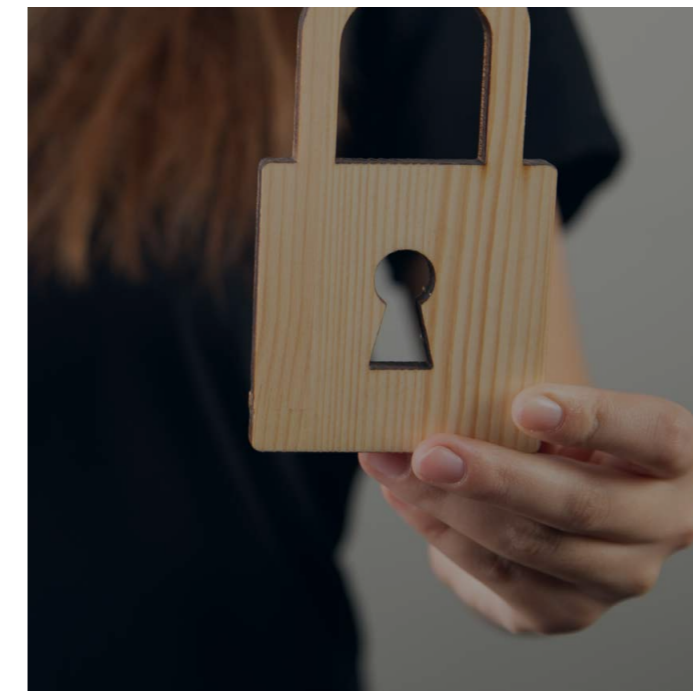
The Rules of Business Conduct are supplemented by the Conflict of Interest Prevention Policy that provides guidelines on prevention and management of conflicts of interest that may result in connection with Pfleiderer operations and the Whistleblowing System implemented in accordance with generally applicable laws, in particular Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

Whistleblowing System

In order to protect our company from threats and ensure compliance with the law, we have established the Internet Whistleblowing System to receive information about potential violations as early as possible and be able to respond as quickly as possible.

Data protection policy

Pfleiderer Polska Sp. z o.o. is the Controller of data of our customers, business partners and colleagues.



When processing personal data, the controller observes the following principles of personal data protection:

- The principle of compliance, reliability and transparency of data processing,
- The principle of limiting the purpose of data processing
- The principle of minimizing the amount of data processing
- The principle of correctness of data processing
- The principle of limiting the time of processing and the purposes for which the data may be stored
- The principle of ensuring that the data is processed in an integral and confidential manner
- The principle of accountability

Our Tax Strategy

Processes and procedures for managing and ensuring compliance with the tax obligations. As regards fulfilment of tax obligations, our companies use support provided by Pfleiderer Polska Sp. z o.o., which acts as a centre of competence for Pfleiderer East, also with regard to accounting service

In their operations, our companies strive for the timely and correct fulfilment of the obligations related to tax settlements, including:

- correct calculation of taxes,
- timely submission of tax returns
- timely payment of taxes.

To achieve these objectives, we follow processes and procedures for managing the performance of obligations arising out of the tax law and ensuring their proper performance:

- CIT compliance process including:
 - the actions taken by the Company to carry out CIT settlements in a way that ensures technical and accounting correctness, along with the time limits for performance of such settlements,
 - competencies and responsibilities assigned to individual jobs,
- VAT compliance process including:
 - the actions taken by the Company to carry out VAT settlements in a way that ensures technical and accounting correctness, along with the time limits for performance of such settlements,
 - competencies and responsibilities assigned to individual jobs
- The process of verifying the contractors that use Polish NIP (tax identification number) in transactions with our companies, including:
 - verification of registration of contractors for VAT purposes on the basis of the so-called white list of VAT taxpayers maintained by the Head of the National Revenue Administration in accordance with Article 96b(1) of the VAT Act.
 - verification of the bank account of contractors on the so-called white list of VAT taxpayers maintained by the Head of the National Revenue Administration in accordance with Article 96b(1) of the VAT Act.
- The process that ensures correct and timely fulfilment of the obligation to provide information on tax schemes within the meaning of Chapter 11a of the Tax Ordinance,
- Document workflow process,
- Procurement procedures for the purchase of materials and services in the operating areas of the Company.

MEMBERSHIP IN ASSOCIATIONS

By being engaged in the work of regulatory and advisory bodies, we work on key sustainability issues in our industry. At the European level, we are a member of the European Panel Federation (EPF), and at the national level we are a member of the Association of Wood-based Panels Producers in Poland (SPPD).

As a member of the Wooden Houses Association (SDD) and the Association of Energy-Saving Ready Houses (EDG) we research the potential of new wooden house industry to create a valuable, additional absorbent of carbon dioxide. We are looking for the new potential in the technologies that promote this type of construction in Poland.

EDG is an association of companies which, by watching the development of wooden construction in the world, have extensively promoted this technology in Poland. As a member of the association, we actively support development of wooden construction industry, energy efficient construction and the so-called passive buildings. Since we appreciate advantages of prefabricated products, we have bet on building the awareness and attention to quality and workmanship based on standardized technical guidelines based on applicable laws.

This is in line with the Green Deal European programme intended to reduce emissions from buildings over their life cycle and ensure that they are more sustainable, based on principles of circularity applied to renovation of buildings in order to reduce emissions of greenhouse gases related to construction materials.



Our contribution to the achievement of the global goals

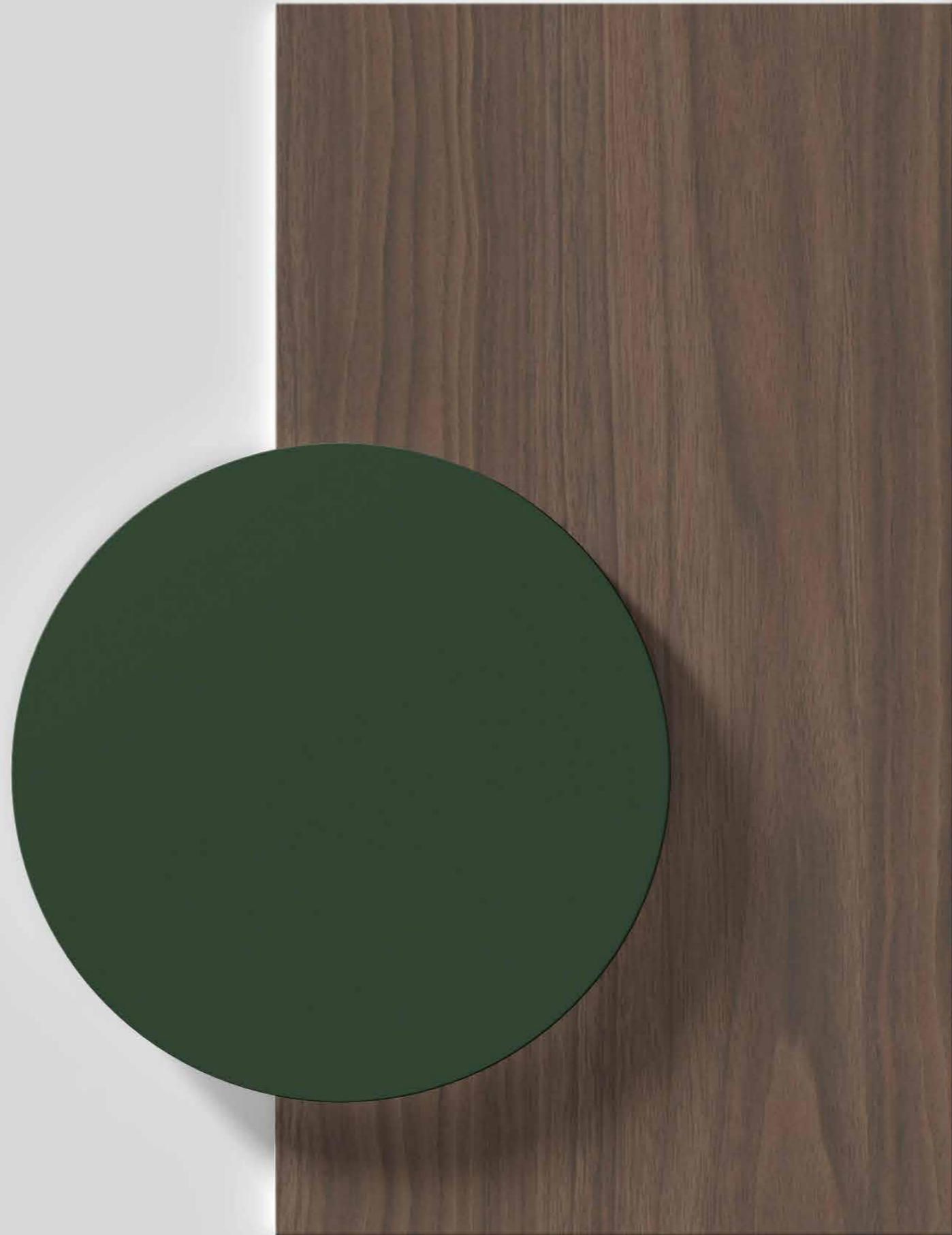
Our cooperation with institutions shaping environmental policy and adaptation to standards and codes of conduct are an expression of Pfeleiderer's commitment to sustainable development.

Sustainable Development Goals



The Sustainable Development Goals (SDGs) were initiated by the United Nations in 2015 with ambitious goals to solve the most important global problems - from ending poverty to tackling climate changes.

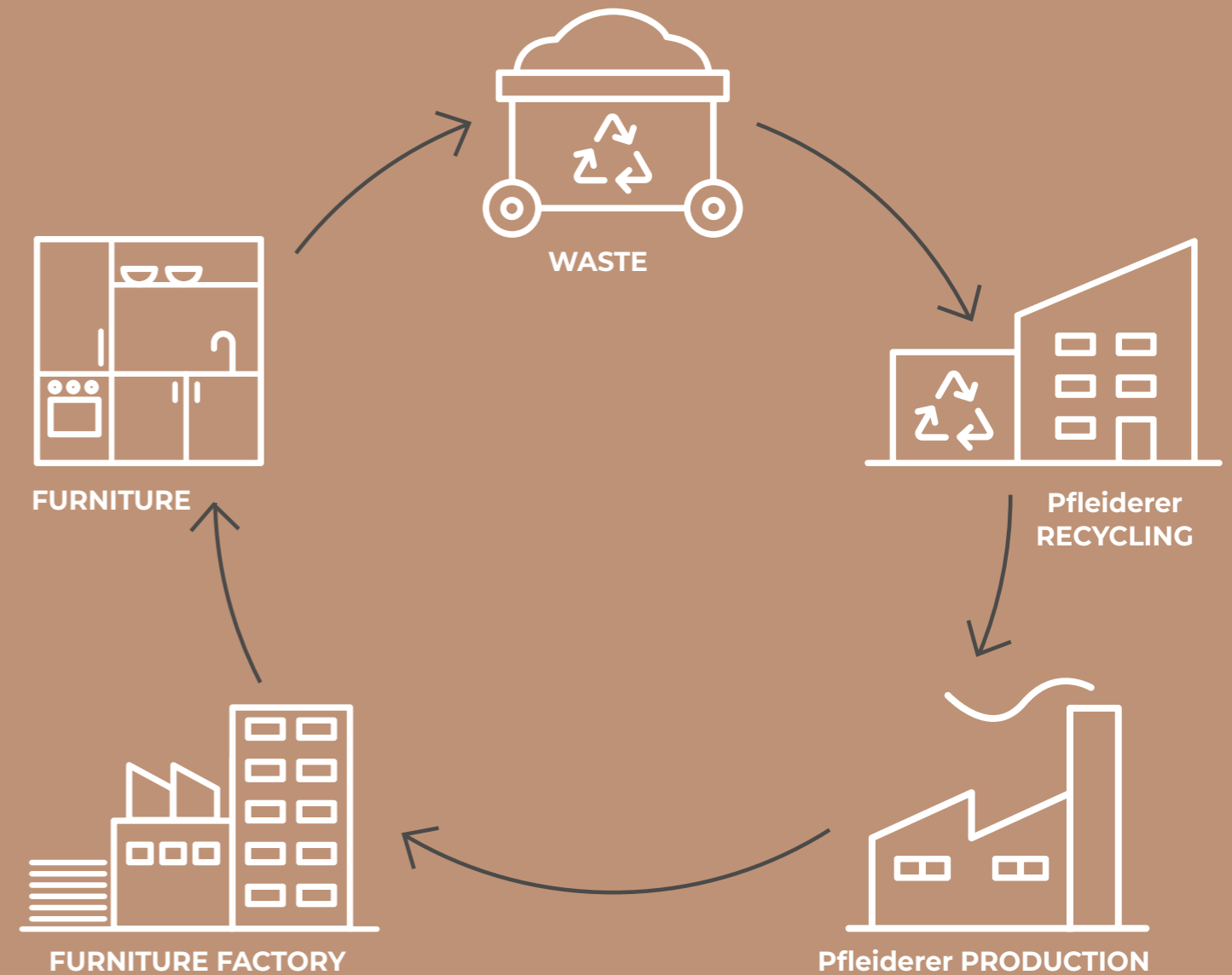
04 MATERIALS



CIRCULAR ECONOMY

The technology of production of wood-based panels fits perfectly into the idea of the circular economy.

Wood is a material with great potential for sustainable development. It is a renewable resource that stores large amounts of CO₂. By recycling this material, we give it a 'second life'. In addition, we use waste from lumber mills in the form of edgings and chips. This way, the material is not converted into an energy resource that is burnt.



We have the status of a recycler, which guarantees proper waste management and the ability to confirm all documents required by law.

RAW WOOD

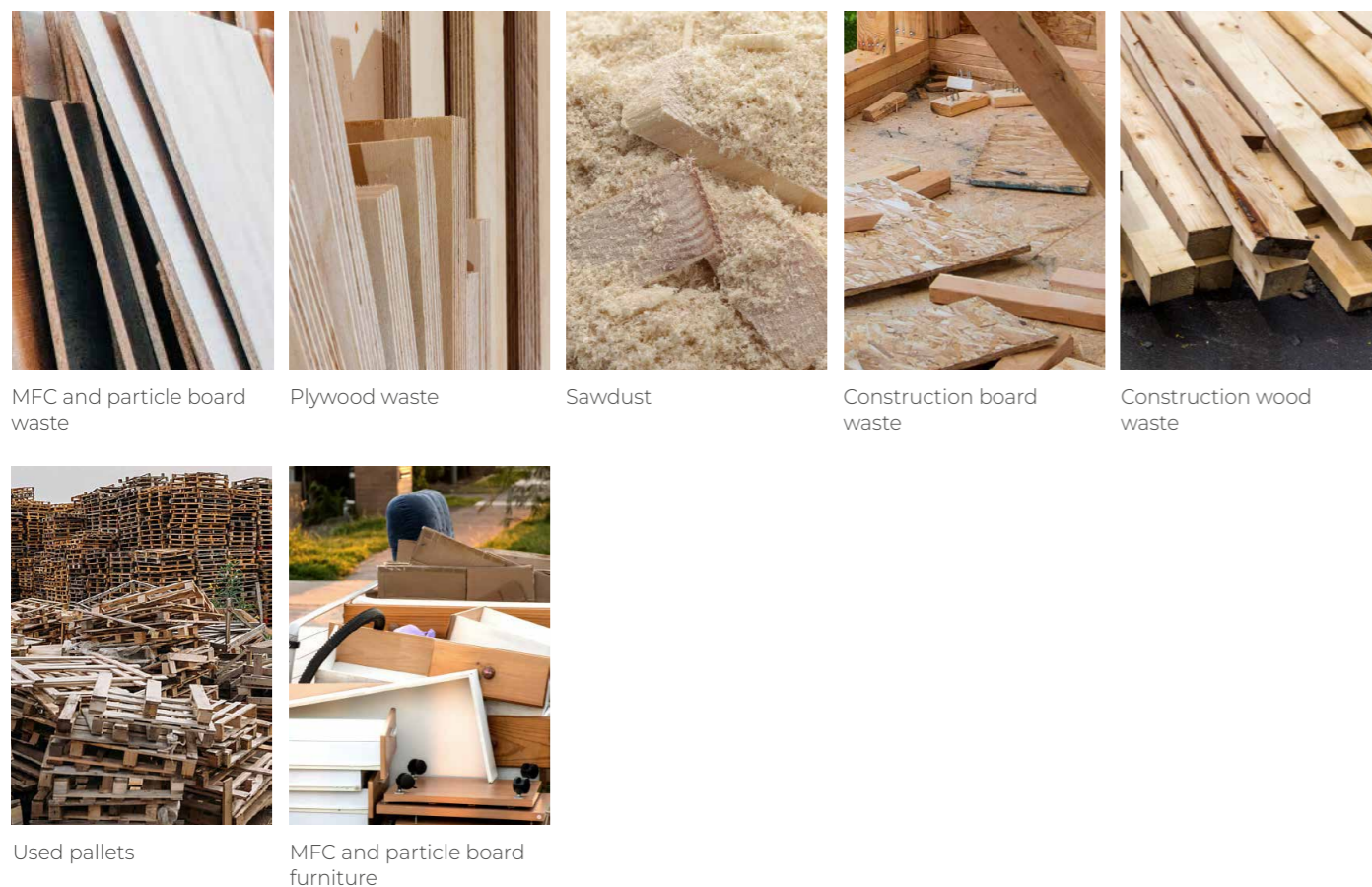
OBJECTIVE 1:

Increase in the share of recycled timber from 30% by 2025.

Our results and target	2018	2019	2020	2021	2022	Target 2025
Recycled wood (in kt)	151	142	132	159	146	
Total wood (in kt)	1071	972	924	997	931	
Percentage increase	14%	15%	15%	16%	16%	30%

What raw material do we recycle?

Our manufacturing plants in Wieruszów and Grajewo purchase the recycled raw material via wood recycling centres.



MFC and particle board waste Plywood waste Sawdust Construction board waste Construction wood waste Used pallets MFC and particle board furniture

OBJECTIVE 2:

Verification of all suppliers of wood raw materials for compliance with FSC or PEFC certification requirements

We co-operate with more than 600 active suppliers on a regular basis, from pallet manufacturers to lumber mills, trade enterprises, logistic companies, recyclers, etc. Every year, we process around one million ton of wood raw material, therefore its origin is of particular importance to us.

We act with utmost care to ensure that the raw material we process comes from properly managed and certified forests and controlled sources. We aim to ensure that our suppliers meet at least FSC or PEFC requirements. Full supplier certification is optional.

The Chain of Custody certification is a mechanism that validates responsible sourcing of timber from the forest to the end user. It ensures that materials and products have been checked at every stage of processing so that customers buying products with the FSC or PEFC label can be sure that such products are actually certified.

CHEMICAL RAW MATERIALS

OBJECTIVE 3:

Use of at least 10% of low-emission resins in the production of wood-based boards by 2025.

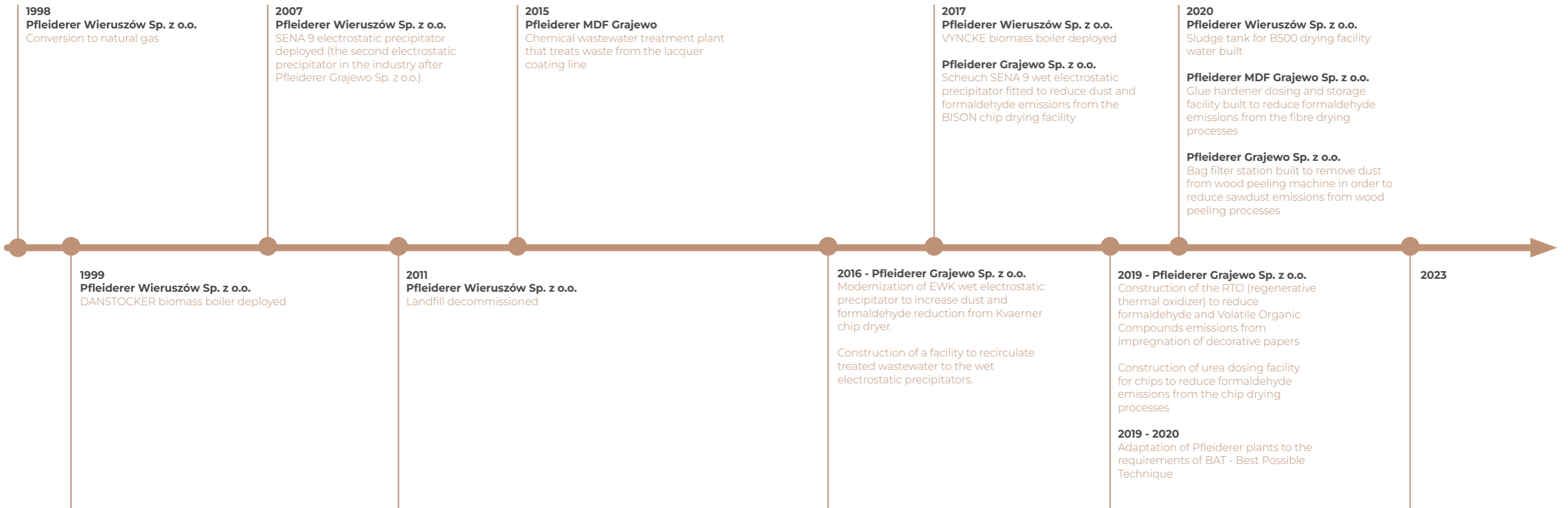


05 ENVIRONMENT

The care for the natural resources of our planet and environmental sensitivity are an important aspect of our activities

ENVIRONMENTAL PROTECTION - MILESTONES

Over the recent dozen or so years, we have successively implemented investments in our companies that have effectively reduced the burden placed by our manufacturing operations on the natural environment.



KEY ENVIRONMENTAL INVESTMENTS

Pfleiderer has promoted environmental protection and implementation of ecological designs for years. The purpose of our investments is to minimize the environmental impact of our operations and at the same time contribute to improving the quality of life of the people.



2018/2019

Construction of the RTO to reduce formaldehyde and Volatile Organic Compounds emissions from impregnation of decorative papers.

Investment: Wieruszów, Grajewo
Investment cost: PLN 10 million

2019

Construction of urea dosing facility for chips to reduce formaldehyde emissions from the chip drying processes.

Investment: Wieruszów, Grajewo
Investment cost: PLN 5 million

2019/2020

Bag filter system built to remove dust from wood peeling machines and mills to reduce sawdust emissions from chip peeling processes.

Investment: Wieruszów, Grajewo
Investment cost: PLN 3 million

2015 i 2020

Construction of the wastewater treatment plant to treat wastewater from the hdf lacquer coating line and mechanical rainwater and thaw water treatment plant.

Investment: Wieruszów, Grajewo
Investment cost: PLN 5.2 million

od 2019

Introduction of the programme of water consumption reduction and recirculation of production water.

Investment: Wieruszów, Grajewo
Investment cost: PLN 500,000

2019/2020

Air compensation system built. The purpose of the system is to use polluted gases drawn from the Conti-Roll press and ensure thermal oxidation of such gases in the Vyncke fuel combustion boiler. The thermal oxidation reduces VOC emissions.

Investment: Wieruszów
Investment cost: PLN 100,000



2016 i 2020

Construction of a system to recirculate wastewater to the electrostatic precipitators.

Investment: Wieruszów, Grajewo
Investment cost: PLN 1.5 million

GREENHOUSE GAS EMISSIONS

OBJECTIVE 1:

Reduction of CO₂ emissions by 2025 (Scope 1 + Scope 2) by 20% compared to 2021.

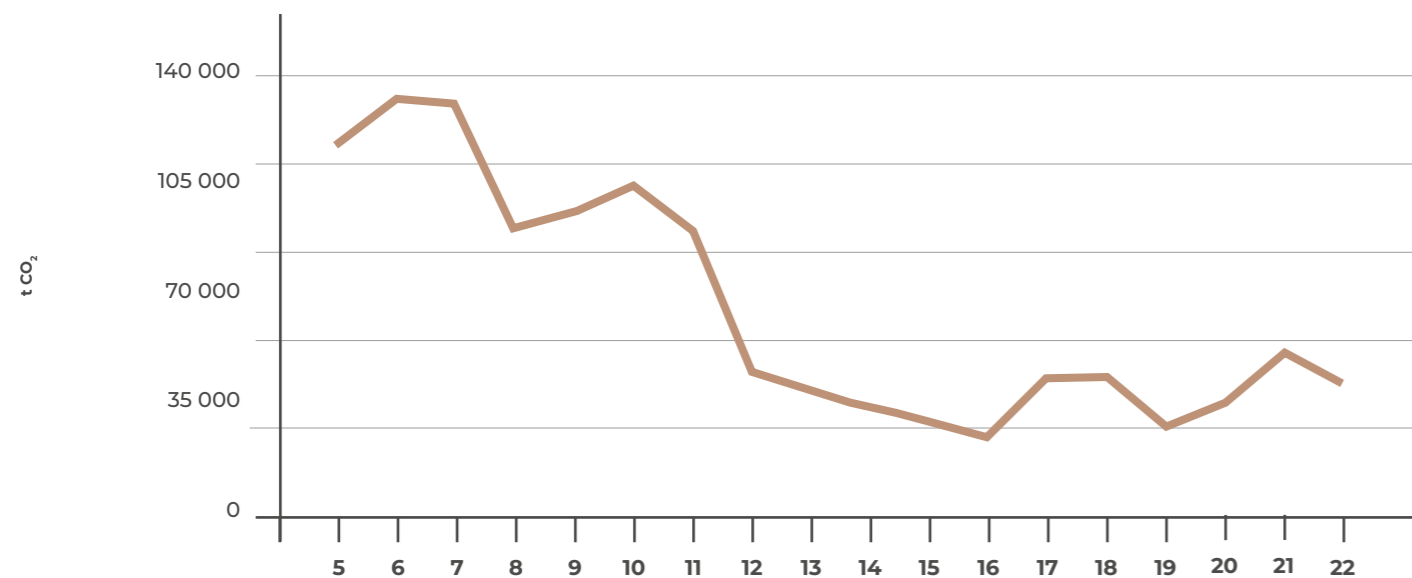
Our companies have reduced CO₂ emissions by 18% compared to 2021/2022.

In order to achieve the assumed objective, further decarbonization of the fuels we use is necessary. We have increased the share of biomass at the expense of fossil fuels (gas, coal, oil) in all of our plants. The highest reduction of direct emissions was achieved in the Wieruszów plant, where the share of fossil fuels (coal) in the production of thermal energy fell from 28.3% in 2021 to 25.9% in 2022.

We can be proud of the fact that as a result of numerous investments and organizational measures, we have managed to reduce the level of carbon dioxide emissions from our plants. We are aware that this is a continuous process that is primarily affected by the industry, which is why, among others, we have invested in new technologies, modern energy sources, we effectively manage our car fleet, etc.

We are an important link in the circular management of natural resources. We manufacture recyclable wood-based products, which store carbon monoxide. With the sustainable, cascaded use of wood resources and investments in new technologies, every year we use less and less fossil fuels. We are committed to implementation of the Paris Agreement to reduce global warming to 1.5°C. We have set ambitious short- and medium-term emission reduction targets for our company. Achievement of such targets will allow us to successfully transform into a net zero-emissions company. Our target of CO₂ reductions by 2025 is based on scientific foundations and has been ISS inspected: we have been working on evaluating our targets in accordance with the Science Based Targets (SBTi) initiative.

CO₂ emissions by Pfliederer East (2005-2022)



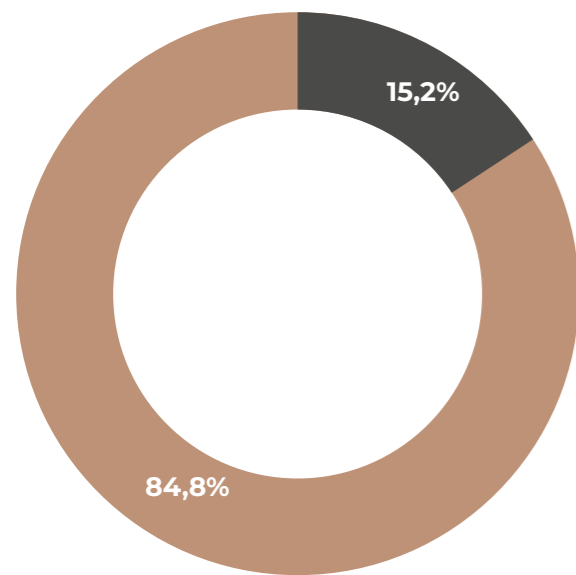
ENERGY CONSUMPTION

OBJECTIVE 2:

Reduction of thermal energy consumption by 20% in the Wieruszów manufacturing plant.

We use both thermal energy and electricity in our plants. On average, 84% of our heat energy comes from burning biomass. In 2022, a 7% decrease in electricity consumption was recorded in all of our Polish companies compared to 2021.

Sources of thermal energy in Pfleiderer plants in 2022



- Biomass energy (ZERO CO₂) - TJ/year
- Coal, oil and gas energy - TJ/year

EMISSIONS MANAGEMENT

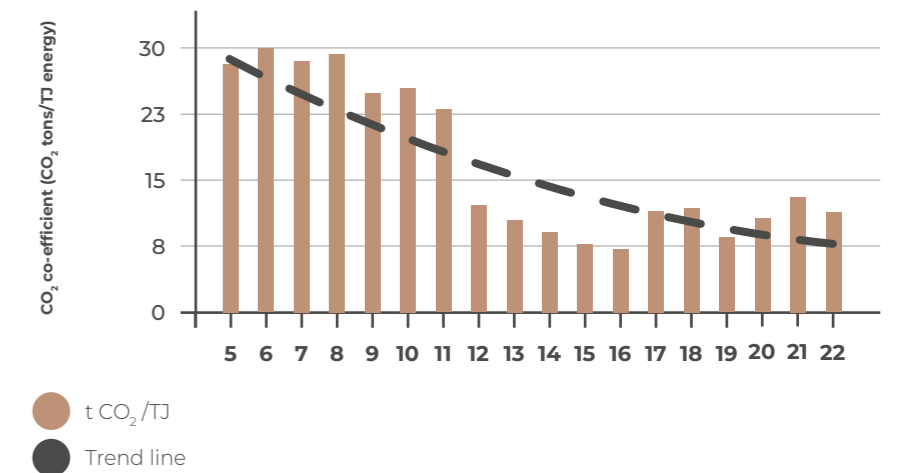
OBJECTIVE 3:

Reduce total particulate matter emissions by 50% below 2020 emissions by 2025.

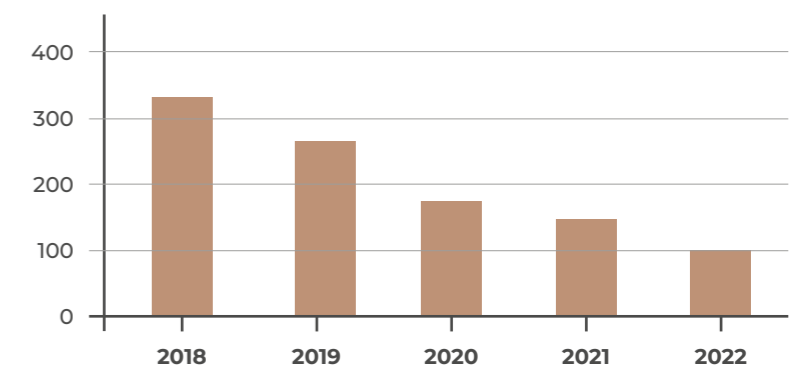


2022 was another year of reduction of total particulate matter emissions. Compared to 2020, 40% of assumed target has been reached. This mainly results from the installation of new bag filters on the chip preparation line.

Pfleiderer East CO₂ emissions co-efficient (2005-2022)



Annual dust emissions by Pfleiderer East (tons/year)



NATURAL RESOURCES: WATER CONSUMPTION

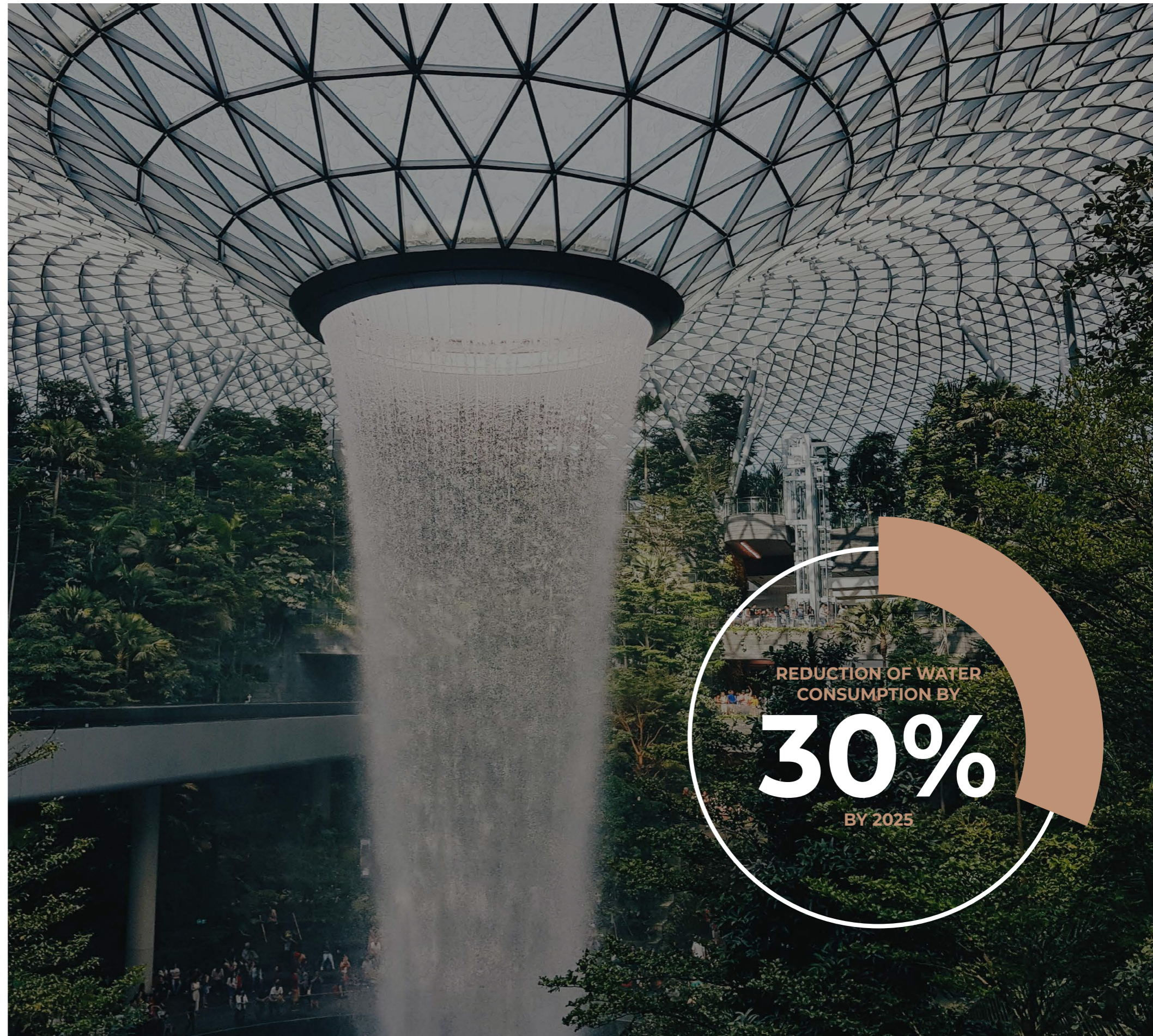
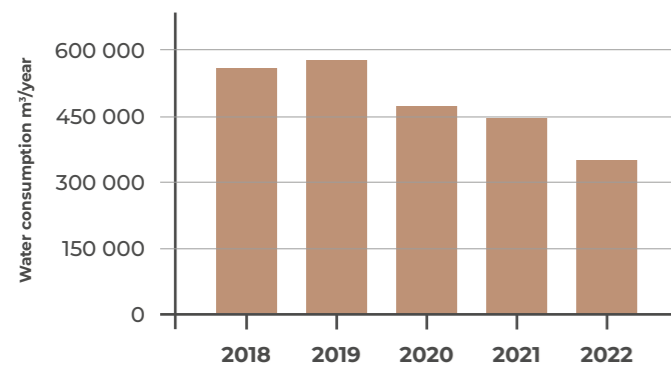
OBJECTIVE 4:

Reduction of total water consumption by 30% by 2025 compared to 2020 consumption as the base period.

Total water consumption in Pfleiderer East decreased by 21% compared to 2021/2022. Such a dramatic reduction was possible by increasing the amount of waste recirculated and recycled. At present, all manufacturing plants recirculate 100% of industrial water. In addition, we use rainwater in the manufacturing process.

Since 2019, we have been taking intensive measures to gradually reduce consumption of water at our plants. To achieve this, we implemented a number of measures that allowed us to completely eliminate the discharge of industrial wastewater into the environment and reuse all industrial water for manufacturing purposes. The modernization measures include renovation of manganese and iron filters, modernization of cooling water circulation systems, sealing of boiler water filters, installation of closed water circulation systems with potable water filters, recirculation of water from electrostatic precipitator washing, recirculation of water from waste treatment.

Pfleiderer East water consumption



REDUCTION OF WATER CONSUMPTION BY

30%

BY 2025

WATER RESOURCES MANAGEMENT

OBJECTIVE 5:

Increased water retention at plants by retaining rainwater in reservoirs.



We achieved the first goal by building a new rainwater tank in Wieruszów and by modernizing the system of water discharge to the biopond in Grajewo.

In 2022, we reduced the total intake of groundwater by approx. 26% compared to 2020.

WASTE MANAGEMENT

OBJECTIVE 6:

Industrial water discharge into the environment and sewage system to be eliminated by 2025.

OBJECTIVE 7:

Reduction of the amount of municipal sewage by 20% by 2025 compared to 2022. Base year 2020.

POST-PRODUCTION WASTE

OBJECTIVE 8:

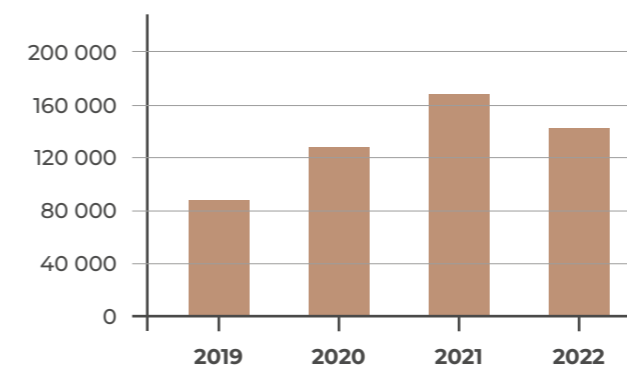
By 2025, all generated waste to be recovered, which includes recycling.

OBJECTIVE 9:

Achieve 200,000 tons of recycled wood waste by 2025.

In 2022, approx. 80% of manufactured production waste is transferred for recovery and recycling with 150,000 tons of recycled wood waste.

Recycled wood waste (tons/year)



Our environmental policy is one of the main pillars of the integrated management system and is implemented through:

1.
Ensuring compliance of our operations with legal requirements

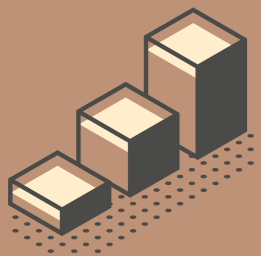


2.
Systematic review of environmental goals and tasks

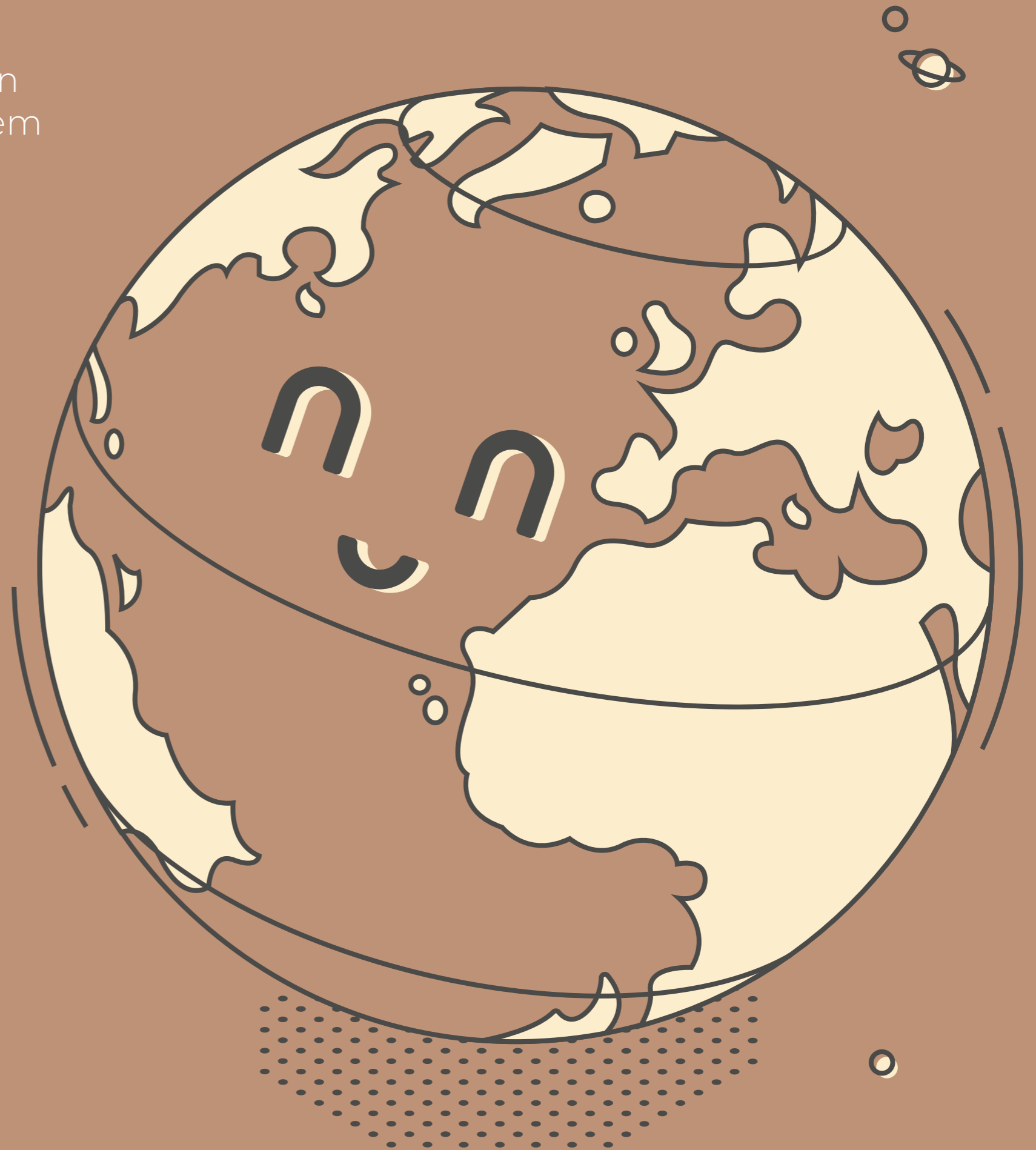
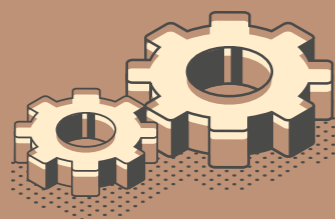


3.
Prevention of environmental pollution

4.
Regular improvement of environmental impact



5.
Use of the best practices technology



06 PEOPLE



EMPLOYMENT

OBJECTIVE 1: Effective human capital management by creating conditions for the development and improvement of competencies by our current employees and creating conditions for attracting new people to the Pfleiderer team.

Our approach to human resources is based on respect for diversity, maintaining high standards of work and efficiency. Based on these foundations, we intend to provide every employee with access to opportunities to develop their careers and competencies and improve their qualifications. We care about good working conditions and a sense of safety, which is the foundation for building commitment. We want to create attractive conditions for the future candidates so that we can be the employer of the first choice.

WORKING ATMOSPHERE AND SUPPORT IN DEVELOPMENT

A good working atmosphere has a considerable impact on the well-being of employees. This aspect is very important to us and has been supported by various mechanisms of involvement in everyday work through mentoring or coaching, being open to initiatives, teamwork, opportunities of development in interdisciplinary projects, as well as participation in non-business activities often associated with supporting social and charity initiatives.

We promote the 360 feedback culture, in line with the rule of 70-20-10 development through experience. We share our knowledge and experience with secondary school and university students who participate in vocational training and student internships that we organize.

We create an inclusive working environment that is free from discrimination: we operate in accordance with the principles of the Policy of Equality, Diversity and Integrity. Employees stay with us because of how we work and who we are.



We are committed to promoting equality, diversity and fairness among our employees and eliminating all forms of discrimination.

Our goal is for our employees to genuinely respect all social groups and respect our business partners and for each employee to feel respected and appreciated.

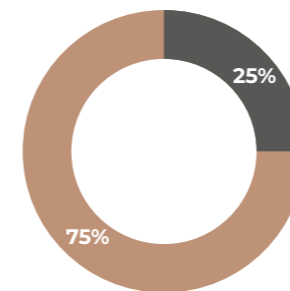
An additional objective of this Corporate Policy is to prevent any types of discrimination. In particular, discrimination based on origin, sexual orientation, philosophical beliefs, religion, general beliefs, disability, impairment or age is completely prohibited.

The principle of diversity can be considered in terms of gender, age, employment of people with disabilities or employees of other nationalities.

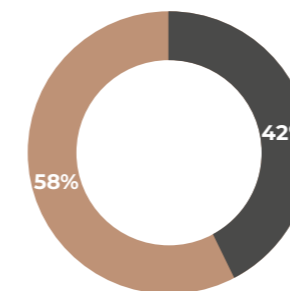
We are committed to:

- encouraging respect for the principles of equality, diversity and fairness in the workplace,
- creating an atmosphere and organizational culture that ensures respect for diversity,
- observing the principles of equal treatment and diversity management in the workplace, with particular emphasis on the areas of recruitment, access to training and promotions, remuneration, reconciliation of professional duties with private and family life, protection against mobbing and protection against unjustified dismissal,
- introducing anti-discrimination and anti-mobbing monitoring, as well as providing regular education on prevention of discrimination and mobbing in order to raise awareness and knowledge on this subject,
- engaging in a dialogue with employees on the implementation of this Policy and informing external business partners about the application of the diversity management model and the results of such an approach,
- creating a work environment that is free from bullying, harassment, victimization and discrimination, that promotes dignity and respect for everyone, where the individual differences and contribution of all employees is recognized and appreciated.

DIVERSITY ON THE MANAGEMENT BOARDS OF COMPANIES



DIVERSITY IN TOP MANAGEMENT



● Men ● Women

EMPLOYMENT STRUCTURE IN POLISH PLANTS BY GENDER

Gender	2018	2019	2020	2021	2022
Men	1099	1062	1011	1014	978
Women	267	251	217	216	209
Total	1366	1313	1228	1230	1187

EMPLOYMENT STRUCTURE IN POLISH PLANTS BY AGE

Age	2018	2019	2020	2021	2022
< 30 years of age	207	175	132	139	125
30 to 50 years of age	722	703	657	659	652
> 50 years of age	437	435	439	432	410
Total	1366	1313	1228	1230	1187
Disabled staff	18	16	14	16	13
Nationalities	2	2	2	2	2

EMPLOYMENT ROTATION

In 2022, the average employment turnover rate in Poland was 21%. In our company, this rate was 9.85% of which 2.63% accounted for voluntary leaves.

**FREEDOM OF ASSOCIATION**

We have 5 trade unions. Trade unions actively participate in the work on the shaping of the remuneration policy and participate in creating safe working conditions. In 2022, the association rate in Pfeleiderer was 53% of all the employees.

SKILL IMPROVEMENT

We offer numerous career opportunities to our active and qualified employees. This process is supported by training courses that improve language skills, expert competencies (in the field of IT, negotiations, labour law, financial law, etc.), leadership competences, and project management. Our employees can also benefit from subsidies for post-graduate studies or MBA. The number of training hours per employee in our companies in 2022: Pfeleiderer Polska - 16.6 h, Grajewo - 14 h, MDF Grajewo - 10.2 h, Wieruszów - 8.7 h

WORK SAFETY



OBJECTIVE 2:

Reduction in the number of accidents affecting employees and subcontractors and achievement of the LTA of 0.4 by 2025.



OUR RESULTS AND OBJECTIVES	2018	2019	2020	2021	2022	OBJECTIVE 2025
Lost Time Accident (LTA)* Frequency Rate.	0,85	0,7	0,89	0,59	0,5	0,4

* Accidents per 200,000 hours of work.

In our company, occupational safety is crucial. Our long-term objective is to keep accidents at work to a minimum. With the organizational, educational and preventive measures we implemented several years ago, we have seen favourable changes in this aspect each year. In 2022, our LTA ratio decreased by another 0.09 compared to 2021.

Safety should be ensured at all times. Our safety culture is supported by preventive risk assessment and occupational health and safety management systems that are ISO45001 certified at all plants. The specific nature of the manufacturing process requires that we act in accordance with the failure prevention programme. The purpose of the programme is to eliminate situations that endanger health and life of our employees and the property at the plants. Our safety policy complies with Article 261a of the Act on the Environmental Protection Law.

OHS TRAINING

All newly hired employees undergo a comprehensive training in occupational safety. Occupational health and safety training is organized in the form of physical courses as well as online. With online training, the employee can access the OHS knowledge base resources at any time. We also require and enforce safe conduct from our contractors in our plants and offices.

OUR NEAR-MISS SYSTEM

Our near-miss system allows us to identify potentially hazardous situations. The solution allows us to prevent incidents that could expose our employees and contractors at risk of losing health or life in the future. In the event of an accident at work, the accident is thoroughly analysed to introduce changes that would eliminate the causes of similar events in the future.

HEARING PROTECTION PROGRAMME

To protect the health of our employees, at the turn of 2021/2022 we implemented hearing protection programme at our plants. As part of the programme, hearing tests were administered, consultations with a hearing aid technician were carried out, and employees were issued with individual hearing protectors. At the same time, we also implemented other technical measures intended to reduce noise (noise-suppressing covers, insulation of sources of noise or control room noise suppression/insulation).

A series of measures intended to improve working conditions were implemented by reducing exposure to formaldehyde (which is carcinogenic) - in this field, technical and organizational measures have been implemented and employee and supervisory staff awareness was built. We have been constantly working on improvement and our activities have been rolled into new areas. This is actually the priority for 2023

VEHICULAR SAFETY AT MANUFACTURING SITES

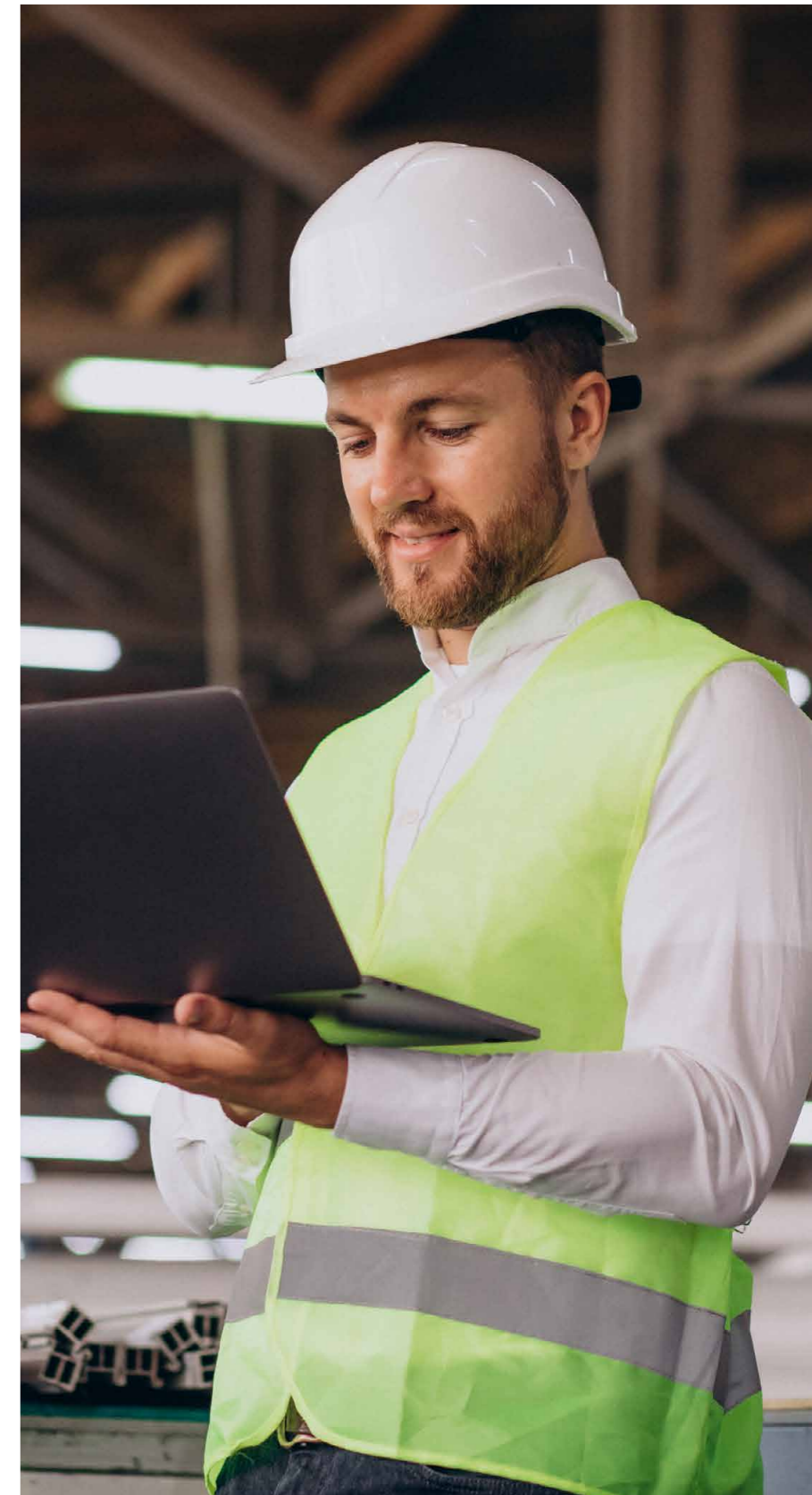
We are always looking for solutions that minimize the hazards posed by vehicles used for manufacturing purposes, such as trucks, loaders or motorized carts. In addition to health and safety training and appropriate traffic signs on our sites, our equipment is constantly equipped with additional systems that prevent collisions and increase visibility of our vehicles.

RULES OF SAFETY DURING BUSINESS TRAVEL

Employees who use a car as one of the working tools and employees who use company cars during business trips are regularly trained in safe driving. We invest not only in skills but also motivate people to drive safely. Company car users take part in a competition that rewards safe and economical use of company cars.

RULES OF SAFETY FOR SUPPLIERS

We promote rules of safety among our contractors. Detailed information on observing the rules of safety is compiled in the form of a Safety Book that is available on our website.



Safety is a key aspect of our work.

ACTIVITIES FOR THE COMMUNITY - CSR

We support various types of social activities on a local and nationwide scale. From 2019 to 2022 a total of PLN 400,000 was spent on such support. Our employees have also initiated initiatives to raise funds for nationwide campaigns such as the Great Orchestra of Christmas Charity or the Noble Gift.

Some of our activities



Sponsoring of Wieruszów Cycling Club is primarily intended to promote sports and support development of love for cycling among youths from Wieruszów and neighbouring areas.

We are extremely pleased to see the involvement and successes of young athletes taking part in nationwide cycling marathons and races. From 2019 to 2020 the financial Support for the Wieruszów Cycling Club exceeded PLN 40,000.



Employees taking part in corporate run to support of Everest Foundation children

Since 2021 or employees have taken part on the Corporate Run organized by the Everest Foundation. Proceeds from the run are donated to disabled children and their families who are cared for by the Foundation.

In 2021, 10,500 participants took part in the run. Our team of 70 employees ran the distance equivalent to the distance from Grajewo to Łódź. In 2022, we collected more donations for those in need by taking part in the run for health. Results, statistics and achievements are not that important. What is really important is the social commitment and sensitivity, and willingness to help the others.



Support for the Foundation Happy Kids with actively collected kilometres during the cycling trip for:

Helpdesk For Kids - funds raised to purchase computer equipment for children from family children homes to support e-learning during the COVID-19 pandemic. Along with other donators, we exceeded the fundraising target and raised over PLN 65,000.

Bike for kids - funds raised to purchase bicycles for children from family children homes. Along with other companies, we rode for 84,918.50 km on our bikes. Pfliederer teams rode more than 13,000 km. We ranked second in the general ranking of companies.



Help for Ukraine

In 2022 we opened our hearts to refugees coming to our small local communities from the war-torn Ukraine. With contributions made to the special purpose account of our foundation, we gave a semblance of homes and normal lives to 8 mothers and their children for nearly one year.

Over the recent years, we have also supported targeted campaigns for local schools, hospitals, fire brigades and nursing schools.

Our employees activated each other to provide support for the Great Orchestra of Christmas Charity, Noble Gift, etc.



2022

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