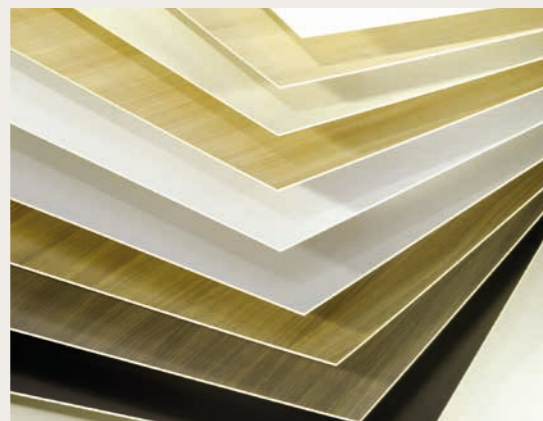


Sustainability Report 2023 of Homann Holzwerkstoffe GmbH





Sustainability Report of Homann Holzwerkstoffe GmbH

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FOREWORD INTERVIEW

Homann Holzwerkstoffe Group continues to implement its sustainability strategy with great determination and documents its sustainability endeavours, including the most important activities and goals, in its third Sustainability Report.

An interview with Managing Director Fritz Homann.

Mr Homann, you are now publishing the third Sustainability Report of Homann Holzwerkstoffe Group. What is your conclusion?

Fritz Homann: When preparing our first Sustainability Report, which was published in August 2022, we already decided to report on our sustainability endeavours on an annual basis. We see this issue as a great opportunity for our Group to make our business model more resilient, to secure our strong market position and to reach out to new customers and business partners. Our report also helps to raise internal awareness of sustainability and to promote the sustainability activities among our employees. Last but not least, we are committed to acting transparently in order to strengthen the trust placed in our company.

What progress has your company made since last year in terms of your sustainability goals and activities?

Fritz Homann: We have implemented important measures in 2023, particularly with regard to reducing our emissions. In addition to automating our production sites, we also accelerated the replacement of old plant and machinery and the planning of further measures. In terms of innovation, we achieved our first sub-goal of switching to 5% “better carbon” in the binders of the paints used at all sites. Our recruitment efforts have also been very successful. Our aim of increasing the proportion of trainees and apprentices across Homann Holzwerkstoffe Group to 5% by 2026 has already been achieved in 2023.

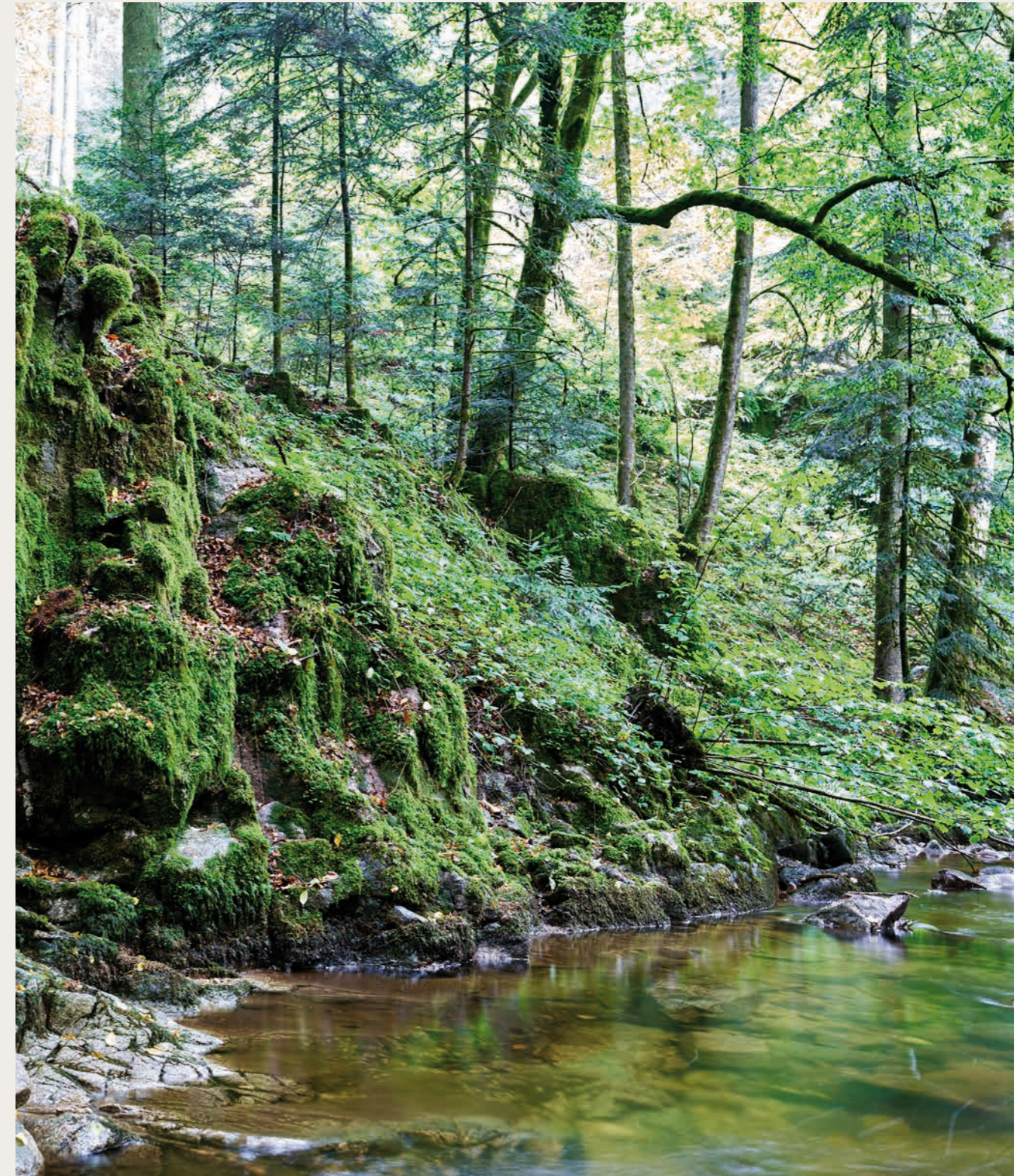
Which project stands out in terms of reducing your group’s emissions? And what prompted you to make that investment?

Fritz Homann: The construction of our water treatment plant in Krosno is a particularly important step in this respect. The planning was completed and construction work started in 2023. The plant is scheduled to be commissioned in 2024. It will allow us to treat our industrial wastewater and rainwater and then to return it to the cycle. This also reduces the need for transport and disposal to an off-site facility, which primarily helps save carbon emissions. By treating the water, we also reduce the amount of groundwater that is extracted to generate steam. This is why we have devoted a double page to this project in our Sustainability Report.

And looking ahead to 2024, what are your plans for this year?

Fritz Homann: Our plan for 2024 is to continue to pursue and implement our sustainability strategy and the goals and activities defined in it. We are also preparing for the EU Corporate Sustainability Reporting Directive, which will apply to sustainability reporting from the financial year 2025. As part of our preparations, we expect to reach important milestones in 2024 and at the same time gain insights into the future strategic positioning of Homann Holzwerkstoffe Group.

Thank you very much for the interview, Mr Homann.



Company portrait

Headquartered in Munich and operating plants in Germany, Poland and Lithuania, Homann Holzwerkstoffe Group specializes in the manufacture and sale of thin, highly finished fibreboards (HDF/MDF). The Group is one of the leading European suppliers and primarily serves the furniture and door industries. As of the balance sheet date of December 31, 2023, the Group employed a total of 1,468 people. They are the foundation of the Group's successful development and contribute every day to the implementation of the Group's sustainability strategy.

Company portrait

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In organizational terms, Homann Holzwerkstoffe Group mainly consists of Homann Holzwerkstoffe GmbH as the parent company and four operating companies

held by HOMANIT Holding GmbH. In Germany, HOMANIT GmbH & Co. KG produces in Losheim am See (Losheim), while the two Polish subsidiaries, Homanit Polska Sp. z o.o. i. Spolka Sp. k. and Homanit Krosno Odrzańskie Sp. z o.o., produce in Karlino and Krosno Odrzańskie (Krosno), respectively. In order to further expand its production capacity, Homann Holzwerkstoffe is focusing on growth markets and therefore acquired an industrial site in Lithuania in 2020. On this site in Pagiriai near the Lithuanian capital Vilnius, the fourth production plant was built. As this plant will not be operational until September 2024, UAB Homanit Lietuva is not included in this Sustainability Report for the 2023 financial year.

Locations

Headquarters, Munich (Germany)

- 7 employees

Distribution, Herzberg am Harz (Germany)

- 44 employees
- 2 apprentices

Plant, Losheim am See (Germany)



At this plant, we have produced 1.8 mm to 14.0 mm thick HDF/MDF HOMADUR fibreboards since 1995. Besides the well-known raw and painted wooden fibreboards of different sizes, we also produce HDF/MDF HOMADUR door skins of various types in this plant.

- 288 employees
- 15 apprentices

Plant, Krosno/Oder (Poland)



Our plant in Krosno has been in operation for over ten years. Since early 2015, it has been producing 1.5 to 12.0 mm thick HOMADUR HDF/MDF raw boards on a raw board line. The products made here are used in various segments of the furniture industry, e.g. as foldable furniture back panels or drawer bottoms.

- 460 employees
- 2 apprentices

Plant, Karlino (Poland)



Karlino has been producing 1.5 to 12.0 mm thick wooden fibreboards using state-of-the-art technologies since 2005. Besides standard products such as raw boards, laminated, single-colour coated HOMADUR HDF/MDF fibreboards printed with wood decors, the plant also offers customized finishes. The finishing techniques include bevelling, notching, drilling, folding, milling, sawing, punching, creasing and profiling of the wooden fibreboards.

- 539 employees
- 41 apprentices

Plant, Pagiriai (Lithuania)



The new plant in Lithuania will produce HDF/MDF HOMADUR raw and highly finished fibreboards in thicknesses of 1.5 mm to 22.0 mm on state-of-the-art production lines.

Further members of Homann Holzwerkstoffe Group are transport company Homatrans Sp. z o.o. as well as maintenance and service company Homatech Polska Sp. z o.o.:

Homatech Polska Sp. z o.o., Karlino (Poland)



Homatech Polska has specialized in industrial assembly and the maintenance and repair of machines since 2011. The company additionally provides machine re-design services with a view to optimizing the efficiency and performance of plants and systems.

- 73 employees
- 12 apprentices

Homatrans Sp. z o.o., Karlino (Poland)



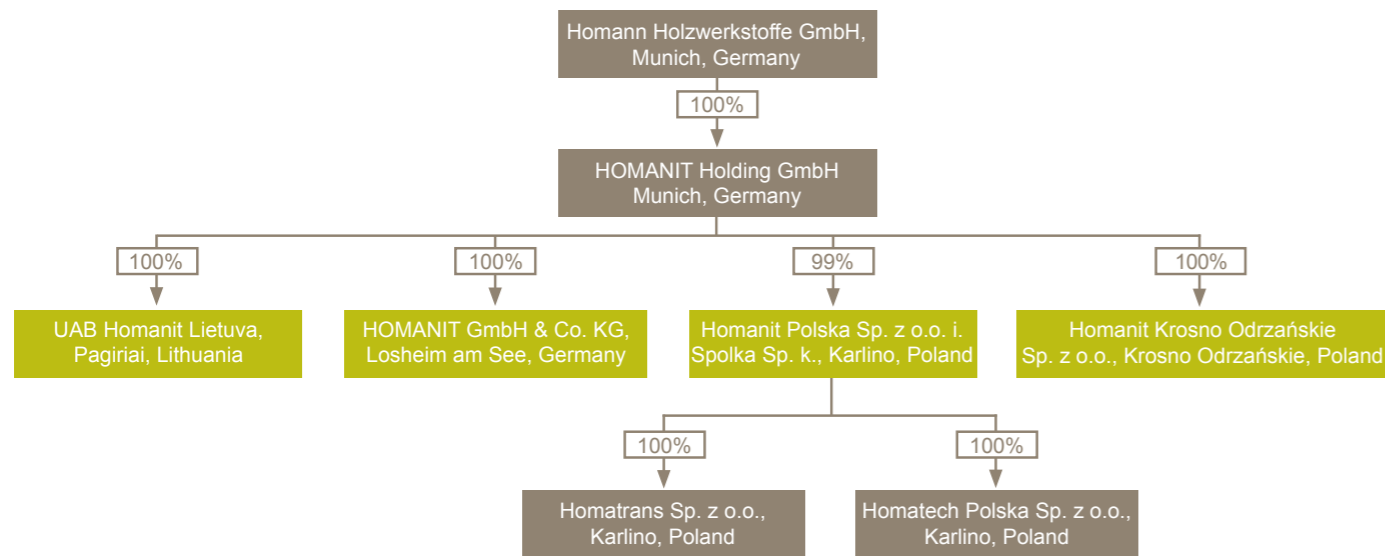
Since 2008, Homatrans has provided a wide range of logistics and transport services, including truck transport, freight forwarding and rail transport. The company also carries out extensive inspection and maintenance work on the railway infrastructure, repairs the rolling stock and provides shunting services using its own locomotives or those of the siding operator.

- 57 employees
- 2 apprentices

In the financial year 2022, Homann Holzwerkstoffe Group announced its joint venture investment in Global MDF Industries B.V. Construction work in Egypt is making steady progress and the plant is scheduled to be taken into operation in the third quarter of 2024.

This investment and other subsidiaries that are immaterial to sustainability are not included in the present report, though.

The corporate structure¹ is as follows:



■ Production sites

The managing partner and beneficial owner of Homann Holzwerkstoffe GmbH is Fritz Homann, who has been running the owner-managed company in the fourth generation since 1989. Other members of the management team are Michael Albert, who is respon-

sible for all matters relating to financing, controlling, accounting, taxes, legal and IT, and Gunnar Halbig, who is responsible for technology, production and investment.

¹ Simplified representation of the corporate structure

Business model

Homann Holzwerkstoffe Group covers the complete value chain from raw materials procurement to distribution of the finished products. Besides a wide range of raw boards, the company offers a variety of highly finished fibreboards, including cutting, sanding, coating, laminating and mechanical processing. Standardized finished products, such as furniture back panels, are supplied to customers' assembly lines on request.

The subsidiary Homatrans Sp. z o.o. uses its own fleet of vehicles for transport, mainly for wood procurement and delivery of finished products, as well as for external transport. Homatech Polska Sp z o.o. is responsible for the maintenance and servicing of

the Polish production facilities and also installs new equipment at all of the Group's sites.

The Group's broadly diversified customer base includes customers in a number of different industries. Apart from the furniture industry, where the products are mainly used as cabinet backs or drawer bottoms, they are also used in the door industry. Homann Holzwerkstoffe Group is also benefiting from the strong trend towards lightweight concepts, which aim to save weight, material and energy and therefore require thin fibreboards. Finally, the products are also used in the automotive and caravanning industries, e.g. for the interior lining of vans.

The following is an exemplary description of the production of our high-density (HDF) and medium-density (MDF) fibreboards.



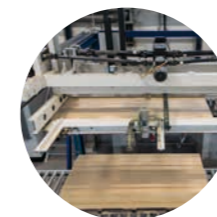
1 Thinning wood is processed into wood chips.



2 The wood chips are heated under pressure and temperature and then defibred before being dried in a hot air stream with the addition of adhesives.



3 The dried fibres are spread into a fibre mat and pressed in a hot press with a thickness of between 1.5 mm and 22.0 mm. The finalised continuous fibreboard is then cut to the desired lengths and cooled.

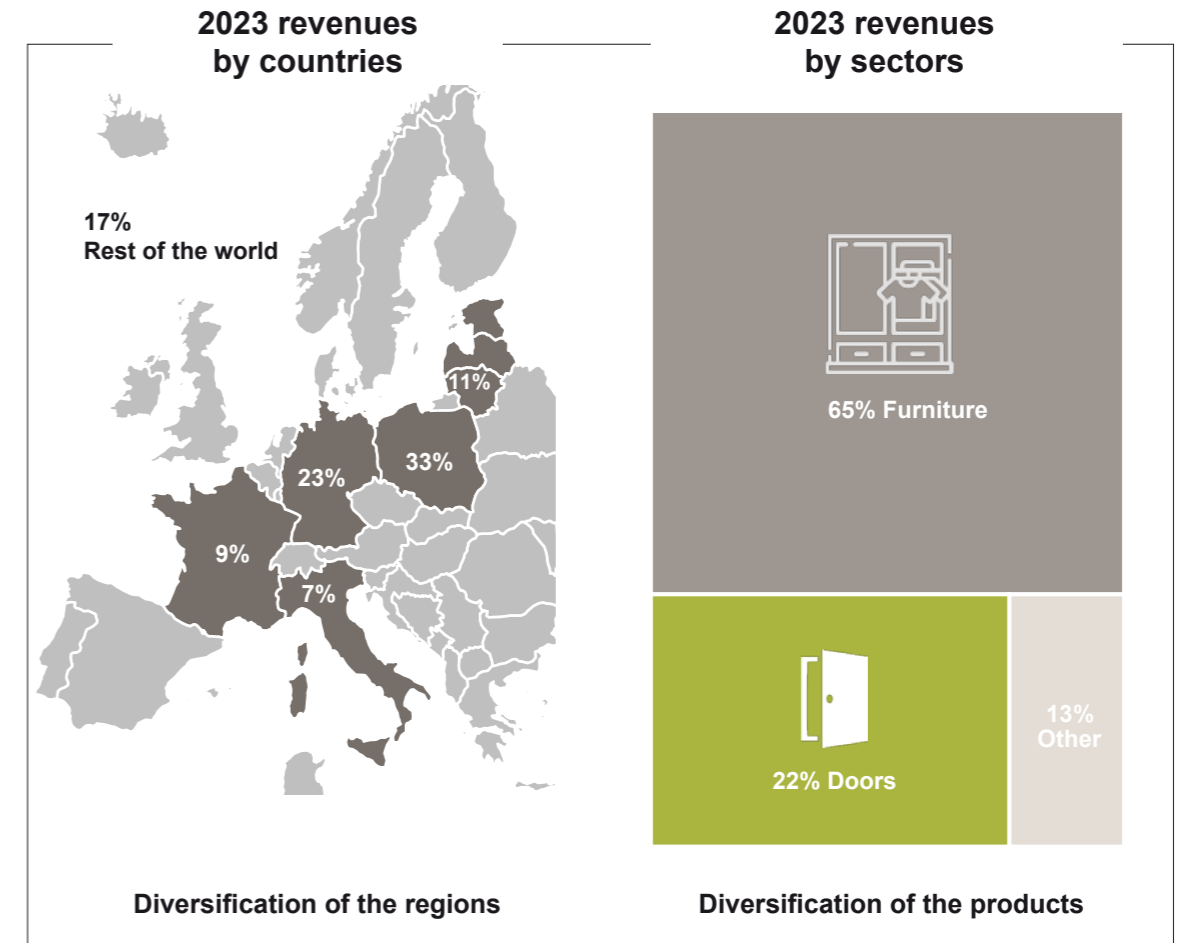


4 The fibreboards are stacked and transported to the shipping or finishing departments.

Business trend

In the financial year 2023, Homann Holzwerkstoffe Group generated revenues of EUR 354.5 million. Revenues show a balanced differentiation, with a special focus on the European market. Accounting for EUR 117.0 million or 33% of total revenues, Poland is the most important market for the Group. Germany accounted for EUR 82.6 million or 23% of total revenues. Other important output markets are Lithuania (11%),

France (9%) and Italy (7%). Other countries contribute a total of 17% to the Group's revenues. A breakdown by applications shows that the furniture industry accounts for most of the company's revenues (65%), followed by doors (22%). Other sectors such as trade, floors, motor vehicles and miscellaneous industries account for the remaining 13%.



The massive increase in input costs for wood, glue and energy since 2021 eased in the year under review, leading to a reduction in the ratio of material costs to total output from 59.4% in the previous year to 55.4% in the past financial year. However, the downward trend in demand for HDF/MDF continued in the reporting period, leading to further price reductions. Accordingly, revenues in the past fiscal year were down by EUR 40.4 million on the previous year to EUR 354.5 million. Moreover, the personnel expense ratio rose to 16.6% (previous year: 12.5%). This was due not only to the reduced revenue base but above all to inflation-related wage and salary increases. At the bottom line, the company achieved adjusted EBITDA

of EUR 55.2 million. This is below the prior year level (EUR 75.0 million) but in line with management's expectations. Overall, a consolidated net profit of EUR 23.7 million was generated. Total assets increased significantly to EUR 578.0 million, with fixed assets amounting to EUR 452.0 million. Equity continued to increase to EUR 179.7 million (previous year: EUR 150.0 million), mainly as a result of the clearly positive consolidated net profit for the reporting period and the reduction in the negative difference in equity resulting from currency translation. As a result, the equity ratio rose to 31.1% compared to 30.4% at the end of fiscal 2022, despite the significant increase in total assets.



Sustainability strategy and management

As early as 2021, Homann Holzwerkstoffe Group developed key sustainability goals as part of a thorough strategy development process. The goals are divided into the following three fields of action and will be pursued further.

Sustainability strategy and management

As early as 2021, Homann Holzwerkstoffe Group developed key sustainability goals as part of a thorough strategy development process.² The goals are divided into the following three fields of action and will be pursued further.

The field of action "We care for our relationships" focuses on the sustainable development of our employees. The share of apprentices is to be increased to 5% and the further education hours per employee to 25 hours per year by 2026.

To address complex challenges, the second field of action, "We face up to the challenges", aims to automate the production processes, reduce carbon emissions per cubic metre of HDF by 65% by 2030 and increase the share of renewable energy in electricity consumption to 70% by 2030.

The third field of action, "We deliver performance", focuses on sustainable and successful corporate governance. Homann Holzwerkstoffe aims to increase the proportion of recycled fibres in the product to up to 15% by 2030 and the proportion of bio-based adhesives in all paints used to 50% by 2030.

Field of action	Goal
We care for our relationships	Increase the share of apprentices and trainees to 5% by 2026
	Increase the further education hours per employee to 25 hours per year by 2026
We face up to the challenges	Reduce Scope 1 and 2 CO ₂ -e emissions per cubic metre of HDF by 65% by 2030
	Increase the renewable share of electricity consumed to 70% by 2030
We deliver performance	Increase the share of recycled fibres in the product to up to 15% by 2030
	Increase the share of bio-based adhesives across all paints used to 50% by 2030

Reference year 2020

The company's climate-friendly and energy-efficient operation extends all along the value chain – from the procurement of wood from sustainably managed forests to the production of low-formaldehyde wood-based materials. It goes without saying that the Group does not use wood from illegal logging, natural deforestation or protected forests. Instead, it uses mainly thinning and sawmill waste from sustainably managed forests.

Homann Holzwerkstoffe Group is also actively involved in social issues. The management takes the

needs of its stakeholders such as customers, suppliers and banks very seriously and maintains a trusting dialogue on an equal footing. The Group offers attractive jobs and apprenticeships to around 1,500 people in Germany and Poland and is actively involved in local communities and organizations. In Poland, for example, it sponsors the construction of social housing and supports schools, hospitals and sports clubs. All production sites have systems in place to monitor and develop resource-saving and energy-efficient production processes.

² For details, please refer to the [Sustainability Report 2021](#) and the [Sustainability Report 2022](#).

New European requirements and further development of the sustainability strategy

The new EU Corporate Sustainability Reporting Directive (CSRD) came into force at the beginning of 2023, introducing new requirements for sustainability reporting. From 2024, some EU companies will be required to include non-financial ESG (environmental, social, governance) information in their management reports. 2025 is the first financial year for which Homann Holzwerkstoffe Group will report in accordance with the CSRD.

The CSRD is put into more concrete terms by the European Reporting Standards (ESRS). This will also lead to changes in the materiality analysis. Companies will have to analyze the potential and actual impact of their business activities on people and the environment (inside-out) as well as the financial impact

of sustainability aspects on the company (outside-in) in order to identify material issues for reporting to the CSRD. Homann Holzwerkstoffe Group has already carried out a materiality analysis when developing its Sustainability Strategy 2021, which is currently being reviewed and revised in line with the new European requirements. As the review has not yet been completed, this Sustainability Report is based on the analysis carried out in 2021.³ Once the materiality analysis has been completed, the new findings will not only serve as a basis and guide for future non-financial reporting, but will also provide information on the strategic positioning and any necessary adjustments to the Group's sustainability strategy.



³ For details on the former materiality process and the development of the Sustainability Strategy, please refer to the [Sustainability Report 2021](#) and the [Sustainability Report 2022](#).

Guided by the UN Development Goals

The 17 Sustainable Development Goals (SDGs) were developed by the United Nations as a global plan to promote peace and prosperity and protect our planet. As a global player, Homann Holzwerkstoffe Group contributes to the implementation of these goals, which is reflected in the fields of action. The first field of action, “We care for our relationships”, supports the goals of “Quality education”, “Gender equality” and “Partnerships for the goals”. In the second field of action, “We face up to the challenges”, the Group

aims to achieve the SDGs of “Affordable and clean energy”, “Industry, innovation and infrastructure” and “Climate action”. In the third field of action, “We deliver performance”, we address the goals of “Industry, innovation and infrastructure”, “Responsible consumption and production” and “Life on land”. For more information on the activities and goals defined to achieve the SDGs, please see the respective chapters in this report.



Our fields of action and activities

To achieve our goals, we again developed and implemented various activities and projects in 2023 that support our three fields of action as well as material

sustainability topics and help us achieve the goals we have set ourselves.

Fields of action	Material topics	Activities in 2023
We care for our relationships	Credible and transparent action and communication	<ul style="list-style-type: none"> Expansion of our whistleblowing system by raising awareness for the system and installing a trusted lawyer at our Losheim site
	Solution for the generational change – our employees	<ul style="list-style-type: none"> Close cooperation with schools and universities as well as participation in trade fairs and other opportunities to get to know our company. Community involvement of our employees. Achieving a 5% trainee and apprentice ratio. Major training project for Lithuanian employees.
We face up to the challenges	Automated production	<ul style="list-style-type: none"> Renovation of a hall for new finishing lines and construction of three lightweight halls relieve the warehouses and production halls in Losheim. Start of construction of a new truck access road to the Losheim site. Start of an automated production line in Karlino.
	Reducing emissions	<ul style="list-style-type: none"> Commissioning of the biomass boiler to replace the coal boiler Planning and construction of a new water treatment plant in Krosno. Replacement of wood handling equipment and trucks at Homatrans.
	Using renewable energy	<ul style="list-style-type: none"> Explore the possibility of own generation of renewable electricity or cooperation with companies to procure renewable energy.
We deliver performance	High cost-effectiveness, efficiency and competitiveness	<ul style="list-style-type: none"> Approval and start of construction of the new water treatment plant in Krosno.
	High service quality	<ul style="list-style-type: none"> Further development of digital processes in the customer relationship.
	Wood procurement and use of recycled wood	<ul style="list-style-type: none"> Participation in the EU EcoReFibre project with first results at pilot plant level. Projects for the recycling of internal production waste.
	Innovation	<ul style="list-style-type: none"> Switching to 5% “better carbon” with bio-based binders in used paints. Production of a new type of board with increased moisture resistance. Completion of the BENHoLei cooperation project.



Field of action 1:
We care for our relationships

*Our dedicated employees are the foundation of our success.
To ensure this success in the long-term, we want to support our
colleagues effectively and build on their excellent skills.*

Field of action 1: We care for our relationships

Our dedicated employees are the foundation of our success. To ensure this success in the long-term, we want to support our colleagues effectively and build on their excellent skills. We aim to retain our work staff by offering them attractive working conditions, a comprehensive range of training opportunities and a respectful working environment. To achieve this, we organized several events for our employees in 2023, such as a summer festival in Losheim and an Open

Day at our Polish sites. In addition to our relationship with our work staff, we maintain a transparent and trusting relationship with our stakeholders, with whom we communicate regularly.

With regard to our field of action “We care for our relationships”, our aspirations are consistent with the following UN Sustainable Development Goals (SDGs):

4

QUALITY
EDUCATION

Goal 4 – Quality education

Homann Holzwerkstoffe attaches great importance to the development and training of all employees and offers a wide range of training and further education programmes.

5

GENDER
EQUALITY

Goal 5 – Gender equality

Gender equality is very important to us at both management and plant level and is reflected in a diverse workforce, which has a positive impact on our working atmosphere.

17

PARTNERSHIPS
FOR THE GOALS

Goal 17 – Partnerships for the goals

We will only be able to achieve our goals if we engage regularly with our stakeholders, form project partnerships and develop products together.

Summary of our goals

Goals	Deadline	Measures taken and planned
Increase the share of apprentices and trainees to 5%	by 2026	<ul style="list-style-type: none"> • Various HR projects: visits to schools, universities, family days • Open Day • Cooperation with universities • Dual study offer • Increase in the number of traineeships/apprenticeships • Holiday jobs and summer internships • Organization of information events and plant tours • Achieving a 5% trainee and apprentice ratio in 2023
Increase the further education hours per employee to 25 hours	by 2026	<ul style="list-style-type: none"> • Detailed training plan and knowledge matrix • Expand and offer various training formats (mandatory and optional) • Large-scale training project for Lithuanian employees • Plan the vocational and further training options for our employees

Credible and transparent action and communication

In our daily work, we uphold values such as quality, reliability, responsibility, trust and economic efficiency. These values form the basis of our corporate culture and are important in our dealings with our stakeholders.

As Homann Holzwerkstoffe Group serves customers worldwide and is present in Germany, Poland and Lithuania, we are subject to different laws and regulations. We therefore attach great importance to transparent action and open communication in order to promote mutual trust and understanding.

Our strategic approach

Compliance with our corporate values and behavioural standards is essential for successful collaboration at Homann Holzwerkstoffe Group. In 2021, we therefore introduced a [Code of Conduct for employees](#), which was incorporated into the on-boarding process, and a [Code of Conduct for business partners](#). The top management level is responsible for implementing these Codes and for making available the required resources.

Over the past years, we also developed sustainability goals for Homann Holzwerkstoffe Group, which were incorporated in the organization in 2022 to effectively continue our sustainability endeavours.

Expansion of the whistleblowing system and trusted lawyer

Our employees have the opportunity to report incidents anonymously through a whistleblowing system to ensure a fair working environment and compliance with legal standards. A trusted lawyer was also appointed at the Losheim site this year. Detailed information about the process and the trusted lawyer is available on our [website](#) and is provided to our employees in training sessions. Serious breaches are discussed with management and appropriate action is taken. Our suppliers can also contact the Head of Strategic Purchasing at any time to discuss questions or irregularities. No reports were received in 2023.

Open and transparent dealings with our stakeholders

We regularly inform our stakeholders about corporate and product news and constantly optimize the exchange of information. Since the publication of our first Sustainability Report in 2022, we have been able to professionalize the sustainability communication with our customers and have seen increased interest. The deeper insight into our sustainability strategy has also had a positive impact on our sustainability rating from the ESG rating agency imug rating. Our [website](#) also provides comprehensive information on the sustainability of our products.

Intensive cooperation with customers, suppliers and product partners

To optimize production and ensure the quality of our products, we work continuously with our suppliers at all our locations and carry out joint laboratory and plant tests.

Outlook

Having integrated our sustainability strategy and goals into our organization, we will continue to implement them in 2024 in order to effectively drive forward our sustainability endeavours.

A digital whistleblowing system is already in place. Employees at our German sites also have the option of contacting our trusted lawyer in the event of incidents. Information about the trusted lawyer will be activated on the Polish website as soon as the requirements of Polish legislation are known.

Our employees as the basis for sustainability and success

Our 1,468⁴ employees are the foundation of Homann Holzwerkstoffe Group. They are our success factor and play a key role in achieving our sustainability goals and integrating sustainability throughout the

Group. We therefore focus on training our employees in order to ensure the sustainable, long-term success of our company.

2023 employee overview by age groups

Age group	under 35 years	35–50 years	over 50 years
Homann Holzwerkstoffe	388	565	515
Homatrans	18	24	15
Homatech	19	24	30
Krosno	120	187	153
Karlino	131	236	172
Losheim, Herzberg and Munich	100	94	145

Change in numbers of employees

	2021	2022	2023
Homann Holzwerkstoffe	1,591	1,526	1,468
Homatrans	62	57	57
Homatech	70	69	73
Krosno	490	487	460
Karlino	635	582	539
Losheim, Herzberg and Munich	334	331	339

Some of the challenges we are currently facing in relation to our employees are generational change and employee recruitment. A strategy and corresponding measures are needed to address these challenges. In addition, Homann Holzwerkstoffe Group, like all companies in the industry, is affected by the shortage

of skilled labour. The selection of suitable employees who represent our values and contribute to the success of the company requires careful planning and long-term decisions at various levels within the organization.

We aim to increase our attractiveness as an employer and the satisfaction of our employees through a number of measures. Vacant positions are to be filled at an early stage, knowledge is to be passed on and comprehensive induction is to be ensured. Besides further training opportunities, flexible working hours in administration and the provision of meals and health-care, we place great emphasis on equality, diversity and respect. Many of our employees appreciate the family working atmosphere. All these factors can make a difference to young people when looking for apprenticeships and jobs.



We offer training plans for all employees to improve knowledge transfer. Experienced employees are given the opportunity to share their knowledge. In addition, we assist our existing employees in refining their skills and offer internal development opportunities.

Promoting visibility as an attractive employer

We work with schools, universities and the local Chamber of Industry and Commerce to raise our profile as an attractive employer. This year, for example, the graduating class of Losheim Comprehensive School visited us to see our training centres and plant. We also attend trade fairs, such as the job fair at the University of Zielona Góra, the Koszalin University of Technology and the training fairs in Wadern and Losheim.

In addition, the HR departments often come up with new and creative measures in the form of online and offline events, which are often covered by the press. We also offer training and family days, factory tours, holiday jobs and summer internships, as well as open days.

Our strategic approach

Our aim is to attract highly skilled people to our sites who will stay with the company for the long-term.

Because of the importance of this issue, employee recruitment is handled at top management level in collaboration with the HR departments. In order to find qualified and suitable employees, we use different channels for different target groups, such as online advertisements, our website or the employment agency, and we also make use of social media. We also look internally for suitable people, e.g. apprenticeship graduates. The recruitment of new colleagues is the responsibility of the respective plant management and the Human Resources department, which also plan new positions that are to be filled and regularly evaluate opportunities to fill vacancies internally.

⁴ Balance sheet date December 31, 2023



Mobility offers for our employees

To support the mobility of our employees, we offer a bus service at our Polish sites, which brings employees to work from selected directions. In addition, a bicycle shed was installed in Krosno this year, so that both Polish sites and our site in Losheim now offer facilities for bicycle commuters. To encourage the active use of bicycles, a free bicycle inspection and repair service was organized for the work staff at the Polish sites last year, which met with great interest.



Promoting a family working atmosphere and social commitment

To promote a family working atmosphere within the company, we organize various events for our employees and their children, such as a Christmas party or an open day. In this context, we aim to impart useful skills and knowledge. Last year, for example, the children of our employees had the opportunity to learn about rescue techniques and practise first aid on mannequins. In addition, we support various social projects such as social housing construction in Poland, and social institutions through donations to schools, kindergartens and sports clubs. To involve our employees in our social activities, we organize their active participation in various events, such as "Rybobranie", a run during the Krosno Odrzańskie Days, the Krosno 10 road race, the Pope's Run in Karlino or the Intercompany Tournament in Karlino.

Continuous improvement of on-boarding and off-boarding processes

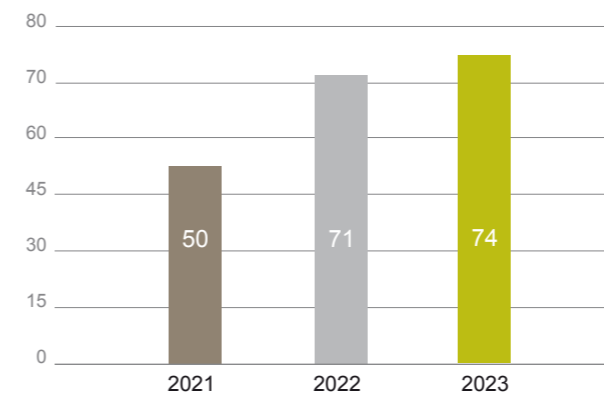
We are continuously working on the on-boarding and off-boarding processes at our Polish sites to ensure the long-term retention of our employees and to facilitate a smooth start for new colleagues. For example, we conduct feedback interviews to find out why people leave the company. As these interviews become more effective each year, we have already identified the main reasons why people leave. We also conduct feedback interviews with new employees about a month after they join us in order to evaluate the induction process. We are also expanding the welcome package for new employees, which includes a Welcome Book we have developed and a map of the plant.

Vocational and further training as an investment in the future

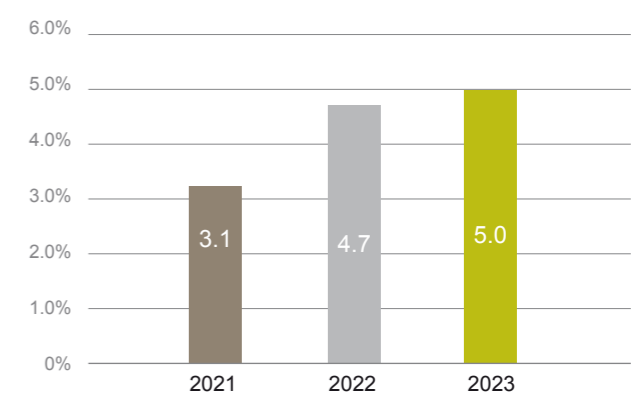
In 2023, we were able to fill all apprenticeships at our Losheim site. Apprentices were also taken on at all other locations. We offer various apprenticeships in the areas of production, IT, administration and logistics. The target of a 5.0% trainee and apprentice ratio across the entire organization was achieved. A total of 74 apprentices were employed by Homann Holzwerkstoffe during the year. In addition to a detailed training plan, our apprentices are given the opportunity to participate in various further training programmes. We actively work with schools and universities to find new trainees and apprentices. In order to give students the

opportunity to get to know the company, we not only organize open days and participate in job fairs, but also offer various internships, e.g. in logistics, wood technology, electrical engineering or mechanics. Our Polish sites organized internships for school pupils in the areas of finance and accounting as well as management and production technology in 2023. Our activities are proving successful despite the difficult labour market.

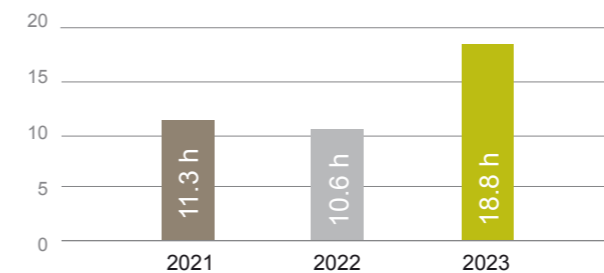
Number of apprentices at Homann Holzwerkstoffe



Apprenticeship training rate at Homann Holzwerkstoffe



Average training hours per employee



Apprenticeships available to all genders

Losheim:

- Electronics technician
- Industrial clerk
- Industrial mechanic
- Machine and plant operator (since summer 2022)

Karlino:

- Machine operator for woodworking machines
- Mechatronics technician
- IT technician
- Industrial engineer

Krosno:

- IT technician

Herzberg:

- Office manager

Homatech:

- Mechatronics technician
- Electrician
- Electronics technician for automation technology
- Electrical engineer

Homatrans:

- Logistician

We pay particular attention to the vocational and further training of our employees in order to retain them in the long-term and position ourselves as an attractive employer. Besides legally required training courses, e.g. on data protection, fire protection, health and safety, we encourage our employees to take advantage of customized training opportunities. For example, a major training project was carried out for our Lithuanian employees in 2023. In Losheim, all electricians were trained in the latest system technology. Further training hours per employee amounted to 18.8 hours in 2023.

Outlook

Going forward, we want to expand our employment policy on the basis of the corporate strategy. This includes further optimizing our on-boarding and off-boarding processes, as well as improving our employer culture and all HR processes in general. In the long-term, we want to establish an employer brand that our work staff wants to work for. We also want to further expand our vocational and further training programmes for our employees, especially with regard to changes due to new machines that require changes in employees' skills. We aim to increase the number of further training hours per employee to 25 hours per year by 2026. We also want to promote the knowledge transfer within the departments and organizations as well as between organizations, with a particular focus placed on exchanges between the Polish and Lithuanian sites in the coming years.



We pay particular attention to the vocational and further training of our employees in order to retain them in the long-term and position ourselves as an attractive employer.



Our employees are part of our company's success

The employees of Homann Holzwerkstoffe Group make a decisive contribution to the success of our company and are our most valuable asset. For this year's Sustainability Report, we interviewed some of our employees in **Karlino** and **Krosno** about their motivation, their hobbies, the benefits offered and potential challenges in the coming years. Some employees have been working for Homanit for many years and have gone through a special development in recent years. Some have even been able to integrate their hobbies into their work.



LUKASZ SZPIECH

Lukasz Szpiech works in quality management and research and development in Karlino and has been with Homanit for 17 years. He is responsible for ensuring that the boards have the required quality in each processing phase. He values the people he works with and a respectful working environment, which he actively promotes. Lukasz is particularly motivated by the room for manoeuvre in his work, the clearly defined goals and the commitment of his colleagues. He believes that the main challenge for Homanit is to meet the increasing demands for sustainability, while at the same time maintaining continuous growth in innovation and competitiveness.



ALICJA KRASOWSKA

Alicja Krasowska has been working as an HR specialist in Krosno for three years. What motivates her most is the working atmosphere and her friendly colleagues, as well as the opportunity for personal development and the constant acquisition of new knowledge and experience. She is able to incorporate her hobby of learning foreign languages into her work, as she translates documents into English and has the opportunity to learn German at Homanit. Alicja believes that finding the right people will be a challenge for Homanit in the future.



MARTYNA SZULC

Martyna Szulc has been working in the Production Planning Department of Homanit Karlino for 10 years. Her main tasks are processing deadline confirmations for customers as well as order modifications and creating material variants. Martyna is particularly motivated by the pleasant and friendly working atmosphere and the good working conditions. She also appreciates the company's care for its employees. As a trained first aider and member of the Survival & Rescue Foundation, Martyna tries to integrate her passion into her work together with the Health and Safety Department by taking part in various first aid lectures for employees. She sees the company's development and meeting customer requirements as the main challenges.



MATEUSZ MAZUR

Mateusz Mazur joined the company nine years ago and works as a CNC operator in the Finishing Department in Krosno. His main task is to set up the CNC machine and assist the operators. Mateusz particularly likes the fact that his workplace is close to his home and that he can regularly change jobs in the company, which keeps his work interesting. His hobby is 3D printing, which is similar in many ways to CNC machine tools in terms of design and operation. He believes that the main challenge for Homanit is to further develop the company and its people.

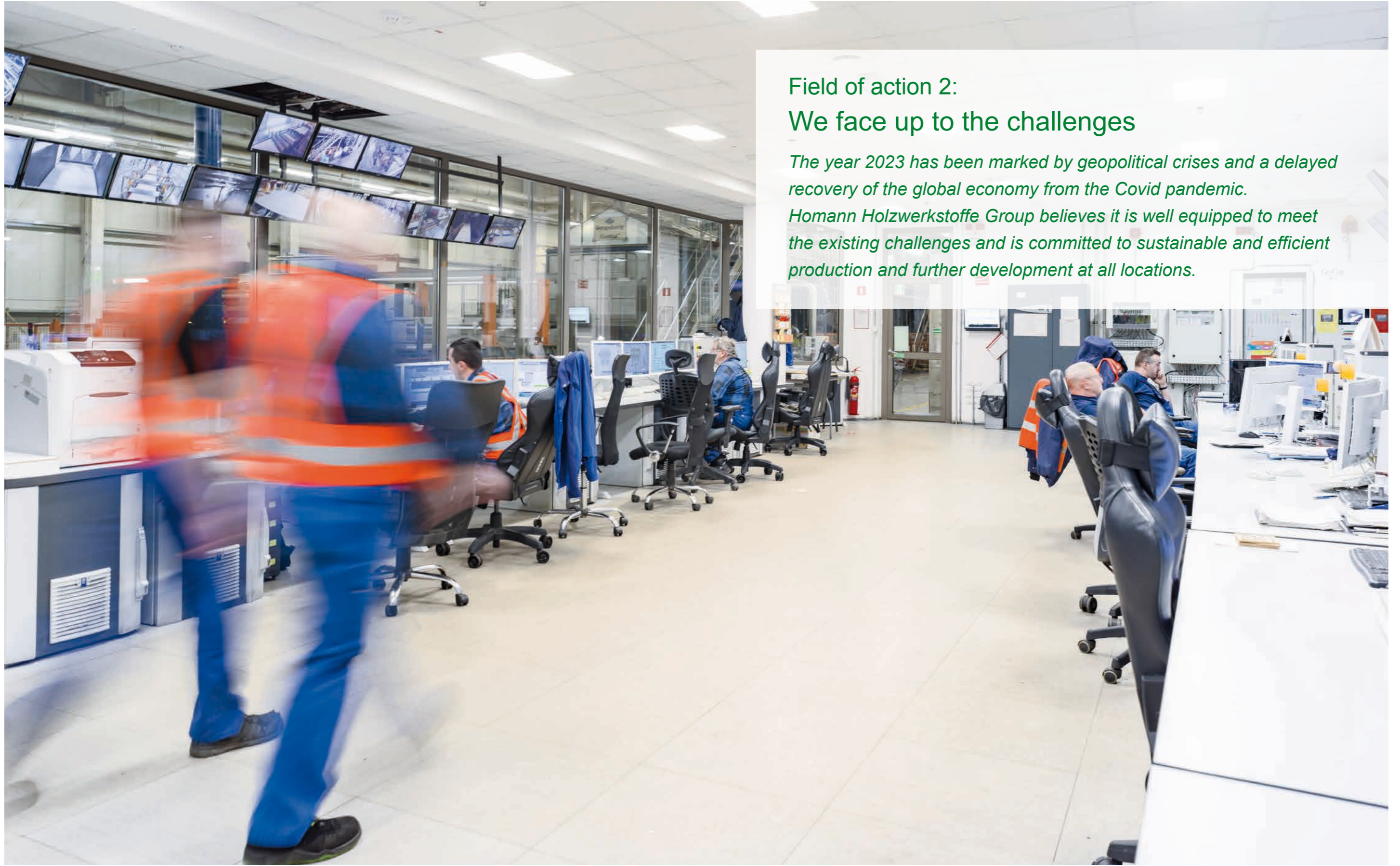


PRZEMYSŁAW PSZCZOŁA

Przemysław Pszczoła has worked for 19 years as a foreman at Homanit Karlino's coated board production plant. He is responsible for implementing the production plan and managing the workforce. What he likes most about his job is the friendly working atmosphere and mutual respect. He is also motivated by the stable working conditions and the good pay. He thinks that maintaining the current level and coping with difficult times could be a challenge for Homanit in the future.

BENEFITS

- Good working conditions
- Internal cooperation
- Flexible vacation planning
- Development and further training opportunities
- Attractive pay
- Flexible working time schemes
- Subsidization of the pension scheme
- Company events
- Modern machines and work equipment
- Free high-quality workwear



Field of action 2:
We face up to the challenges


The year 2023 has been marked by geopolitical crises and a delayed recovery of the global economy from the Covid pandemic. Homann Holzwerkstoffe Group believes it is well equipped to meet the existing challenges and is committed to sustainable and efficient production and further development at all locations.

Field of action 2: We face up to the challenges

The year 2023 has been marked by geopolitical crises and a delayed recovery of the global economy from the Covid pandemic. Inflation, the slump in construction activity and political uncertainty have led to consumer reluctance to spend. The price trend for the most important raw materials and energy prices is easing for the Group. Homann Holzwerkstoffe Group believes it is well equipped to meet the existing chal-

lenges and is committed to sustainable and efficient production and further development at all locations. The Group is contributing to a sustainable economy by progressively automating production, reducing emissions and using renewable energy. In the field of action “We face up to the challenges”, we address the following United Nations Sustainable Development Goals (SDGs):


7
AFFORDABLE AND
CLEAN ENERGY



Goal 7 – Affordable and clean energy

We participate in the transition to renewable energy. Apart from investing in the modernization of our sites, we are currently investigating whether and to what extent we can effectively procure our own renewable electricity and/or work with other companies to source an increasing proportion of our electricity needs from renewable sources.


9
INDUSTRY, INNOVATION
AND INFRASTRUCTURE



Goal 9 – Industry, innovation and infrastructure

We are investing in the automation of our production to increase efficiency and improve the quality of our products. New intelligent work processes and automated lines reduce our environmental impact. At the same time, individual machines are being replaced.

13
CLIMATE
ACTION



Goal 13 – Climate action

We want to be a role model for manufacturing companies and are continuously reducing our emissions. The coal boiler in Krosno has been replaced by a biomass boiler and a number of other optimization measures are helping to reduce our gas consumption.

Summary of our goals

Goals	Deadline	Measures taken and planned
Reduce Scope 1 and 2 CO ₂ -e emissions per cubic metre of HDF by 65%	by 2030	<ul style="list-style-type: none"> Commissioning of the new biomass boiler to replace the coal boiler in Krosno Replacement of wood transport machines and trucks at Homatrans Complete modernization of the press and the gluing system for fibreboard production in Losheim Planning of new product finishing plants in Losheim
Reducing emissions	Ongoing	<ul style="list-style-type: none"> Planning and construction of a new water treatment plant in Krosno Planning of the installation of a new wastewater pre-treatment plant and renewal of the pipework in Karlino
Increase the share of renewable electricity to 70%	by 2030	<ul style="list-style-type: none"> Review the possibility for own electricity procurement Explore possible cooperations with companies for the procurement of renewable energy

Automated production

Homann Holzwerkstoffe is placing a strategic focus on process automation, which will lead to noticeable increases in efficiency and have a positive impact on employees. The measures taken reduce the risk of accidents, reduce physical strain and relieve employees of manual and repetitive tasks. They also help to address the industry-wide shortage of skilled labour. At the Polish sites, for example, the automation of production processes has freed up resources, allowing employees to be transferred to other areas of work in the company.

This reorganization not only helps to improve working conditions and the attractiveness of our jobs, but also increases the efficiency of our processes and the quality of our products, which in turn ensures long-term customer satisfaction.



Our strategic approach

By automating our production, we help to optimize work processes, reduce energy consumption and minimize environmental impact. By making work more comfortable and attractive, Homann Holzwerkstoffe Group also gains a competitive edge.

Production throughout the Group is being automated step by step. Management maintains an exchange with the plant managers and specialist departments in order to decide on investments in process automation at the various locations. Comprehensive data on consumption, reject quantities, quality criteria and accident statistics provided by Technical Controlling are essential for analyzing potential and making decisions.

Successive investments in the modernization and automation of our production sites

In 2023, we continued to invest in modernization and automation to optimize our processes and reduce our environmental impact.

Further investments in product finishing are planned at the Losheim site, where a hall for new production finishing equipment was renovated in 2023. The construction of three lightweight halls will reduce the load on warehouses and production halls. Last year, the Losheim site also started construction of a new truck access road to the site. In Karlino, Poland, a new

line for automated cutting of coated boards, edge milling and unloading was installed, allowing individual machines to be replaced.

Outlook

In the coming years, we will continue to focus on modernizing and automating our production sites. In this context, we want to consistently optimize our production processes and increase the proportion of electric forklift trucks.

Reducing emissions

Homann Holzwerkstoffe Group is continuously reducing its emissions in order to achieve the overall goal of climate neutrality. In addition to complying with environmental regulations and laws and meeting the expectations of our stakeholders, we also want to fulfil our responsibility and ethical obligations on our own initiative.



Our strategic approach

The importance of reducing emissions is reflected in the fact that it is deeply rooted in the Group. Management is responsible for this issue and provides the necessary resources. Long-term goals and measures are agreed together with management. Implementation is the responsibility of the energy departments at each site.

The energy management systems in Losheim and Karlino are ISO 50001 certified and regularly audited. In addition, the carbon emissions at Losheim are verified by an independent expert. This is done as part of the European Emissions Trading Scheme. At the Krosno site in Poland, the local authorities are kept informed about energy savings and related measures. The structured recording of emissions and consumption data plays an important role at all sites, as it enables us to identify particularly energy-intensive processes. This enables the management of Homann Holzwerkstoffe Group to improve processes and promote energy savings in a targeted manner.

Using state-of-the-art technology for more environmental protection

In the past, a number of measures have already helped us to reduce our emissions. In particular, the use of biomass for heating at various sites has resulted in considerable savings and a significant reduction in the use of fossil fuels. In Krosno, a biomass boiler was commissioned in February 2023. As a result, the site no longer produces carbon emissions from coal in the generation of steam and process heat. In addition, energy production costs have been reduced. Modifications are continuously being implemented to the technical equipment at all locations in order to reduce consumption. Our subsidiary Homatrans also replaced wood transport machines and trucks with more efficient vehicles in 2023.

Outlook

A key goal of Homann Holzwerkstoffe Group is to reduce Scope 1 and Scope 2 CO₂-e emissions per cubic metre of HDF by 65% by 2030. Moreover, the group's machinery will be upgraded in the coming years. In addition, Karlino plans to install a new wastewater pre-treatment plant to improve wastewater quality and to replace piping to optimize water treatment. Krosno will also install a new water treatment plant, which is described in more detail in the lighthouse project below. Planning has been completed and we intend to commission the plant in the course of 2024.

Direct (Scope 1) GHG emissions

Direct emissions (tons CO ₂ -e net)	2021	2022	2023
Total	60,243	49,989	17,627

Energy indirect (Scope 2) GHG emissions

Indirect emissions (tons CO ₂ -e net)	2021	2022	2023
Total	149,253	146,546	134,891

GHG emissions intensity (Scope 1 and 2)

Specific amount of CO ₂ (tons CO ₂ net / m ³)	2021	2022	2023
Total	0.2801	0.2819	0.2451



The importance of reducing emissions is reflected in the fact that it is deeply rooted in the Group.



Using renewable energy

As a manufacturing company, we can contribute to an environmentally friendly economy and reduce our dependence on fossil fuels by using renewable energy and operating energy efficiently. Not only the prices of raw materials such as oil, gas and coal but also regulatory requirements and market demands are increasing, representing a challenge that our Group is addressing. In doing so, we always balance our own vision of environmentally friendly production with the demands placed on us.

To achieve our goals, meet the challenges we face and reduce our environmental impact, our sites are investing in environmentally friendly forms of energy generation. The main aim is to meet an increasing proportion of our consumption with renewable energy.

Our strategic approach

We are looking at various options to modernize our energy supply, taking into account the specific situation at each of our sites.

The responsibility for planning and approving renewable energy measures lies with top management. The measures are then implemented in close cooperation with the respective plant managers and specialist departments. The continuous collection of relevant data on energy consumption and emissions, and the associated regular preparation of energy reports, is very helpful in the planning and implementation of measures.

Further development at the sites

In 2023, Homann Holzwerkstoffe Group invested primarily in the automation and modernization of the production sites in order to reduce environmental impacts and emissions. It is currently under review whether and to what extent we can procure our own renewable electricity and procure renewable energy in cooperation with other companies in an economical and environmentally friendly way.



Outlook

Homann Holzwerkstoffe Group aims to increase the share of renewables in its electricity consumption to 70% by 2030. Further measures to achieve this goal are currently being planned at all sites.

Construction of a water treatment plant in Krosno to conserve water resources

To reduce our consumption of fresh water at the Krosno site, we plan to commission a water treatment plant in the course of 2024. Following completion of planning, construction began in 2023. The water treatment plant will allow us to purify our **process water** and return it to the cycle. Process water is defined as industrial **wastewater** as well as **rainwater** from the wood storage areas and the access road to the fibreboard mill.

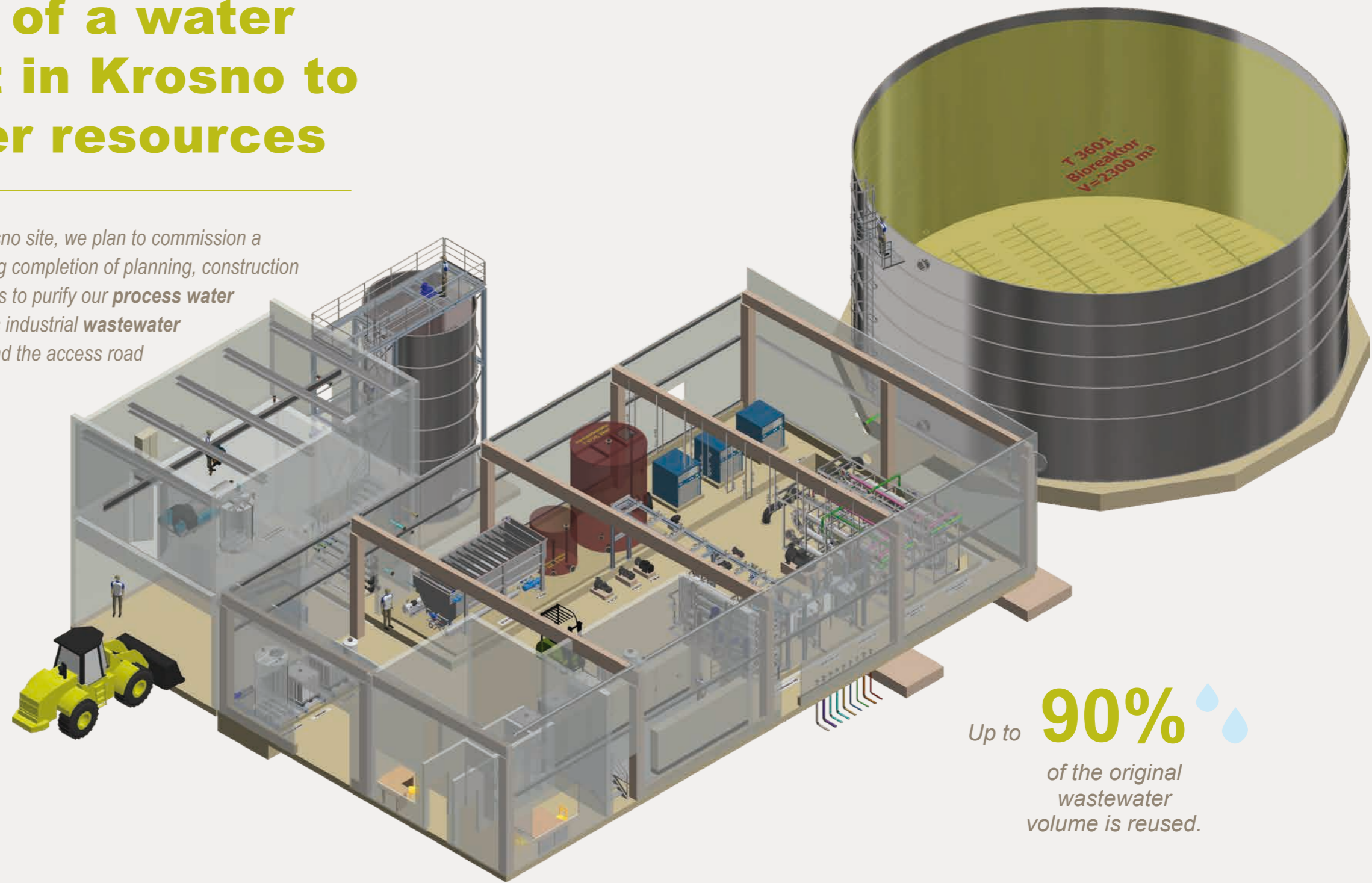
- FULL PROCESS
- WATER TREATMENT
- AND RAINWATER
- HARVESTING

Wastewater from production contains mainly natural components from the processed wood, such as wood fibres, cellulose, lignin, essential oils and resins, starch and fats, tannins, phenolic substances and minerals. It also contains glue components such as urea and formaldehyde from the manufacturing process and paint residues from the coating process. Rainwater contains hydrocarbons and natural phenols in addition to the natural wood constituents.

In the water treatment process, the wastewater is first treated by sedimentation. Contaminants are removed from the wastewater by flotation and the addition of flocculants. Organic and inorganic substances in the water are then broken down in a bioreactor. After passing through a membrane treatment plant, the water can be reused for industrial purposes as process water or to generate process steam.

The individual treatment processes are largely automated and operated via the process control system.

No wastewater is left at the end of the treatment process and we can reuse approximately 85% to 90% of the original wastewater volume. The aim of the project is to treat and reuse all of the process water, or to discharge only small quantities of treated water or surface water, while ensuring compliance with all statutory limits. The operation of the water treatment plant means that the transport of wastewater to an external wastewater treatment plant and the associated emission of exhaust fumes is completely avoided.



Up to **90%** of the original wastewater volume is reused.

Advantages of the on-site water treatment plant:

- Reduced groundwater extraction for steam generation
- Carbon savings thanks to reduced transport and disposal
- Rainwater harvesting



Field of action 3:
We deliver performance

As a leading player in the thin fibreboard market, Homann Holzwerkstoffe Group has successfully held its ground in recent years despite a challenging market environment. We owe our success to a high level of profitability, efficiency and competitiveness and the excellent quality of our services.

Field of action 3: We deliver performance

As a leading player in the thin fibreboard market, Homann Holzwerkstoffe Group has successfully held its ground in recent years despite a challenging market environment. We owe our success to a high level of profitability, efficiency and competitiveness and the excellent quality of our services. Our responsibility for efficiency and sustainability is reflected in our ability

to innovate and the responsible procurement of wood, our most important resource.

Our goals in this field of action are consistent with the following United Nations Sustainable Development Goals (SDGs):

9
INDUSTRY, INNOVATION
AND INFRASTRUCTURE

Goal 9 – Industry, innovation and infrastructure

We are constantly working to improve our infrastructure, for example by implementing noise reduction measures at our Karlino site. Innovations such as the wastewater treatment plant currently under construction in Krosno also support this goal.

12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION

Goal 12 – Sustainable consumption and production

Projects to recycle internal production waste are currently underway at our three sites in Losheim, Karlino and Krosno. The aim of these projects is to increase the proportion of recycled fibre in our products to a significant level.

15
LIFE
ON LAND

Goal 15 – Life on land

The raw materials for our fibreboard come from sawmill waste and thinnings from sustainably managed forests. To protect nature and the environment, we work with regional forestry companies to ensure the shortest possible transport routes and low emissions in our sourcing process.

Summary of our goals

Goals	Deadline	Measures taken and planned
Increase the share of recycled fibres in the product to up to 15%	by 2030	<ul style="list-style-type: none"> Participate in a four-year research project on the use of recycled wood in the fibreboard industry (EcoReFibre) with first results on the production of boards at pilot plant level in 2023 Projects for the recycling of internal production waste
Increase the share of bio-based adhesives across all paints used to 50%	by 2030	<ul style="list-style-type: none"> Successful transition to 5% bio-based raw materials in our paint adhesives in 2023 Planning to increase the proportion of bio-based raw materials to 15% by 2025

44

We deliver performance

High cost-effectiveness, efficiency and competitiveness

In a challenging market environment, Homann Holzwerkstoffe Group is striving for cost-effectiveness and efficiency in order to secure the long-term success and competitiveness of the company as the market leader in HDF and MDF boards.

Important decisions about new projects are made by the management of Homann Holzwerkstoffe Group. The implementation of approved projects is then handed over to the relevant departmental management team, which supports the project. Management is also responsible for investment decisions. In the case of investments in machinery, agreements are first made between the Sales Department and the respective production and investment department. Before a purchase decision is made, the impact of the investment on energy efficiency is determined.

The downward trend in demand for HDF/MDF boards continued during the reporting period. Under these circumstances, the Homann Holzwerkstoffe Group is able to rely on its good market position, its long-standing business relationships with customers, suppliers and banks as well as its competitiveness, enabling the Group to maintain its position even in a challenging business environment.

The Technology Department is responsible for product innovations – an important factor in the Group’s competitiveness. Through our press and investor relations activities, we also maintain a regular dialogue with stakeholders and investors on current financial and operational developments.

Our strategic approach

All of the Group’s plants are ISO 9001 certified. To ensure a consistently high level of quality, Quality Assurance regularly monitors the production process.

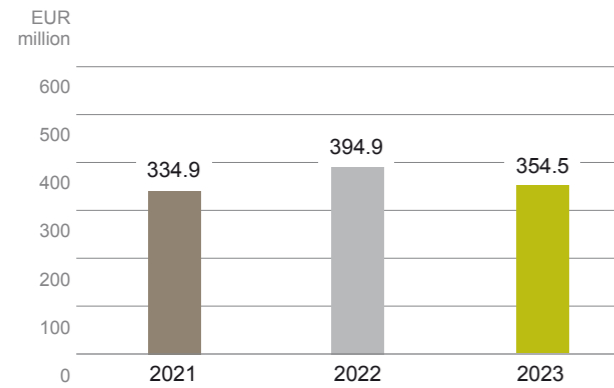
GRI 3-3 45

Revenues and material investments

Despite the decline in sales to EUR 354.5 million in the 2023 reporting year, various significant investments were realised, including the following projects. The commissioning phase of the new plant in Pagiriai, Lithuania, was completed on schedule in September 2023. However, the planned start of production at the end of 2023 was delayed due to technical and permitting issues. The new water treatment plant in Krosno was approved and is now under construction, with completion scheduled for the end of November 2024.



Revenues



Outlook

The existing fibreboard press in Losheim is to be redesigned and modernized in 2024. In this context, the gluing system will also be renewed and brought to the latest technical standard. In addition to modernizing the Losheim site to increase its performance, Homann Holzwerkstoffe Group is also planning to expand the machinery at all of its sites.

High service quality

Close cooperation between our employees and our suppliers and customers enables us to meet our own high service standards. We therefore place great emphasis on supporting our employees in the best possible way and to providing them with the knowledge they need in an ever-changing working environment through training and further education. With face-to-face customer contact increasing again after the end of the Covid pandemic, we were able to respond even more effectively to the needs and wishes of our customers in 2023.



Digitalization of our customer service

In the course of digitalization, Homann Holzwerkstoffe Group is aligning its customer service with industry standards and the needs of its customers. For quite some time now, most order confirmations and invoices have been sent digitally. Moreover, orders from some key accounts can be entered and recorded digitally directly in SAP.

Our strategic approach

The Group has a clear focus on the quality of its products and services to maintain long-term customer relationships and its leading market position. Ongoing dialogue with trusted account managers and the field staff is essential to maintain and build the trust of our customers and business partners. Management controls the quality of service and the allocation of resources, while sales managers are closely involved in communicating with customers so as to identify potential challenges at an early stage. Complaints and enquiries are forwarded directly to dedicated contacts who provide immediate feedback once the matter has been dealt with internally. Overall, Homann Holzwerkstoffe Group has seen an increase in customer enquiries in the form of questionnaires on issues such as sustainability.

Outlook

To meet our customers' needs even better, we focus on developing sustainable products while continuing to use proven strategies to ensure high service quality. The measures taken so far have had a positive impact on customer satisfaction and will be continued.

Procurement of wood and use of recycled wood

Homann Holzwerkstoffe Group places the highest priority on efficient and sustainable operations, which characterize the entire production process. The procurement of raw materials plays a crucial role, and long-standing partnerships with suppliers ensure a continuous exchange and reliable supply of wood. Especially in times of rising raw material prices and limited availability, these relationships are a great advantage and are actively maintained by our employees. Due to political requirements to reduce forest utilisation areas and an unchanged high demand for wood, wood prices may rise again in the future.

Our strategic approach

In order to ensure sustainable production, Homann Holzwerkstoffe Group purchases residual wood from sawmills and thinnings from sustainably managed forests for the production of its wooden fibreboards. We work closely with regional forestry operations that are located close to our plants to ensure that our procurement process is reliable, efficient and low in emissions. The average sourcing radius for all sites is around 140 km.

Homann Holzwerkstoffe Group attaches great importance to the sustainable and ethical procurement of raw materials. For this reason, no wood is used that comes from illegal logging or from forests where civil or traditional rights are disregarded. Similarly, no wood is used from forests that are particularly worthy of ecological protection, from genetically modified trees or from natural forest clearances.

Responsibility for the procurement processes lies with the Wood Purchasing and Technical Purchasing Department. To continuously monitor the processes, monthly purchasing reports are prepared and submitted to management. Management regularly discusses current developments and decides on overarching measures to be implemented by the Wood Purchasing and Technical Purchasing Department and other specialist departments.

Changes in wood sourcing in Poland

The current Polish government is presently in a constructive dialogue with the responsible certification companies to reactivate the FSC certification of Polish forests. The previous government questioned the certification and did not extend existing contracts. The Zielona Góra state forest, from which Homann Holzwerkstoffe obtains most of its wood, is certified until at least 2027.

The Polish Ministry of Climate and Environment has restricted the logging planned for 2024 in Poland's most important forests. The protection of valuable primeval forests, the preservation of forests used by urban centres with several thousand inhabitants, forests for recreation and the scarcity of forest areas are the main reasons for the reduction in logging. Moreover, the Polish ministry has adopted a regulatory framework in the form of the "Aid Package for the Wood Industry", which aims to keep timber on the domestic market and limit exports abroad.



Funded by the European Union

Recycling in wood processing

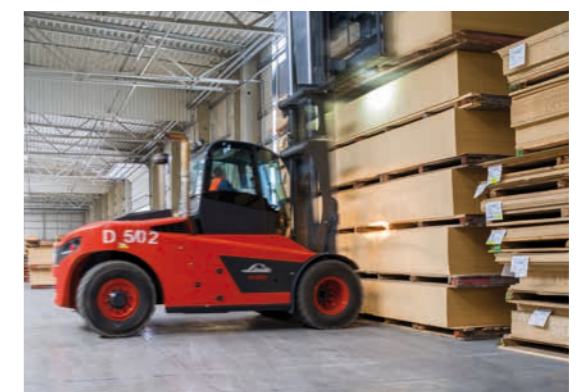
Homann Holzwerkstoffe is actively promoting the recycling of wood. Since May 2022, the company has been participating in the four-year EU research project [EcoReFibre](#), which aims to increase the available wood resources in Europe through recycling. Initial results for the production of boards at laboratory level were achieved in the financial year 2023. Specifically, the project aims to replace up to 25% of the virgin fibres currently used in the European fibreboard market with recycled fibres. The project is therefore exploring smart technologies for recycling wood waste into fibreboard and new types of building products. In addition, projects are underway at the German and Polish sites of Homann Holzwerkstoffe Group to recycle internal production waste.

Outlook

Our goal is to increase the proportion of recycled fibre in our products to 15% by 2030. The technology required for this is still in the development phase. HOMANIT is actively involved in the development of appropriate machinery and processes. Further tests at laboratory level as well as production trials are planned as part of the joint European [EcoReFibre](#) project for the years up to 2026.



Homann Holzwerkstoffe Group attaches great importance to the sustainable and ethical procurement of raw materials.



Innovation

Homann Holzwerkstoffe Group effectively uses its established market leadership in thin HDF/MDF boards to invest in innovative, sustainable products and accelerate their development. By continuously analyzing and implementing technical innovations in areas characterized by intensive consumption of natural resources, the Group not only strengthens its future viability, but also actively contributes to the conservation of these resources. As a result, Homann Holzwerkstoffe is able to further expand its market leadership and at the same time position itself as a forward-looking employer.

The Group's ability to innovate is driven, in particular, by the cross-location exchange between different departments and by cooperation with external specialists. For example, the Group cooperates with the Koszalin University of Technology, a school complex in Karlino, the electrotechnical school in Białogard and the business school complex in Koszalin.

Our strategic approach

Excellent product quality and forward-looking action guarantee the future viability of our company. Innovations are driven by an open communication at all levels and in all areas of the company.

When new innovation projects are initiated, the relevant specialist department reports back to the management on a regular basis with all the information on the status of the project and the corresponding responsibilities. A continuous and intensive exchange – both internally and with machine builders, suppliers and customers – allows potential challenges within the projects to be anticipated and resolved.

Progress through technical innovation and sustainable product innovation

In 2020, we opened our cross-location Technology Centre to simulate and improve numerous process steps. The aim is to optimize the production and finishing of thin HDF/MDF boards and to drive innovation within Homann Holzwerkstoffe Group. The construction of prototypes supports the positioning of Homann Holzwerkstoffe as an innovator and strengthens the close ties with users.

Progress was made in various innovation projects in 2023: During the two-year development phase of the project "Increasing bio-based adhesives in paints", we worked closely with our paint suppliers. The first target of 5% "better carbon" (use of sustainable resources), was achieved across all sites in 2023. We have also received requests from several customers for more moisture-resistant boards that can be used for external doors (as an inner door layer) and for flooring (for special flooring applications). Such boards are currently being tested in close partnership with these customers.

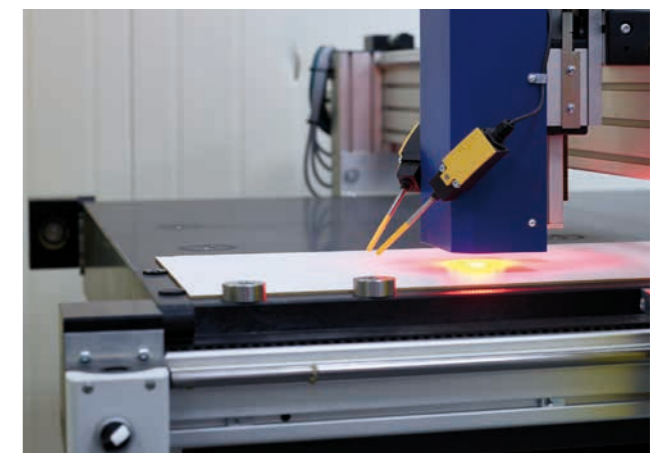
Funded by the Federal Ministry for Economic Affairs and Climate Action, the BENHoLei project for the cross-industry development and use of wood-fibre-based, resource-saving lightweight construction elements, which was carried out in cooperation with the Chair of Lightweight Construction Systems at Saarland University and with experienced mechanical engineers with the aim of developing an innovative product, was successfully completed in 2023.

Outlook

Homann Holzwerkstoffe aims to increase the proportion of bio-based adhesives in its paints from 5% to 15% by 2025. By 2030, this share is to be increased to over 50% of all paints used.



Innovations are driven by an open communication at all levels and in all areas of the company.



Facts and figures

CORPORATE INFORMATION

General disclosures (GRI 2)

The organization and its reporting practices

Organizational details (GRI 2-1)

As some of the data below refer to the production operations, they are presented by location. All listed production operations are controlling entities with their own budget.

No.	Controlling entity	Production	Other activities
Germany			
1	Homann Holzwerkstoffe GmbH, Munich		Administrative headquarters
2	HOMANIT GmbH & Co. KG, Losheim	1	
3	HOMANIT GmbH & Co. KG, Herzberg		Central distribution
Poland Voronezh			
4	Homanit Krosno Odrzańskie Sp. z o.o., Krosno	1	
5	Homanit Polska Sp. z o.o. i. Spółka Sp. k., Karlino	1	
6	Homatrans Sp. z o.o., Karlino		Transport company
7	Homatech Polska Sp. z o.o., Karlino		Maintenance and service company
France			
8	Homanit S.A.R.L., Schiltigheim		Distribution
Lithuania			
9	UAB Homanit Lietuva, Pagiriai	(1)	4th plant as of September 2024
		3	

Activities and workers

Activities, value chain and other business relationships (GRI 2-6)

Number	2021	2022	2023
Operations / Companies*	8	8	8
Plants	3	3	3

* Homann Holzwerkstoffe GmbH, Munich;
HOMANIT GmbH & Co. KG, Losheim;
Homanit Krosno Odrzańskie Sp. z o.o., Krosno;
Homanit Polska Sp. z o.o. i. Spółka Sp. k., Karlino;
Homanit S.A.R.L., Schiltigheim;
Homatrans Sp. z o.o., Karlino;
Homatech Polska Sp. z o.o., Karlino;
UAB Homanit Lietuva

in kEUR	2021	2022	2023
Group revenues	334,900	394,867	354,502
Total assets	375,623	493,202	578,022
Equity	107,263	149,971	179,668
Liabilities	249,649	324,089	365,692

Employees (GRI 2-7)

Number	2021	2022	2023
Total number of employees*	1,591	1,526	1,468
Average number of white-collar workers**	345	372	465
Average number of blue-collar workers**	1,225	1,191	1,125
Average total number of employees**	1,570	1,563	1,590

* Data as of December 31 of each year; excluding management as well as students, interns and student trainees
** Data from annual reports

Economic performance (GRI 201)

Direct economic value generated and distributed (GRI 201-1)

in kEUR*	2021	2022	2023
Revenues	334,900	394,867	354,502
Increase/reduction in inventory of finished and unfinished goods	470	13,844	-4,915
Other own work capitalized	1,125	836	1,708
Other operating income	9,464	10,101	23,497
Other interest and similar income	533	690	834
Direct economic value generated*	346,492	420,338	375,626
Cost of materials	165,691	243,323	194,701
Expenses for personnel	50,580	51,283	58,334
Depreciation and amortization	21,037	16,834	18,826
Other operating expenses	46,793	50,147	58,823
Write-down of financial investments and investments classified as current assets	82	1,079	6
Interest and similar expenditure	10,404	9,419	15,164
Income taxes	3,167	2,023	2,200
Economic value distributed**	297,754	374,108	348,054
Economic value retained***	48,738	46,230	27,572

* P&L figures

** On an accrual basis, economic value generated and distributed (EVG&D), including the basic components of the operation's global business as listed below. Where cash basis data are provided, the rationale for this decision must be explained, and the following basic components must be reported.

*** Operating costs, employee wages and company benefits, payments to capital providers, payments to the government (broken down by country), and community investment

COMPLIANCE & VALUES

Anti-corruption (GRI 205)

Confirmed incidents of corruption and actions taken (GRI 205-3)

Number	2021	2022	2023
Total number and type of confirmed incidents of corruption	0	0	0
Total number of confirmed incidents in which employees were dismissed or given warnings due to corruption	0	0	0
Total number of confirmed incidents in which contracts with business partners were terminated or not renewed due to corruption-related violations	0	0	0
Public lawsuits related to corruption initiated against the organization or its employees during the reporting period, as well as the results of these lawsuits	0	0	0

Anti-competitive behavior (GRI 206)

Legal actions for anti-competitive behavior, anti-trust, and monopoly practices (GRI 206-1)

Number	2021	2022	2023
Legal actions for anti-competitive behavior	0	0	0
Legal actions for anti-trust practices	0	0	0
Legal actions for monopoly practices	0	0	0
Total	0	0	0

Non-discrimination (GRI 406)

Incidents of discrimination and corrective actions taken (GRI 406-1)

Number	2021	2022	2023
Incidents of discrimination	0	0	0

Customer health and safety (GRI 416)

Assessment of the health and safety impacts of product and service categories (GRI 416-1)

Formaldehyde monitoring:

Our products fall clearly below the legally required formaldehyde limits (emission class E1).

Most of our products also meet the requirements of IOS-MAT 0003 and CARB Phase 2. Permanent monitoring of all quality parameters in our own laboratories and regular remote monitoring by external institutes guarantee consistently high quality standards.

Quality management:

Ensuring consistently high quality is an essential part of our corporate philosophy.

HOMANIT was certified to quality management standard DIN EN ISO 9001 as early as 1995. Today, our plants are certified to the current ISO 9001:2015 standard.

Incidents of non-compliance concerning the health and safety impacts of products and services (GRI 416-2)

Number	2021	2022	2023
Incidents of non-compliance concerning the health and safety impacts of products and services	0	0	0

Marketing and labeling (GRI 417)

Requirements for product and service information and labeling (GRI 417-1)

We comply with the applicable national and international standards on product labeling.

Incidents of non-compliance concerning product and service information and labeling (GRI 417-2)

Number	2021	2022	2023
Incidents of non-compliance concerning product and service information and labeling	0	0	0

Incidents of non-compliance concerning marketing communications (GRI 417-3)

Number	2021	2022	2023
Incidents of non-compliance concerning marketing communications	0	0	0

Customer privacy (GRI 418)**Substantiated complaints concerning breaches of customer privacy and losses of customer data** (GRI 418-1)

Number	2021	2022	2023
Complaints concerning breaches of customer privacy and losses of customer data	0	0	0

EMPLOYEES AND SAFETY**General disclosures** (GRI 2)**Activities and workers****Employees** (GRI 2-7)

"Average number of employees" was chosen as the total number.

All employees including vocational academy students, excluding management, working students, temporary/contract workers and interns were counted.

i. By employment contract and gender

Number	2021	2022	2023
Male	1,245	1,190	1,148
Permanent employment contract	1,016	988	995
Temporary employment contract	229	202	153
Female	346	336	320
Permanent employment contract	282	271	274
Temporary employment contract	64	65	46
Total	1,591	1,526	1,468

Excluding management.

ii. By employment contract and administrative area

Number at the sites	2021	2022	2023
Germany	334	331	339
Permanent employment contract	313	313	325
Temporary employment contract	21	18	14
Poland	1,257	1,195	1,129
Permanent employment contract	985	946	944
Temporary employment contract	272	249	185
Total	1,591	1,526	1,468

Excluding management.

iii. By employment relationship and gender

Number	2021	2022	2023
Male	1,245	1,190	1,148
Full-time	1,241	1,181	1,143
Part-time	4	9	5
Female	346	336	320
Full-time	334	322	307
Part-time	12	14	13
Total	1,591	1,526	1,468

Excluding management.

iv. With disability

Number	2021	2022	2023
Employees with disabilities	20	19	20

v. By gender and age group

Number	2021	2022	2023
Male	1,245	1,190	1,148
up to 35 years old	414	354	313
from 35 to 50 years old	431	492	418
over 50 years old	400	344	417
Female	346	336	320
up to 35 years old	98	87	75
from 35 to 50 years old	149	173	147
over 50 years old	99	76	98
Total	1,591	1,526	1,468

Stakeholder engagement

Collective bargaining agreements (GRI 2-30)

	2021		2022		2023	
	Employees as at Dec. 31.	Percentage of employees covered by collective bargaining agreements	Employees as at Dec. 31.	Percentage of employees covered by collective bargaining agreements	Employees as at Dec. 31	Percentage of employees covered by collective bargaining agreements
Total	1,591	21%	1,526	21%	1,468	22%

The Losheim and Herzberg sites are covered by collective bargaining agreements.

Employment (GRI 401)

New employee hires and employee turnover (GRI 401-1)

i. New employees by gender and region

	2021		2022		2023	
	Number of new employees	Percentage of total employees	Number of new employees	Percentage of total employees	Number of new employees	Percentage of total employees
Losheim, Herzberg and Munich	17	5%	20	6%	29	9%
Male	10	3%	16	5%	23	7%
Female	7	2%	4	1%	6	2%
Karlino	107	17%	58	10%	36	7%
Male	89	14%	45	8%	30	6%
Female	18	3%	13	2%	6	1%
Krosno	76	16%	78	16%	52	11%
Male	57	12%	56	11%	42	9%
Female	19	4%	22	5%	10	2%
Homatech	17	24%	9	13%	9	12%
Male	17	24%	9	13%	9	12%
Female	0	0%	0	0%	0	0%
Homatrans	12	19%	5	9%	5	9%
Male	11	18%	4	7%	4	7%
Female	1	2%	1	2%	1	2%
Total	229	14%	170	11%	131	9%

Excluding management.
Calculated with data as of December 31.

ii. Employee turnover by gender and region

	2021		2022		2023	
	Number	Turnover	Number	Turnover	Number	Turnover
Losheim, Herzberg and Munich	3	1%	23	7%	22	6%
Male	3	1%	14	4%	20	6%
Female	0	0%	9	3%	2	1%
Karlino	99	16%	80	14%	80	15%
Male	80	13%	66	11%	63	12%
Female	19	3%	14	2%	17	3%
Krosno	81	17%	81	17%	79	17%
Male	58	12%	54	11%	60	13%
Female	23	5%	27	6%	19	4%
Homatech	14	20%	7	10%	5	7%
Male	14	20%	7	10%	5	7%
Female	0	0%	0	0%	0	0%
Homatrans	8	13%	10	18%	9	16%
Male	8	13%	8	14%	8	14%
Female	0	0%	2	4%	1	2%
Total	205	13%	201	13%	195	13%

Excluding management.

Calculated with data as of December 31.

The figures comprise the following departures: termination by employee, start of partial retirement exemption, start of pension, termination by employer, end of temporary contracts, termination agreements.

The figures do not include: end of vocational training, death of employee, military duty, end of limited contract due to end of visa (these employees usually return with new visa).

iii. Employee terminations by locations

	2021		2022		2023	
	Number of employee terminations	Turnover	Number of employee terminations	Turnover	Number of employee terminations	Turnover
Losheim, Herzberg and Munich	1	0%	9	3%	8	2%
Karlino	10	2%	43	7%	38	7%
Krosno	14	3%	48	10%	64	14%
Homatech	3	4%	4	6%	3	4%
Homatrans	3	5%	8	14%	9	16%
Total	31	1,95%	112	7,34%	122	8,31%

Exclusively employee terminations.
Calculated with data as of December 31.

Benefits provided to full-time employees that are not provided to temporary or part-time employees (GRI 401-2)

All full-time and part-time employees are entitled to all benefits. Part-time employees have a pro-rata entitlement to capital-forming benefits.

Parental leave (GRI 401-3)

Approved leave granted to male and female employees for the birth of a child during the reporting period.

Approved leave includes: pregnancy leave, parental leave, maternity or paternity leave for an extended period. Individual days off for childcare purposes are not included.

	Total 2021	Total 2022	Total 2023
Employees*			
Female	44	41	30
Total	33	28	23
Gesamt	77	69	53

*All employees are generally entitled to parental leave; number of employees who took advantage of this entitlement.

Occupational health and safety (GRI 403)

Worker training on occupational health and safety (GRI 403-5)

Occupational health and safety training for employees:

- Upon employment, all employees receive introductory training on health and safety and a job instruction on fire safety.
- Fire protection and first aid training is regularly repeated.
- If employees perform certain types of work classified as high risk work or requiring additional safety measures, they receive additional training.

Workers covered by an occupational health and safety management system (GRI 403-8)

	2021		2022		2023	
	Employees as at Dec. 31.	Percentage of workers covered by an occupational health and safety management system	Employees as at Dec. 31.	Percentage of workers covered by an occupational health and safety management system	Employees as at Dec. 31.	Percentage of workers covered by an occupational health and safety management system
Total	1,591	71%	1,526	70%	1,468	68%

Krosno and Karlino are certified to ISO 45001. The other sites have their own occupational safety management systems, which are not externally certified.

Work-related injuries (GRI 403-9)

Employees*	2021		2022		2023	
	Number	Rate	Number	Rate	Number	Rate
Fatalities as a result of work-related injuries	0	0	0	0	0	0
High-consequence work-related injuries (casualties acc. to NACA III - VI) Rate = (Number of accidents acc. to NACA III - VI * 1,000,000 / hours worked)	21	7.7	1	0.4	16	6.6
Recordable work-related injuries (reportable and non-reportable accidents) LTIR 1 (Loss Time Injury Rate) = (number of fatalities + number of lost time accidents) * 1,000,000 / hours worked)	44	16.2	25	9.9	30	12.3
Recordable work-related injuries (reportable and non-reportable accidents) LTIR 2 (Loss Time Injury Rate) = (number of fatalities + number of lost time accidents) * 200,000 / hours worked)	44	3.2	25	2.0	30	2.5
Main types of work-related injuries	Bruise, contusion, strain, sprain, burn, cut, abrasion, amputation		Cuts, abrasions, contusions, bruises, strains, sprains, burns, head injury		Cuts, abrasions, contusions, bruises, strains, fractures	
Number of hours worked**	2,711,062		2,529,077		2,438,319	

* Includes all employees. No distinction is made between employees and workers who are not employees.
** Number of annual working hours calculated based on company calendar.

Work-related injuries (GRI 403-9)

Work-related hazards that pose a risk of high-consequence injury, including:	
How these hazards have been determined	The employer draws up a list of high-risk work for which additional protective actions are taken.
Which of these hazards have caused or contributed to high-consequence injury during the reporting period	<ul style="list-style-type: none"> • Falls due to slipping • Slipping material • Handling boards • Carelessness • Uncontrolled movements
Actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls	<ul style="list-style-type: none"> • Discussion of the incidents with the injured persons • Accident investigations • More frequent inspection of protective equipment • Training and follow-up training after accidents • Information to all employees via the information boards
All actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls	<ul style="list-style-type: none"> • Regular updating of the risk assessment • Renewal of safety labelling • Equipping employees • Renewal and extension of pedestrian routes
Whether rates have been calculated based on 200,000 or 1,000,000 hours worked.	Both available.
Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.	None.
Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	-

Work-related ill health (GRI 403-10)

Number	2021	2022	2023
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	<ul style="list-style-type: none"> • Examinations take place at regular intervals (initial examinations, check-ups and additional examinations) • Cooperation with the company doctor and/or companies that provide occupational health services 		
Main types of work-related ill health	0	0	0

Work-related hazards that pose a risk of ill health, including:	2021	2022	2023
How these hazards have been determined	<ul style="list-style-type: none"> • Periodic inspections and evaluations of working conditions to identify harmful and/or hazardous factors • Discussion of incidents with employees 		
Which of these hazards have caused or contributed to cases of ill health during the reporting period	0	0	0
Actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls	Employees working under harmful and (or) hazardous conditions undergo preliminary and regular medical examinations upon employment and in the course of their employment. If contraindications to a particular job are found, the applicant is not accepted for this job or the employee is excused from such work.		
Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.	None	None	None
Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.	-	-	-

Training and education (GRI 404)

Average hours of training per year per employee (GRI 404-1)

Average hours of training that the organization's employees have undertaken during the reporting period:

in hours	2021	2022	2023
Total number of training hours*	17,939	15,437	26,213
Average training hours per employee	11.3	10.6	18.8

* Improved separation between vocational training and training hours

Programs for upgrading employee skills and transition assistance programs (GRI 404-2)

- Employees are encouraged to upgrade their skills and receive effective internal and external training. The training courses are mostly classroom courses and cover a wide range of topics.
- Statutory training courses, e.g. on wastewater, water protection, immission protection or data protection are held regularly.
- In the area of occupational health and safety, regular safety briefings, instructions on fire protection and training on the safe transport of materials are also held. In addition, first-aid courses are offered for employees. At the Polish sites, safety events were organized for employees and their children, who were informed about first aid and how to behave in the event of a fire in a playful manner.
- Further voluntary but necessary training courses were offered to refresh knowledge and acquire new skills. These include, for example, the basics of labour law for executives, updates on tax law, auditor course and training on the operation of new electronic and mechanical systems.

ENVIRONMENT

Energy (GRI 302)

Energy consumption within the organization* (GRI 302-1)

in GWh	2021	2022	2023
Electricity consumption	226.73	213.71	196.71
Thermal energy	0.21	0.21	0.21
Natural gas	75.88	32.77	24.45
Liquid gas	1.57	1.36	1.04
Heating oil	0.34	17.27	1.93
Biomass	601.49	541.91	581.15
Coal consumption	125.54	101.32	27.98
Diesel	7.85	7.68	7.33
Total	1,039.60	916.23	840.80

* Consumption figures refer to the following locations:
 Electricity consumption: Losheim, Herzberg, Karlino, Krosno, Homatech
 Thermal energy: Herzberg
 Natural gas: Losheim, Karlino
 Liquid gas: Losheim, Krosno
 Heating oil: Losheim, Karlino
 Biomass: Losheim, Karlino, Krosno
 Coal consumption: Krosno
 Diesel: Losheim, Krosno, Homatech

Energy intensity (GRI 302-3)

Specific energy consumption (kWh/m³)	2021	2022	2023
Total	1,390	1,314	1,351

Water and effluents (GRI 303)

Interactions with water as a shared resource (GRI 303-1)

Description of how the organization interacts with water, including how and where water is withdrawn, consumed, and discharged, and the water-related impacts the organization causes

- Losheim and Karlino withdraw groundwater and river water from nearby streams for production, mainly to cool manufacturing facilities.
- Withdrawal of water from the public network for sanitary purposes, etc. at all locations.
- The non-polluted water used in Losheim is directly returned to the stream, the remaining wastewater is treated in the company's own wastewater treatment plant and discharged into the stream.
- In Karlino, all wastewater is treated in public wastewater treatment plants located in Kolberg and Karlino.
- Krosno uses groundwater and water from the public network. Part of the wastewater is treated in a public wastewater treatment plant, while part is treated in a company-owned wastewater treatment plant. Part of the wastewater is reused in production. In the future, the wastewater will be treated on site and recycled.
- The amounts of water required or consumed for social purposes by Homatrans and Homatech are invoiced via HOMANIT.

Description of the approach used to identify wastewater and process water-related impacts, scope of assessments, timeframe, etc.

- Regular inspection and maintenance of the wastewater treatment plant
- Regular waste water analyses
- Annual compilation of water statistics with monthly information on withdrawal, discharge and temperature of stream water at the time of withdrawal
- Regular recording of data on water withdrawals and wastewater
- Regular reports to the Saarland State Office for Environmental Protection and Occupational Safety and the Saarland Statistical Office
- In Poland, the volume of wastewater is reported to the Central Statistical Office (GUS - Główny Urząd Statystyczny) and the results of the analyses are reported to the Inspectorate of Environmental Protection and Polish Waters (Inspekcji Ochrony Środowiska i do Wód Polskich).

Management of water discharge-related impacts (GRI 303-2)

Description of any minimum standards set for the quality of effluent discharge, and how these minimum standards were determined

We try to keep wastewater and pollutant loads as low as possible.

Before wastewater is discharged, samples are taken and analysed. In doing so, we comply with all applicable minimum standards.

Water withdrawal (GRI 303-3)

Includes data for the Losheim, Karlino and Krosno plants

in full m ³	2021	2022	2023
Total	883,077	799,205	830,332

Water discharge (GRI 303-4)

Includes data for the Losheim, Karlino and Krosno plants

in full m ³	2021	2022	2023
Total	205,555	200,936	189,432

Water consumption (GRI 303-5)

Includes data for the Losheim, Karlino and Krosno plants

in full m ³	2021	2022	2023
Total water withdrawal	883,077	799,205	830,332
Total water discharge	205,555	200,936	189,432
Total	677,522	598,269	640,900

Emissions (GRI 305)

Direct (Scope 1) GHG emissions* (GRI 305-1)

Includes data for the Losheim, Karlino and Krosno plants

Direct emissions (tons CO _{2-e} net)	2021	2022	2023
Total	60,243	49,989	17,627

* Comprises natural gas, heating oil, biomass, coal, diesel industrial vehicles as well as liquid gas and is based on the calculations of the audited CO₂ certificate trade and internal data

Energy indirect (Scope 2) GHG emissions* (GRI 305-2)

Includes data for the Losheim, Karlino and Krosno plants

Indirect emissions (tons CO _{2-e} net)	2021	2022	2023
Total	149,253	146,546	134,891

* Includes electricity and heat

* Updated calculation using data on actually sourced power mix

GHG emissions intensity (GRI 305-4)

Includes data for the Losheim, Karlino and Krosno plants

Specific amount of CO ₂ (tons CO ₂ net / m ³)	2021	2022	2023
Total	0,2801	0,2819	0,2451

Waste (GRI 306)

Waste generated (GRI 306-3)

Includes data for the Losheim, Karlino and Krosno plants as well as Homatech and Homatrans

in tons	2021	2022	2023
Total*	65,319	62,960	73,647

* The following is a breakdown of the total by waste composition (hazardous/non-hazardous waste)

Includes data for the Losheim, Karlino and Krosno plants

Hazardous waste - in tons	2021	2022	2023
Total	1,491	2,015	1,770

Includes data for the Losheim, Karlino and Krosno plants as well as Homatech and Homatrans

Non-hazardous waste - in tons	2021	2022	2023
Total	63,828	60,945	71,877
<i>of which wood waste and dust</i>	56,152	51,968	63,843
<i>Total amount excl. wood waste and dust</i>	7,676	8,977	8,034

GRI INDEX

Statement of use	Homann Holzwerkstoffe GmbH has reported the information cited in this GRI content index for the period 01.01.2023 to 31.12.2023 with reference to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
GRI Standard	Disclosure	Page	Comments
GRI 2: General Disclosures 2021	2-1 Organizational details	8, 9, 10, 52	
	2-2 Entities included in the organization's sustainability reporting	8, 9, 10, 80	
	2-3 Reporting period, frequency and contact point	80	
	2-4 Restatements of information	-	With regard to GRI 305, there has been an adjustment concerning the calculation of indirect emissions. As a result, the total values of indirect emissions have changed. The previous calculation was based on nationally available data. The new calculation uses actual data provided by the electricity suppliers relating to the electricity actually consumed.
	2-5 External assurance	80	
	2-6 Activities, value chain and other business relationships	11, 12, 13, 52	
	2-7 Employees	24, 53, 57	
	2-8 Workers who are not employees	-	All workers of Homann Holzwerkstoffe GmbH are employees.
	2-9 Governance structure and composition	10	In the financial year 2023, the management of Homann Holzwerkstoffe GmbH consisted of three persons: - Fritz Homann - Gunnar Halbig - Michael Albert Helmut Scheel left the company during the reporting period. The management is also responsible for decision-making on economic, ecological and social issues.
	2-19 Remuneration policies	-	The Managing Directors receive fixed remuneration. In addition, variable remuneration is paid, which is linked to the company's performance as well as to individual (usually quantitative) targets. Pension commitments exist in individual cases.

GRI Standard	Disclosure	Page	Comments
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	-	Remuneration is determined within the framework of employment contracts. The variable remuneration of the Group Managing Directors is determined by the shareholders' meeting. The Group Managing Directors, in turn, determine the variable remuneration of the management and senior staff of the subsidiaries. There is no stakeholder involvement..
	2-21 Annual total compensation ratio	-	The ratio of total annual compensation and the percentage increase have not been disclosed.
	2-22 Statement on sustainable development strategy	4	
	2-23 Policy commitments	23	
	2-25 Processes to remediate negative impacts	23	
	2-26 Mechanisms for seeking advice and raising concerns	23	
	2-27 Compliance with laws and regulations	-	There were no significant violations of laws and regulations in the reporting period and no fines were paid.
	2-28 Membership associations	-	Homann Holzwerkstoffe is an active member of several associations and initiatives: <ul style="list-style-type: none"> • EnergyEfficiency for Industry Network (E.E.f.I.) • European Panel Federation (EPF) • Chamber of Industry and Commerce (IHK) • Association of the Saarland Wood and Plastics Processing Industry and Related Industries (SHKI) • Association of Producers of Wood-Based Panels Poland (Stowarzyszenie Producentów Płyt Drewnopochodnych w Polsce SPPDwP) • German Association of Energy Users (VEA) • Association of the German Wood-Based Panel Industry (VHI)
	2-29 Approach to stakeholder engagement	23	
	2-30 Collective bargaining agreements	58	

GRI Standard	Disclosure	Page	Comments
GRI 3: Material Topics 2021	3-1 Process to determine material topics	17	
	3-2 List of material topics	19	
GRI 201: Economic Performance 2016	3-3 Management of material topics	45, 46	
	201-1 Direct economic value generated and distributed	46, 53	
	201-2 Financial implications and other risks and opportunities due to climate change	-	Homann Holzwerkstoffe has addressed climate risks because the group of companies is heavily dependent on natural resources. If there were to be shortages in the supply of wood due to climate change, the group would be affected.
	201-4 Financial assistance received from government	-	Homann Holzwerkstoffe receives support from the public sector in the form of subsidised loans, research funding and investment aid.
GRI 204: Procurement Practices 2016	3-3 Management of material topics	48	
	204-1 Proportion of spending on local suppliers	-	We source raw materials from as close as possible. The average procurement radius of the resource wood for all locations is about 140 km.
GRI 205: Antikorrupption 2016	3-3 Management of material topics	-	In order to ensure that the Homann Holzwerkstoffe Group acts in accordance with its corporate values, a Code of Conduct for employees and a Code of Conduct for business partners were developed and adopted in 2021.
	205-1 Operations assessed for risks related to corruption	-	
	205-2 Communication and training about anti-corruption policies and procedures	-	In order to firmly anchor the guidelines in the company, regular training sessions have been established to raise employees' awareness of compliance with the Code of Conduct. All new employees are also instructed when they are hired. Our main suppliers have already committed to compliance with the Code and confirmed this in writing to our strategic purchasing department. Other suppliers have their own code of conduct, which is in line with the values of our CoC.
	205-3 Confirmed incidents of corruption and actions taken	54	

GRI Standard	Disclosure	Page	Comments
GRI 206: Anticompetitive Behavior 2016	3-3 Management of material topics	45, 46	
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	54	
GRI 301: Materials 2016	3-3 Management of material topics	48	
	301-1 Materials used by weight or volume	-	Future collection of the data is planned.
	301-2 Recycled input materials used	-	Collection of the corresponding data is not possible yet. Future collection of the data is planned.
GRI 302: Energy 2016	3-3 Management of material topics	36, 37, 39	
	302-1 Energy consumption within the organization	67	
	302-2 Energy consumption outside of the organization	-	Collection of the corresponding data is not possible yet. The aim is to calculate the CO ₂ footprint in accordance with standards.
	302-3 Energy intensity	67	
GRI 303: Water and Effluents 2018	3-3 Management of material topics	-	We need water to cool production and power generation plants, to generate steam and to bind dust as well as for sanitary purposes. Any wastewater produced is treated in in-house or public sewage treatment plants and reintroduced into the water cycle.
	303-1 Interactions with water as a shared resource	41, 68	
	303-2 Management of water discharge-related impacts	69	
	303-3 Water withdrawal	69	
	303-4 Water discharge	69	
	303-5 Water consumption	69	

GRI-Standard	Disclosure	Page	Comments
GRI 305: Emissions 2016	3-3 Management of material topics	36, 37	
	305-1 Direct (Scope 1) GHG emissions	37, 70	
	305-2 Energy indirect (Scope 2) GHG emissions	37, 70	
	305-3 Other indirect (Scope 3) GHG emissions	-	In the future, we also want to record parts of the Scope 3 emissions and include the area of procurement. The aim is to calculate the CO ₂ footprint in accordance with standards.
	305-4 GHG emissions intensity	37, 70	
	305-5 Reduction of GHG emissions	36, 37	
GRI 306: Waste 2020	3-3 Management of material topics	48	
	306-3 Waste generated	71	
	306-4 Waste diverted from disposal	-	Collection of the corresponding data is not possible yet.
	306-5 Waste directed to disposal	-	Collection of the corresponding data is not possible yet.
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	-	So far, no suppliers have been screened using environmental criteria.
GRI 401: Employment 2016	3-3 Management of material topics	25, 26, 27	
	401-1 New employee hires and employee turnover	59	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	61	
	401-3 Parental leave	61	

GRI Standard	Disclosure	Page	Comments
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	-	The applicable national and international standards are implemented.
	403-5 Worker training on occupational health and safety	28, 62	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	35	
	403-8 Workers covered by an occupational health and safety management system	62	
	403-9 Work-related injuries	63, 64	
	403-10 Work-related ill health	65	
	GRI 404: Training and Education 2016	3-3 Management of material topics	25, 26, 27
404-1 Average hours of training per year per employee		27, 66	
404-2 Programs for upgrading employee skills and transition assistance programs		27, 28, 66	
404-3 Percentage of employees receiving regular performance and career development reviews		-	Group-wide collection of the corresponding data did not yet take place in 2023.
GRI 406: Nondiscrimination 2016	406-1 Incidents of discrimination and corrective actions taken	54	
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	23	
	414-1 New suppliers that were screened using social criteria	-	So far, no suppliers have been screened using social criteria.
	414-2 Negative social impacts in the supply chain and actions taken	23	

GRI Standard	Disclosure	Page	Comments
GRI 415: Public Policy 2016	415-1 Political contributions	-	Political parties or similar interest groups are not supported. This indicator is therefore not collected.
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	55	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	55	
GRI 417: Marketing and Labeling 2016	3-3 Management of material topics	-	The applicable national and international standards are implemented.
	417-1 Requirements for product and service information and labeling	55	
	417-2 Incidents of non-compliance concerning product and service information and labeling	55	
	417-3 Incidents of non-compliance concerning marketing communications	55	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	56	

About this report

This is the third voluntary Sustainability Report published by Homann Holzwerkstoffe GmbH. It refers to the financial year 2023 (January 1, 2023 to December 31, 2023) and additionally includes selected information from the first months of the financial year 2024. The editorial deadline for the Sustainability Report 2023 was May 27, 2024.

The company intends to continue publishing a Sustainability Report on an annual basis in the future. The next report for the financial year 2024 is expected to be published in the second quarter of 2025 and will already be prepared in accordance with the CSRD, which will be mandatory for Homann Holzwerkstoffe Group from the financial year 2025, and will be based on a new materiality analysis.

Unless stated otherwise, the information and figures provided in this report refer to Homann Holzwerkstoffe Group. The report covers all subsidiaries that are relevant for sustainability reporting. As UAB Homanit Lietuva site is currently not expected to go into operation before September 2024, UAB Homanit Lietuva is not included in this Sustainability Report for the financial year 2023.

This Sustainability Report is available in German, English and Polish. In case of deviations, the German version shall apply.

The present Sustainability Report was prepared with reference to the standards of the "Global Reporting Initiative" (GRI).

Report audit

The present Sustainability Report has not been audited. The management of Homann Holzwerkstoffe GmbH will decide on the need for an external audit on an annual basis.

Editorial note

For better readability, we refrain from using gender-specific terms. This does not constitute a judgement. All terms should be understood as gender-neutral.

Rounding note

When using rounded amounts and percentages, minor deviations may occur due to commercial rounding.

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Forward-looking statements

This Sustainability Report contains certain forward-looking statements relating to the future development of Homann Holzwerkstoffe Group and its subsidiaries as well as to economic and political developments. These statements represent estimates that we have made based on all the information available to us at the time the report was prepared. Should the underlying assumptions fail to materialize or further risks occur, the actual results, developments and performance of the Group may differ from the estimates presented. Even if the actual results of Homann Holzwerkstoffe GmbH, including its financial position and profitability as well as the economic and regulatory framework conditions, are in line with the future-oriented statements in this Sustainability Report, no guarantee can be given that this will continue to be the case in the future. Homann Holzwerkstoffe GmbH therefore assumes no liability for the forward-looking statements presented in this report.

Your feedback

We want to continuously improve our sustainability efforts and therefore look forward to receiving your feedback on our Sustainability Report. Please contact us at the e-mail addresses above.

Further information

For further information on Homann Holzwerkstoffe GmbH and its commitment to sustainability, please visit our company website at <https://www.homann-holzwerkstoffe.de/en/company/sustainability/>

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