

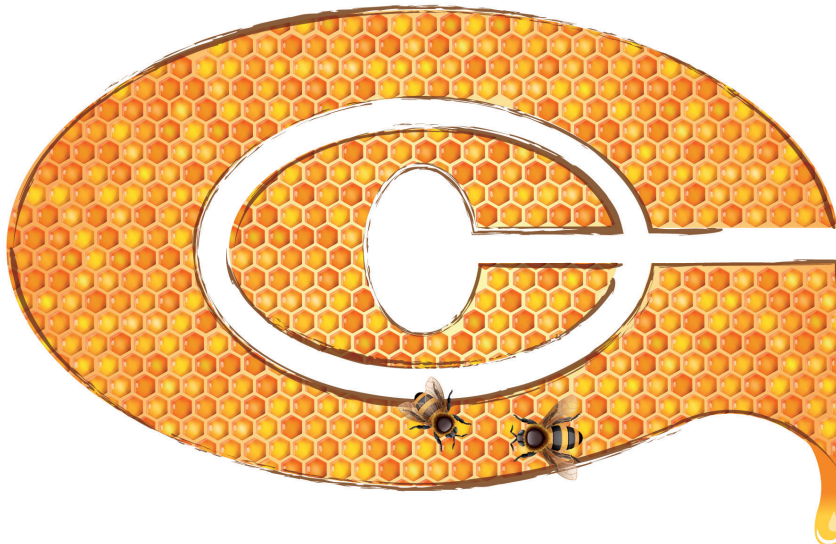
BRINGING LIFE  TO PLASTICS

SUSTAINABILITY REPORT 2019

FAMILY
OWNED



INNOVATIVE



SUSTAINABLE



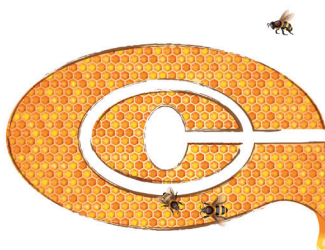


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STEPHANIE SOMMER



Dear reader!

I am very pleased and proud to present you with the first sustainability report of the Gabriel-Chemie Group. I will start with a short look back.

The company was founded in 1950 by my grandfather Josef Houska aged 25 and was involved in the export of glass.

At the end of the sixties, a team of technicians and chemists acquired the first large production machine.

This was the start of the production of pigment chips and masterbatches. Since 1996, the second generation of the owner family has been responsible for the business of the Gabriel-Chemie Group. In this way, with vision, the company became one of the most innovative masterbatch producers in Europe.

Especially in times when the plastics industry is facing significant changes and new challenges, we want to give a clear sign with this first sustainability report. We acknowledge the need for future-oriented action and embrace our social, environmental and economic responsibility.

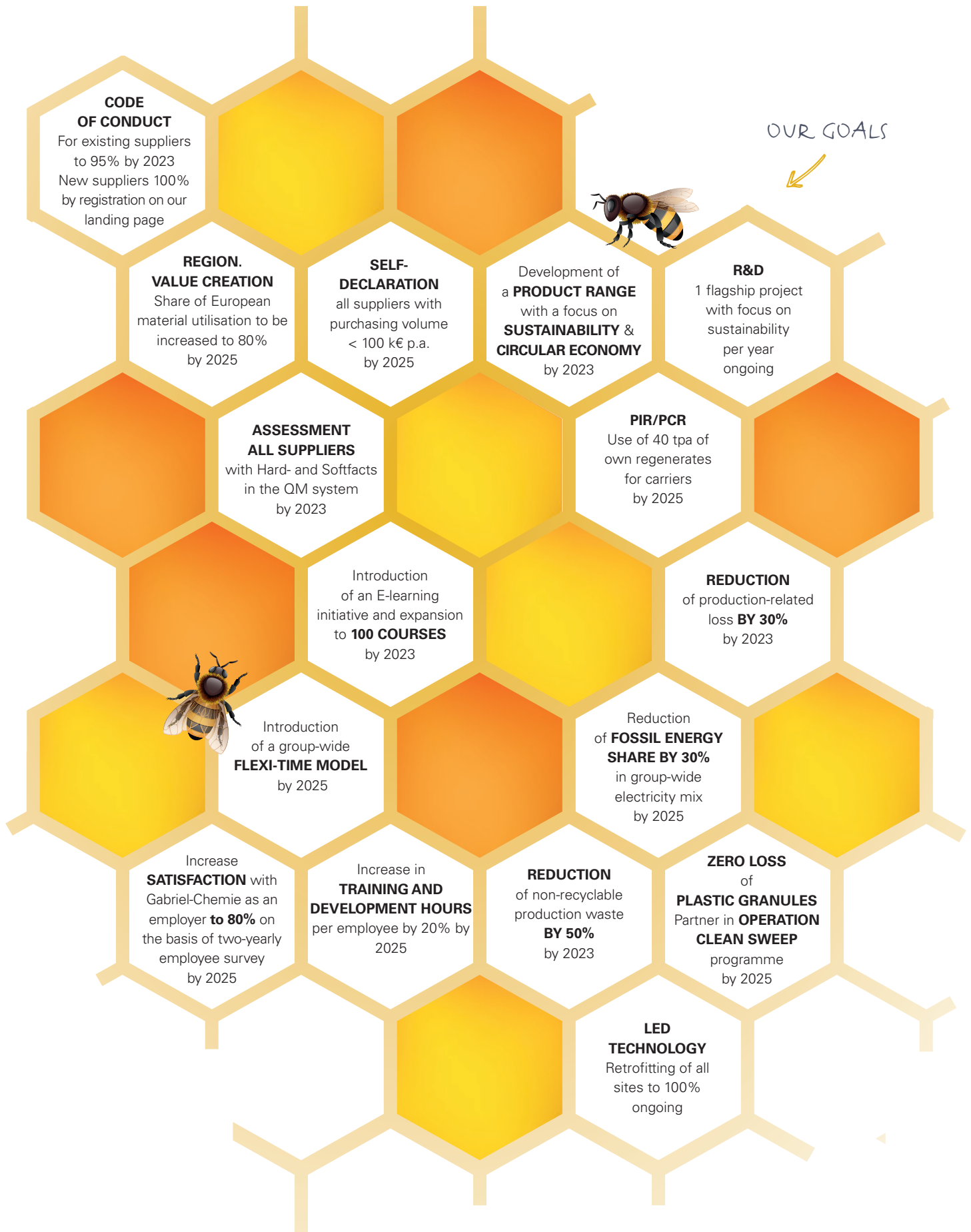
Besides economic success, transparent and constructive interaction with all the stakeholders and environmentally-friendly production, we will focus on a modified image of plastic, its value added production and its responsible use. Recycled materials, the circular economy and Smart Plastics are not soundbites, but instead projects whose development we take on together with our suppliers and customers.

As part of the third generation of owners, I see it as my responsibility to design a sustainable future for the Gabriel-Chemie Group which will ensure the positive development of our company and lead us into a changed world.

Stephanie Sommer

Chief Strategy & Sustainability Officer





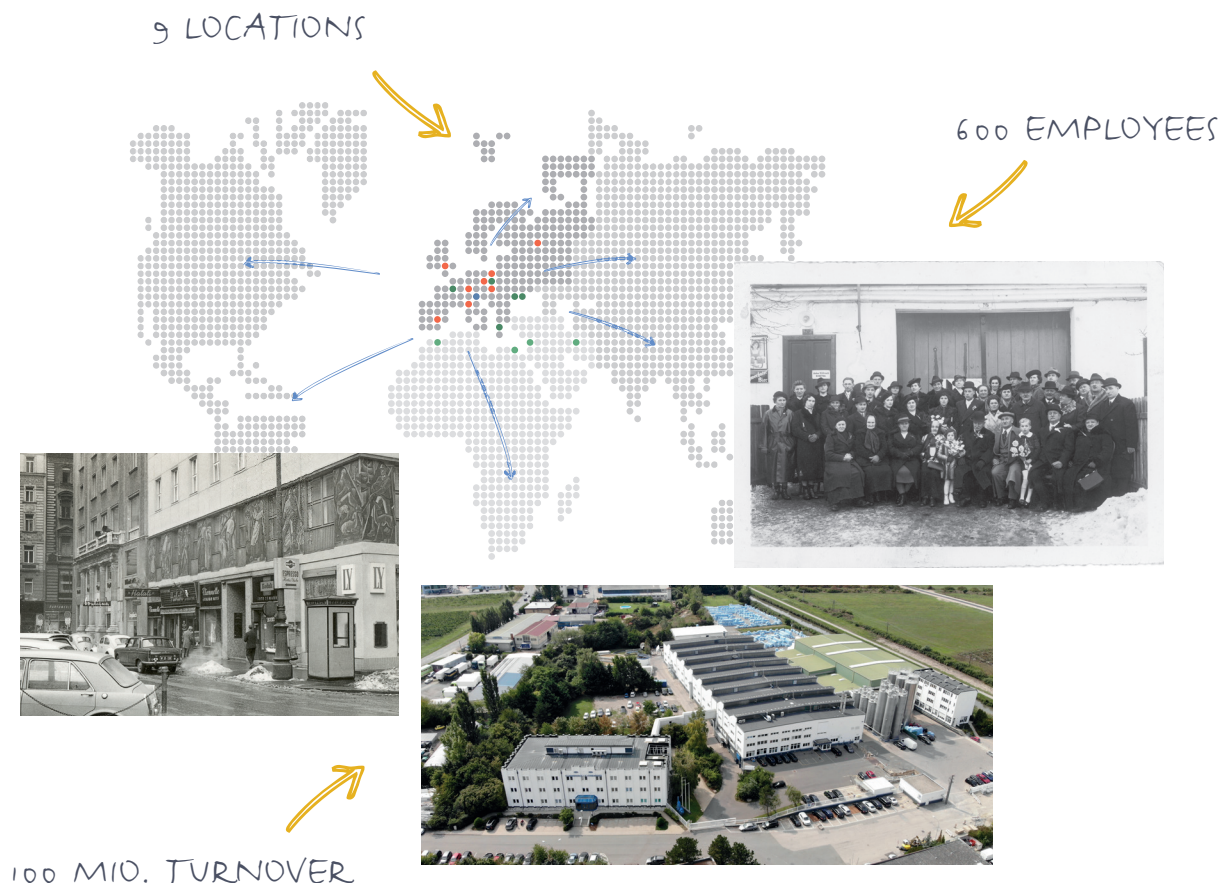


RESPECT FOR NATURE

At Gabriel-Chemie we respect nature and – in addition to a responsible use of plastic – also take care of our environment.

We promote the biodiversity of our surroundings by finding a suitable place for 10 beehives on the company premises. Our “flying” employees do not only pollinate numerous crops, but also produce honey for us.

We have already emphasised how important bees are for our survival on planet earth, by creating the colour “Honeybee Yellow” in our Color Vision N° 18.



GABRIEL-CHEMIE AT A GLANCE

Family company in second generation

70 years after the company was founded by Josef Houska, we are a family company which is managed in a third generation. Our group produces an annual turnover of around 100 million € (financial year 2019) and has approximately 600 employees, with a network of subsidiaries in Germany, Great Britain, Hungary, the Czech Republic, Poland, Spain, Italy and Russia, extending the area of activity far beyond Europe's borders.

Globally active

Our structure and our global network allow Gabriel-Chemie to be active in all the markets in the world. Our customers are located on the American continent as well as in Africa, the Middle East and the Asia-Pacific region. We support our customers with European quality and international know-how across the whole world.

Plastic becomes a valuable material

Besides the colouring of plastics, we are known for our expertise in the field of functional additives. Additives give plastics certain properties, such as, for example, increasing the service life of articles, longer shelf life of food for avoiding food waste, but also for safety for humans (UV stability, flame retardant etc.). Our special focus in the recent past is also on additives for increasing the recyclability of plastics.



THIS IS IMPORTANT TO US

The management of Gabriel-Chemie talks about principles, sustainable action, recipes for success and why the company is fit for the future.

HOW DO GROWTH AND SUSTAINABILITY FIT TOGETHER AT GABRIEL-CHEMIE? WHAT IS YOUR COMPANY DOING TO BE FIT FOR THE FUTURE?

CSO STEFANIE SOMMER: Plastic is a very sustainable material. Society should not condemn plastic under the motto “evil plastic,” but rather rethink how it handles resources in a responsible way. This applies not only to plastic, but also any type of packaging material which is produced using resources and energy.

We are working very intensively with sustainable plastic solutions and developing products which increase the recyclability of plastic, protect the content, but also products which increase the service life of the final product. In addition, we are working on industrial- and home-compostable products. We see a high demand from industry for such solutions. Of course, any new development must find its right to be high-tech, sustainable and innovative, and taking all these parameters into account enables us to continue to grow.

We ourselves contribute to our own circular economy because we have recently been able to produce a food-resistant carrier polymer from our own regenerate (PIR). This is how we offer our customers added value by means of high-quality, technically mature products for the circular economy.

Besides the product side, we focus on sustainable solutions for an efficient use of raw materials and the consumption of clean energy. Among other things, this is a question of measures which we have defined within the framework of our sustainability strategy which reduce costs for us as a company and at the same time protect the environment. One example of this is reduction in the use of fossil energy by 30% in the group-wide electricity mix or also the targeted reduction in production-related losses.

FOR GABRIEL-CHEMIE AS A COMPANY IN THE PLASTICS INDUSTRY, SUSTAINABILITY IS AN IMPORTANT ASPECT. IS THIS ALSO APPLICABLE FOR THE ENVIRONMENTAL AND SOCIAL STANDARDS IN THE PRODUCTION CHAIN AND IN THE COMPANY ITSELF?

CCO ERICH GUTTMANN:

The principles of our behavioural guideline and the Group supplier directives ensure that suppliers work together with Gabriel-Chemie in the pursuit of the highest standards in terms of the company ethics and social and environmental responsibility. The centralised purchasing also guarantees the security of supply and our competitive advantage.

Where possible, we focus on European providers in order to keep the transport paths short and increase regional added value. But our non-European suppliers are also firm partners with whom we have been working for many years and their attitudes and working conditions are in line with our corporate governance.

THE IMAGE OF PLASTIC IS CURRENTLY SUFFERING FROM PUBLIC DEBATE. WHAT ARE YOU DOING IN ORDER TO MOTIVATE YOUNG PEOPLE TO WORK IN THIS INDUSTRY AND RETAIN EXISTING EMPLOYEES?

CFO ANDREAS BERGER: We are trying to create a new awareness of plastic. Plastic has numerous positive properties which cannot be replaced by any other material in the same form. Not the plastic itself is bad but how humanity handles it. I therefore welcome many of the numerous objectives set in the EU to reduce the increasing rise in plastic waste,

promote the circular economy and increase the recycling rates. We are in close contact with technical teaching institutes and universities for obtaining new employees, offer contemporary teaching models in the company and motivate young people to positively change the world. We see our employees as the heart of our company, essential for our

success, which is why we want to be among the most attractive employers in each region. Besides numerous social benefits such as free sports facilities, company health promotion, we offer further training within the framework of our GC Academy and a high-potential program under the name "Pilots of Tomorrow".

COMPANIES WHICH HAVE HIGH PRODUCTION VOLUMES HAVE A HIGH ENERGY REQUIREMENT. WHAT ARE YOU DOING IN ORDER TO OPERATE AS ENERGY-EFFICIENTLY AS POSSIBLE HERE?

CTO HELMUT KÖNIG: We have established an energy management system which helps us to identify and use these savings potentials. We actually have great potential in the energy area because in our production plants a lot of energy is required for the operation of the machines and for cooling or heating. After our plant in Germany, we will also utilise photovoltaics in Austria in order to generate part of our energy ourselves.

**YOU CAN'T MAKE AN OMELETTE WITHOUT BREAKING EGGS.
HOW DO YOU DISPOSE OF YOUR PRODUCTION WASTE?**

CTO HELMUT KÖNIG: This is not only waste, but also high-quality material which can be reused. We have introduced a system which enables us via a partner to be able to use up to 40 tons of PE a year as a PIR carrier polymer (Explanation: Post Industrial Regenerate). The same applies for packaging which we collect and feed into the product cycle.

All other materials are separated and disposed of in a proper manner. Fundamentally, we try to ensure that no waste is produced in the first place - avoidance instead of disposal is the motto.

GABRIEL-CHEMIE PRESENTS ITS FIRST SUSTAINABILITY REPORT. WHAT IMPORTANCE DOES THE TOPIC "SUSTAINABILITY" HAVE FOR THE OWNERS OF GABRIEL-CHEMIE?

CEO ELISABETH SOMMER: My father founded the company in 1950 away from zero. From him I learned how actions and decisions are taken in a sustainable way in order to achieve success in the long term. This is how we were able to survive times of crisis such as the financial crisis in 2008. Besides economic success, environmental and social factors have gained increasing importance over the course of time.

Sustainability has developed into a fundamental principle of entrepreneurial action. I am delighted and proud that the third generation of the owner family is now in the starting blocks and will lead the company into a changed future in which sustainability overarches all actions.

I myself have been a grandmother for some time and want to leave my grandchildren an intact world. Especially as an entrepreneur, we have a great responsibility to future generations, which we must live up to. But we also have the tools and means to make the world a bit better again.



OUR AREAS OF ACTIVITY

Our products are used in all areas of the plastics-processing industry. Practically every person uses an object which was produced with our masterbatch daily - directly or indirectly. Whether thermal insulation for houses equipped with flame-retardant properties, intelligent packaging film which protects and makes foods last longer, or the food-safe PET bottle.

Because of the dominance of plastic in today's society, we have a great responsibility as a company that not only do the products produced with our masterbatch comply with all the health and/or technical requirements, but that they can re-enter the product cycle again for re-use.

HOME & LIFESTYLE



CONSTRUCTION & AGRICULTURE



MEDICAL



FOOD PACKAGING



COSMETICS PACKAGING



INDUSTRIAL & CONSUMER GOODS



AREAS OF ACTIVITY



OUR SUSTAINABLE ACTION

Sustainability principles and values



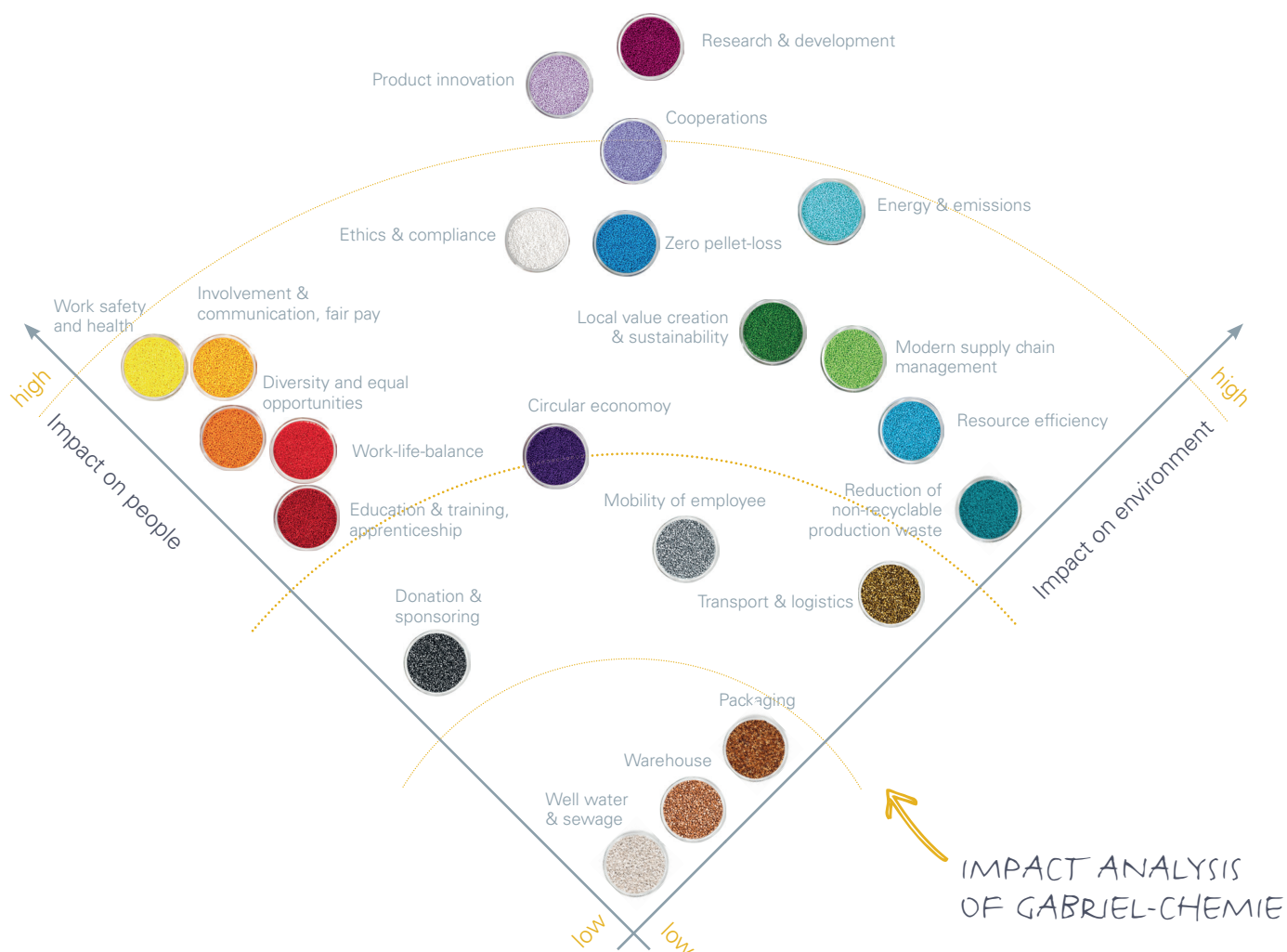
CURIOSITY, OPENNESS AND VISION GUIDE US

As a family company, we attach great importance to a healthy balance between economic and environmental issues. Sustainability at all levels is therefore at the centre of our action and extends across our entire value chain. Our sustainability strategy, which our sustainability report is based on, as well as our code of conduct, serve as a guide in our daily work.

Team spirit, trust and open exchange are fundamental values which we live daily as a company. We are an innovative, learning organisation and embrace changes positively. Every member of our Gabriel-Chemie family is invited to make his or her personal contribution to positively shape our company and the interaction within it.

We always prefer personal contact and engage with all levels of the hierarchy at eye level. We communicate honestly, respectfully and transparently, value appreciation and promote teamwork across all areas and locations. As a company and employer, we bear the responsibility for our employees and their jobs, so that healthy growth is established on the market in the long-term and independently.

Our absolute focus is on generating added value for our customers. The development of our relationships with customers and branded product manufacturers will therefore be crucial for our future business development. We are establishing ourselves as a creative partner for branded product manufacturers, while at the same time providing the best care for our existing customer relationships. Our main focus is on fair and sustainable business models which are profitable for both business partners. Our organization has been adapted to the future challenges.



THE ESSENTIAL SUSTAINABILITY TOPICS – HOLISTIC VIEW

In order to focus on the most important sustainability aspects, Gabriel-Chemie looked at its entire value chain in a first step and identified all relevant topics regarding sustainability.

As the diagram shows, the procurement of raw materials, transport and research and development have all been included. We have paid special attention to production. Here, not only are the environmental topics included, but also all the staff topics, such as, for example, health and safety or training and development. At the end of the value-added chain, both the use phase and recovery and recycling were in focus.

In a second step, the environmental and social impacts of the identified sustainability topics were evaluated by the specialist departments. "With which of these subjects does Gabriel-Chemie have the greatest impact on the environment and society?" The results from this have been adapted, clustered and prioritised within further technical discussions.

Based on the GRI standards, this report presents and describes the priority aspects which are identified and classified as "very important sustainability topics".



GABRIEL-CHEMIE SUPPORTS THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Agenda 2030 adopted a total of 17 goals for sustainable development in the United Nations General Assembly in 2015 – the so-called Sustainable Development Goals (SDGs).

Gabriel-Chemie recognizes the UN-Global Compact and the SDGs

<https://sustainabledevelopment.un.org>



OUR STRATEGIC FIELDS OF ACTION

Building on our essential topics we defined strategic fields of action in which we set targeted measures to achieve the sustainable development of our company.



BEYOND GRANULES – WE MAKE PLASTIC VALUABLE

We make plastic valuable. By means of our competence, experience, creativity and innovation we build a sustainable product portfolio which promotes the circular economy. For us this means increasing the durability of plastics, improved recyclability and sustainable end products.

THE MOST IMPORTANT SUSTAINABILITY TOPICS WE HAVE IDENTIFIED IN THE PRODUCT AREA:

- _ Research & Development
- _ Product innovations
- _ Focus on circular economy
- _ Co-operations

WHAT WE PARTICULARLY PAY ATTENTION TO:

As an independent, owner-managed company, we enjoy the luxury of being able to take alternative paths. Through constant innovation, willingness to learn and an excellent network we have built up extensive experience that we can pass on to our customers in the form of high-quality products. We were even pioneers in the market for numerous innovations. Our customers appreciate responding to individual requirements as well as our wide portfolio of standard solutions.

REDUCTION
of production-related
loss **BY 30%**
by 2023

RESEARCH & DEVELOPMENT

We have created a standardised process for research & development. Each employee of the group is invited to submit proposals for new product developments, new materials and new technologies to the R&D department. This is done in the context of an innovation panel – consisting of representatives of R&D, product management and marketing – an examination of technical feasibility, market studies required for this and the definition of the time and financial parameters. Through this process complex tasks can be performed sustainably by targeted project management.

PRODUCT INNOVATION

Our customers appreciate us as an innovative partner. So for example we have been one of the first companies dealing with the topic of halogen-free flame retardant systems. The problem of detectability of black plastics was intensively discussed in 2019 together with sorting system manufacturers. The result of our developments is a soot-free additive called NIR Black which can be recognised by sorting installations and thus recycled.

Our latest development enables us to generate information in plastics in such a way that material definitions but also recognition of all individual parts are ensured. This combination is a benefit in all stages of a product cycle – whether in the production, quality assurance, supply chain or the circular economy of raw materials at the end of a product life. This new product series is called “Taggant Technology Series” (TagTec) and is offered in addition to predefined application modules also as a customer-specific tailored solution for the particular application purpose and offers a variety of different application options through to use in sorting installations.

FOCUS ON CIRCULAR ECONOMY

In an industrial company of our size, large amounts of residual plastics are naturally produced from production and the laboratory. Since this is a valuable material we want this Post Industrial Recyclate (PIR) to flow into our products to the maximum possible extent. We have set ourselves the goal by 2025 to use 40 tons of our own regenerate – for example from laboratory films – as a carrier polymer. In addition, by 2022 we will provide a product range which is made up of additives to increase the recyclability of polyolefins. In addition to existing products such as antioxidants and thermostabilisers, optical brighteners and anti-yellowing agents we are developing an odour-removal masterbatch that improves the viscosity of masterbatch and polymer regenerators. During the year covered by the report we have brought a masterbatch to the market, which makes black-coloured plastic sortable as well as a high-tech masterbatch called TagTec for polymer and ID detection by means of sensor technology. We see these measures as an important contribution to the circular economy. In addition, we are working with our customers to develop solutions to extend the life of plastics.

CO-OPERATIONS

We are well networked in the plastics industry and are engaging intensively in plastics technology teaching establishments as well as universities and technical colleges, where we are performing development projects in partnership. We cooperate both with manufacturers of recycling installations and with recycling plants in order to test the suitability of our products. In addition, we see cooperation with developers of biobased polymers – as a sustainable alternative to petrochemical plastics – as a future focus.

Development of a **PRODUCT RANGE** with a focus on **SUSTAINABILITY & CIRCULAR ECONOMY** by 2023

PIR/PCR

Use of 40 tpa of own regenerates for carriers by 2025

R&D

1 flagship project with focus on sustainability per year ongoing





EFFICIENT HANDLING OF RESOURCES

Resource efficiency is at the centre of our action and extends to the entire value-added chain. We take responsibility for the environment, we are taking and promoting measures to reduce our environmental footprint.

THE MOST IMPORTANT SUSTAINABILITY TOPICS WE HAVE IDENTIFIED IN THE ENVIRONMENTAL AND RESOURCE AREAS:

- _ Energy and emissions
- _ Reduction of non-recyclable production waste
- _ Zero loss of plastic granules
- _ Resource efficiency: Reduction of production-related waste

WHAT WE PARTICULARLY PAY ATTENTION TO

Careful use of resources and continuous reduction of environmental impacts are essential approaches in our business activity and integrated in our processes. Through continuous optimisation of our production and raising awareness among the employees we continuously improve our environmental performance and responsible handling of the resources used.

In all our plants, quality management systems (QMS) are established and in almost all plants they are certified to ISO 9001 (Austria, Germany, Great Britain, Hungary, Czech Republic, Italy and Spain).

Environmentally-relevant aspects are also integrated in our existing quality management systems (QMS). Where appropriate, certification has been performed on some production sites according to ISO 14001 (Austria, Germany, Great Britain, Czech Republic).

In our Austrian Headquarters, the certificate according to EN ISO 13485 for medical products and the certificate according to EN ISO 22000 for food safety was additionally introduced

ENERGY AND EMISSIONS

In production we continuously analyse our savings potentials and set appropriate initiatives throughout the company, such as modernisation of our machine park to provide efficient and energy-saving installations. Employee training is helping us to recognise and benefit from savings potential.

Following our German location, the construction of a photovoltaic system is planned for 2020 in the Austrian Headquarters, which can save 1,000 MWh of power per year. Among other things, this is how we want to reduce the proportion of fossil energy in the electricity mix by 30 percent by 2025 across the group. The future implementation of photovoltaics at other sites is being checked in the context of an internal feasibility study. In addition, lighting systems on all sites are being switched successively to energy-saving LED technology across the range.

REDUCTION OF NON-RECYCLABLE PRODUCTION WASTE

We have set ourselves the objective to reduce plastic waste, which is not recyclable in future or is recyclable with a disproportionately high expenditure – as are produced, for example, by changing polymers on a production machine or by cleaning measures – through careful production planning – by 50 percent.

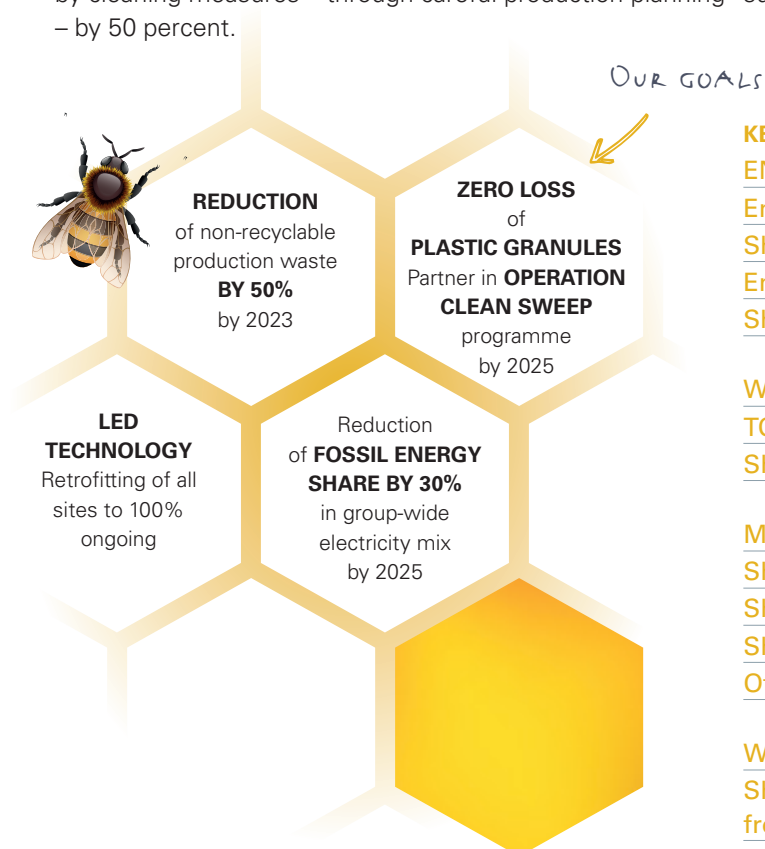
ZERO LOSS OF PLASTIC GRANULES

In the Gabriel-Chemie Group about 10,000 tons of crude polymer are processed per year. Each unintentional release of plastic into the environment contributes to contamination of watercourses. To avoid any loss of plastic granules, we train and sensitise our employees to the correct handling in every step of the production and delivery chain. We are partners in Operation Clean Sweep, an international program to avoid granule losses and regularly undergo their audits.

RESOURCE EFFICIENCY: REDUCTION OF PRODUCTION-RELATED WASTE

As in almost every production process, the production of masterbatch also generates production-related waste and quantities of scrap. Keeping this as low as possible benefits our customers and the environment. We have set ourselves the goal to reduce the group-wide waste by 1 percent on average.

We want to achieve this by increasing use of Siloware and an improved or automated weighing of raw materials. The sensitisation of employees in terms of clean and exact handling of the raw materials is continuously managed. The counter-value of the avoided waste flows completely into sustainable measures.



KEY METRICS IN THE ENVIRONMENTAL AREA 2019

ENERGY		
Energy Consumption	21,797	mWh
Share of renewable energy	17.00	%
Energy Consumption per sqm	49.46	kWh
Share of electrical energy	51.00	%

WATER

TOTAL Water consumption	86,991.30	m3
Share of well water	52.00	%

MATERIALS

Share of polymers	49.07	%
Share of colorants	22.24	%
Share of additives	11.88	%
Others	16.81	%

WASTE

Share of recyclable materials from production process	31.66	%
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RELIABLE PARTNERS

Our recipe for success: Material use in the highest quality, specialist competence in the development and production process, innovation spirit to keep pace with the times and unique products which delight our customers. To ensure the best quality standards for our customers we use high-performance, innovative and absolutely reliable suppliers. In the sense of sustainable procurement management we take into account many relevant criteria with a particular focus on environmental protection, safety and human rights.

THE MOST IMPORTANT SUSTAINABILITY TOPICS WE HAVE IDENTIFIED IN THE PROCUREMENT AREA:

- _ Modern supply chain management (SCM)
- _ incl. behaviour guidelines for suppliers
- _ Regional value creation & sustainability

WHAT WE PARTICULARLY PAY ATTENTION TO

We constantly strive to be one of the most efficient purchasing organisations in the masterbatch industry in order to support our corporate goals according to the best knowledge and conscience. With modern supply chain management we minimise the procurement risk, ensure the supply and contribute to our operating result with our value contribution in the best possible way. As a globally active company, we are aware of our social, societal and environmental responsibility and are committed to meeting this responsibility.

OUR MODERN SUPPLY CHAIN MANAGEMENT

Supply Chain Management (SCM) is more than a keyword for us. We react proactively on a strategic and tactical level to coordinate all company goods-, information and financial flows with the long-term objective of improving the performance of our entire group. We analyse and evaluate our suppliers including their upstream suppliers well beyond the normal standards. This creates the best conditions for quality, security of supply and economic success. By 2023 we will evaluate all our suppliers by means of defined Hard and Softfacts. All suppliers which are above a purchasing volume of one hundred thousand € are required to transmit an annual self-declaration in writing.

OUR BEHAVIOUR GUIDELINES FOR SUPPLIERS

We are committed to managing our business, while maintaining high ethical standards and upholding the respective national law. This relates both to our action within the company network and our joint action with our business partners. To ensure compliance with legal requirements and ethical principles throughout the supply chain, a behavioural directive for all suppliers and their sub-contractors was developed. Compliance with this directive must be ensured by all suppliers and their sub-contractors.

All new suppliers who apply online via our new landing page are obliged to confirm compliance with our behaviour guidelines. By 2025 we want to have 95% of our standard suppliers committed.

REGIONAL VALUE CREATION & SUSTAINABILITY

Our procurement policy for production materials and non-production materials is derived from our company goals. Our procurement philosophy lies in a long-term and partnership cooperation with the focus on regional producers from Europe. A fair co-existence is the basic requirement for continuous optimisation of all relevant performance aspects in our value-added chain and the basis for joint success.

We are well aware that in times of competition and dynamics, the topics of economic and entrepreneurial success on one side and regionality and sustainability on the other side are not always easy to reconcile. Nevertheless, by 2025 we set ourselves an objective to raise the material use of European materials to 80 percent.



CODE OF CONDUCT

For existing suppliers to 95% by 2023
New suppliers 100% by registration on our landing page

SELF-DECLARATION

all suppliers with purchasing volume < 100 k€ p.a. by 2025

ASSESSMENT ALL SUPPLIERS

with Hard- and Softfacts in the QM system by 2023

REGION. VALUE CREATION

Share of European material utilisation to be increased to 80% by 2025

OUR GOALS





EXPERIENCE AND COMPETENCE

The Gabriel-Chemie Group is in transition from a medium-sized family company to an international group. But one thing is clear: Our employees are the heart of our group. Through their long experience in plastic processing and continuous training & development, they have a maximum level of competence and expert knowledge. We see our employees as the most important component for our ongoing successful and sustainable growth.

THE MOST IMPORTANT SUSTAINABILITY TOPICS WE HAVE IDENTIFIED IN THE EMPLOYEE AREA:

- _ Work safety and health
- _ Work-life balance
- _ Diversity and opportunities
- _ Training and development
- _ Engagement and communication

WHAT WE PARTICULARLY PAY ATTENTION TO

Any company is only as good as its employees. We work according to this maxim at Gabriel-Chemie. Employees who feel comfortable in their workplace and enjoy their job can also make a significant contribution to the success of the company.

We demand and therefore promote continuous development of our employees in order to guarantee outstanding quality and service in the future. We see our employees as individuals and help them to achieve their best possible performance at work. As an employer we are committed to our responsibility and want to move forward as a model company, in the sense of a sustainable and social society.

The fact that we are on the right way is shown by our nomination for the Austrian HR Award 2019 in the category Recruiting & Employer Branding.

WORK SAFETY AND HEALTH

Since we have a great concern for the health and well-being of our employees, in 2018 the group-wide initiative "GC Health Year - Fit employees for a healthy future" was launched. Four focus days totally devoted to health and satisfaction based on the key pillars of healthy eating, fitness, appreciation and stress prevention. The topics of the four days and some examples and inputs for measures were set by the HR team at the headquarters level. Each individual location could select measures to design the focus days individually. The result were incredibly creative, team- and health-enhancing measures.

We continue to develop health measures throughout the group even after the Health Year. In addition to fixed actions we constantly expand our offer, such as the recently started yoga courses at the Austrian site.

As a production company there is always a risk of accidents at work. We distinguish between near misses, minor and serious accidents and document them. We focus on prevention of any type of accidents and our employees are asked to identify potential risks and provide suggested improvements.

During the period under review there were no work-related accidents involving a fatality.

WORK-LIFE BALANCE

We want to strengthen the flexibility and a healthy work-life balance of our employees and thus create the basis for a healthy and successful working life.

We already offer employees of the headquarters and sales teams the option of teleworking to promote a better balance between professional and private life. However, we see this only as a starting point and will create attractive working models with further measures.

By 2022 we aim to introduce site-wide flexi-time models for suitable positions.

DIVERSITY AND OPPORTUNITIES

Equal rights are a basic value in our organisation. This is reflected in all HR processes. As an international organisation diversity is natural, and discrimination clearly has no place. By means of a project started in 2019, there is increasing focus on a pay system which ensures fairness within the remuneration. This initiative is being expanded successively across groups.

With immediate effect we will launch at least one initiative to promote diversity every year. We are talking, for example, about measures which promote women in engineering.



TRAINING AND DEVELOPMENT

Unlimited opportunities for development and innovative work are offered to every employee. Already now, with countless measures we are a pioneer in this area.

Our in-house GC Academy, in which our employees share their valuable knowledge, has been established for many years and is the basis for our culture of learning and exchange. In addition to this extensive offering, we offer many training sessions with external partners adapted to the requirements of modern working life. In addition to classic training, we place value on (international) on-boarding events and conferences which promote exchanges between sites as well as e-learning courses. Our international development and talent programme "Pilots of Tomorrow," offers a particularly attractive offer for our young key players.

By 2025 we want to increase the number of hours of training and development measures from 10.87 hours per year by 20% to 13 hours per year and start an e-learning initiative. We are also planning to have 100 training courses available digitally by then. The aim is to offer employees at all sites flexibility and reduced travel expenses during development. Our recently launched "Innovative Working" programme is ready for the off and aims to promote innovative working of employees and thus ensure a learning, future-friendly organisation.

ENGAGEMENT AND COMMUNICATION

We want to be among the most attractive employers in the respective region. To measure this goal we conduct an anonymous employee survey every two years with external partners. This is intended to stimulate exchanges on important topics in the company and help to identify and eliminate weaknesses and further develop our strengths. Our goal is to increase employees satisfaction and thus to also secure the success of Gabriel-Chemie Group into the future.

By 2025 we want to increase satisfaction with Gabriel-Chemie as an employer from 74% (2019) to 80% by appropriate measures.



KEY METRICS IN THE EMPLOYEE AREA 2019

Total employees*	603
Men (workers)	277
Men (staff)	146
Women (workers)	29
Women (staff)	151
Employees with part-time job (if possible men/women)	37
Female members of the management board	2
Male members of the management board	3
Women in management positions	7
Men in management positions	40
Fatal accidents	0
Average sick days per employee	12.7
Training and development hours total	6,572



RESPONSIBLE MANAGEMENT

Not only do our customers place value on the top quality of our products but also on the reliability and reputation of their partner. We meet this requirement by aligning our management with internationally recognised fundamentals and principles.

As a globally active company we are aware of social, societal and environmental responsibility and are committed to this. Our code of conduct (available on www.gabriel-chemie.com) provides guidelines for ethical behaviour within our company and for all subsidiaries and representations.

COPORATE GOVERNANCE

Our business management is based on internationally recognised fundamentals and principles. The goal of our responsible corporate governance is to secure the competitiveness of our company and to increase its value sustainably. We sensitise our employees to our principles, our attitude and our internal guidelines and encourage them to take personal responsibility so that their behaviour is consistent with our principles and guidelines.

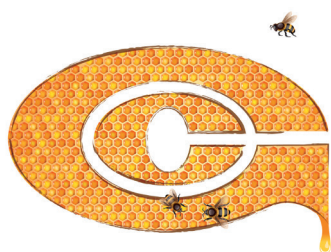
ETHICS & COMPLIANCE

We consider compliance with all relevant regulations and guidelines as self-evident. We comply with all applicable legal provisions and our self-imposed behaviour guidelines. We respect the laws and cultures of countries in which we are active. We avoid work and actions which are contrary to good moral behaviour or discriminate against minorities in the population.

During the reporting period, no violations or penalty payments have been made in relation to compliance topics in the social or economic area.

CONSIDERATION OF HUMAN RIGHTS

Giving consideration to human dignity takes a high priority in all areas. We are committed to never favour or disadvantage anyone for reasons of ethnic origin, skin colour, religion, gender, sexual orientation or other characteristics. Our position on human rights is consistent with the Charter of the United Nations and the European Convention on the protection of human rights and fundamental freedoms.



About this report

This report is the first sustainability report by our company Gabriel-Chemie GmbH and was prepared for the first time in line with GRI standards 2016 (Global Reporting Initiative, GRI).

In this report we in particular represent our activities in the environmental and social area and underpin them with figures.

The reporting period for the published information and key figures covers the financial year 2019. Measures and goals are shown both for the stated reporting period

and for the coming years. The report was checked and released by the management. The next reporting is expected to be carried out in three years.

This report contains data on the company's turnover development, research & development, employees and the environment. The report – unless explicitly stated otherwise – covers all sites of our group.

For better readability, this report dispenses with the simultaneous use of male and female language forms. All person designations thus apply equally to all sexes.

Imprint

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