

ARNO Sustainability Report 2020

ARNO GmbH

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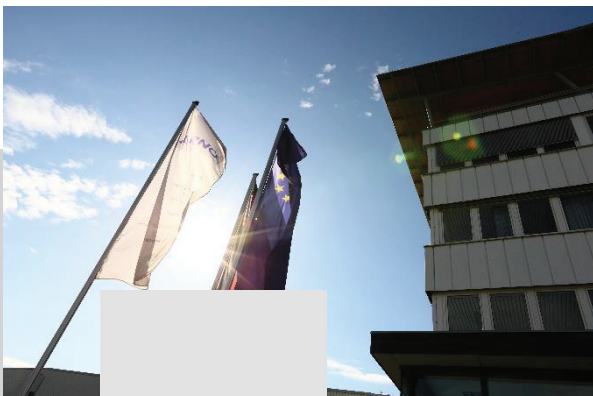
GRI SRS

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Introduction

Dear stakeholders,

ARNO has been working with natural materials for more than 85 years. Protecting the environment and passing it on to future generations in a condition worth living in is an important concern for us - as a 3rd generation family business. Respect for people and social justice shape our personal and economic actions.

It is our deep conviction that we support the 17 Sustainable Development Goals of the United Nations as well as the 10 principles of the United Nations Global Compact in the areas of human rights, labour, environment and anti-corruption.

In our Sustainability Report, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communications.



Alien Wolter

Managing Partner
ARNO Group

Liebe Stakeholder,

ARNO arbeitet seit mehr als 85 Jahren mit naturverbundenen Materialien. Die Umwelt zu schützen, sie in einem lebenswerten Zustand an nachfolgende Generationen weiterzugeben, ist uns - als Familienunternehmen in der 3. Generation - ein wichtiges Anliegen. Respekt vor den Menschen und soziale Gerechtigkeit prägen unser persönliches und wirtschaftliches Handeln.

Aus tiefer Überzeugung unterstützen wir die 17 Sustainable Development Goals der Vereinten Nationen sowie die 10 Prinzipien des United Nations Global Compact in den Bereichen Menschenrechte, Arbeit, Umwelt und Korruptionsbekämpfung.

In unserem ARNO Nachhaltigkeitsbericht beschreiben wir unsere Maßnahmen zur kontinuierlichen Verbesserung der Integration des Global Compact und seiner Prinzipien in unsere Geschäftsstrategie, unsere Kultur und unser Tagesgeschäft. Wir verpflichten uns außerdem, diese Informationen über unsere wichtigsten Kommunikationskanäle mit unseren Stakeholdern zu teilen.

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General

General Information

Describe your business model (including type of company, products / services)

[ARNO](#) stages brands at the point of sale worldwide.

We are one of the leading companies in Europe for the three-dimensional design of brands at the point of sale. Family-owned and family-run by the third generation, we have built up extensive industry and functional expertise over the past 85 years, which enables us to work successfully with companies from all sectors internationally. For us, there are no standard concepts. We develop bespoke solutions based on close partnerships with our customers, suppliers and service providers.

As a medium-sized company, we are a full-service provider, offering everything from [design](#) to [installation](#), from [displays](#) and [shop-in-shop](#) solutions to complete [interactive solutions](#) from a single source. In addition to economic goals, ecological and social aspects are natural components of product development. We combine the ideas of our customers with our own ideas and visions, always keeping in mind to generate added value for our customers and their customers with visually convincing, sustainable and economically sensible display solutions. We focus on creating a remarkable brand identity and creating unique worlds of experience that are convincing within the retail environment. Successful brand and retail companies around the world rely on our know-how to successfully position their brand at the point of sale.



ARNO Digital specialises in the installation and seamless integration of digital elements into shop concepts. Through the specific use of direct and indirect technologies, we ensure that design and technology go hand in hand and add value for consumers. Digital elements include monitors such as Stretched Screens, Mirror Screens and Touch Screens as well as technologies such as Scan and Control, Air Button, Air Swipe, haptic sensor technology and many more. Our ARNO Lift and Learn technology offers the possibility to present products interactively, to compare them with each other and to create a very special shopping experience for consumers. The products, which are equipped with sensors, can not only trigger the coloured LEDs of the presentation platform when they are lifted, but also a screen which then displays product-specific content. In addition to the haptic experience, customers receive additional digital information and product comparisons that reinforce their brand awareness and the purchase decision.

Since 2021, we have also specialised in the production of furniture for working from [home surroundings](#). The furniture we develop are produced at our headquarters in Wolfschlugen, meet ergonomic requirements and are only recognisable as workstations when the furniture is opened. After the furniture has been closed, there is no longer any sign of a workplace. This allows a clear separation between working and living. Our "Woody" home office unit is completely sustainable, made of FSC-certified wood and water-based lacquers. All in all, we have created the optimal solution for employers and employees who value a positive, pleasant working environment and health.

In 2020, the ARNO Group was represented in 6 European countries. The total turnover in 2020 was EUR 26,8 million. At its main location in Germany, ARNO GmbH generated EUR 21,1 million.

Decisive for the success of our company are our approx. 200 employees, who dedicate themselves to their tasks with commitment and flexibility. Through their sustainable, proactive thinking and actions, they generate the optimum for our clients and our company every day, without losing sight of the environment and their social responsibility.

Additional remarks:

This sustainability report is intended to make our actions transparent. It is aimed at customers, employees, suppliers, authorities, politicians and all other target groups who are interested in our activities and at the same time want to be informed about our values, guidelines, principles and our actions.

In addition, the ARNO Sustainability Report represents our Communication on Progress to the United Nations Global Compact, which we joined in 2020.

CRITERIA 1–10: SUSTAINABILITY POLICY

Criteria 1–4 concerning STRATEGY

1. Strategic Analysis and Action

The company declares whether or not it pursues a sustainability strategy. It explains what concrete measures it is undertaking to operate in compliance with key recognised sector-specific, national and international standards.

Values such as quality, sustainability and social and economic responsibility, as well as respect and regard for people, are firmly rooted in the ARNO Group.

As a company with subsidiaries in the UK, China, Turkey and Russia, as well as a Strategic Alliance in the USA, we are committed both to compliance with the SA 8000 social standard, which was developed by the US non-governmental organisation Social Accountability International (SAI) on the basis of the International Convention on Human Rights and the recommendations of the International Labour Organization (ILO), and to the 10 principles of the United Nations Global Compact (UNGC). As the parent company, we have integrated the contents of these standards into our international corporate strategy across all companies and anchored them in our [ARNO Code of Conduct](#) across all subsidiaries.

Our [ARNO Materiality](#) was drawn up together with the management, controlling and environmental and quality management (cf. 2. Materiality). Our aim was to identify aspects, criteria and characteristics of our business activities that have an influence on our sustainability strategy and to examine whether and to what extent we can directly influence and control them. Based on the ARNO materiality matrix, we derived 4 essential fields of action and defined sub-goals for each field of action. These fields of action are named in the [strategic development goals](#) (see 2. Materiality and 3. Objectives).

It is our concern to make the best possible contribution to preserving an environment worth living in. We want to harmonise technology, progress and the right of future generations to an intact environment. Only through sustainable supply chain management, which combines ecology, economy and social issues, can we achieve a harmonious coexistence between man and nature.

ARNO is a member of the United Nations Global Compact and has been certified according to the internationally recognised quality management standard DIN EN ISO 9001 and the environmental management standard DIN EN ISO 14001 since 2008. Hence we monitor and apply the legal and environmental regulations (laws, legal ordinances, administrative regulations) that apply to our business activities (cf. 20 Conduct that Complies with the Law and Policy). We are committed to the international [Sustainable Development Goals](#), the 17 goals for sustainable development adopted by the member states of the United Nations in Agenda 2030. Our corporate mission statement is characterised by an environmental policy that is sustainable, equitable and in harmony with socio-economic requirements. Based on this mission statement, we have launched a large number of sustainability projects in recent years and made an essential contribution to environmental protection. We will present our fields of action (cf. 2 Materiality), activities and measures (cf. 3 Objectives, Realised Sustainability Projects and Operational Sustainability Goals) in the following criteria as part of our sustainability reporting.

One of our current sustainability measures is the support of "Aktion Baum", a non-profit organisation that plants trees throughout Germany. It currently costs 3 to 5 euros to produce one tree in Germany. "[Aktion Baum](#)" works together with scientists and tree experts to reduce the costs and plant more trees. Since the entire value chain, from obtaining the seed to sowing, planting and care, is in the hands of the non-profit organisation, the expenses can be reduced. With our financial support, "Aktion Baum" will plant 500 trees per year, creating habitat for numerous plants and animal species.

Every year we set new sustainability targets. Our sustainability key figures are continuously monitored and analysed by Controlling and Quality and Environmental Management, and our sustainability performance is evaluated. Targeted projects and investment measures designed on this basis lead to sustainable improvement. We regularly receive positive feedback on our quality management and environmental management performance in audits. In 2021, we successfully passed our ISO 9001:2015 and ISO 14001:2015 surveillance audits with 0 major non-conformities and 0 minor non-conformities. In the future, we will continue to actively work on improvements to conserve resources and reduce environmental impacts.

In addition to our quality and environmental management system, our employees have access to a digital occupational safety concept for maintaining and safeguarding occupational health and safety, which is closely oriented to DIN EN ISO 45001. In the Safety and Environment Committee (SCC), which consists of members of the management, department heads, quality and environmental officers, safety specialists and safety officers, measures for the continuous improvement of occupational safety and health protection are defined, their implementation is supervised and the results are transferred to

the occupational safety concept.

We consider it an exciting task to face up to the requirements of corporate social responsibility and to take on responsibility. In doing so, we always focus on the fact that we can only achieve lasting, sustainable, positive changes and social structures together with responsible partners. Involving them in our process of sustainable, intelligent business is both an incentive and an obligation for us.

2. Materiality

The company discloses the aspects of its business operations that have a significant impact on sustainability issues and what material impact sustainability issues have on its operations. It analyses the positive and negative effects and provides information as to how these insights are integrated into the company's processes.

As a developer and manufacturer of high-quality products and as a responsible employer, we act in a socially responsible manner and make our contribution to preserving the environment (see 2. General). We are happy to support our partners in the development of sustainable solutions. By regularly communicating with our stakeholders and analysing their sustainability expectations, we can identify key sustainability aspects and assess the relevance of these aspects. To keep our stakeholder analysis up to date, we gather information from our stakeholders twice a year from all departments, the Executive Board and Quality and Environmental Management in order to centrally record them in our list of relevant interested parties/stakeholders. Here we distinguish between internal and external stakeholders. Within the stakeholder analysis, each stakeholder's expectations, appropriate sources of information and internal responsibilities are identified. The management, controlling, quality and environmental management are involved in the subsequent evaluation of the sustainability aspects. We always keep in mind that we not only have to know the requirements, goals and values of our stakeholders, but also understand the background and interrelationships in order to be able to position ARNO successfully on the international market. On the occasion of the ISO DIN EN 9001 and ISO DIN EN 14001 recertifications, we submit our stakeholder analysis to independent auditors for review every year (see 9. Stakeholder Engagement).

We record all relevant sustainability topics in our systematised materiality analysis. This is the basis for setting performance indicators in the areas of economy, environment and society and for setting priorities in public reporting. Based on the materiality analysis, we determine our business and sustainability strategy as well as key performance indicator measurements. We

CLIMATE PROTECTION AND RESOURCE CONSERVATION

Over the past 15 years, we have built up comprehensive expertise in the areas of environmental and energy management through sustainable customer projects, the intensive examination of possible environmental goals and the determination of environmental indicators within the framework of ISO DIN EN 14001. Thanks to increasing public acceptance of environmental policy necessities and environmental economic instruments as well as sustainability projects of our stakeholders, we have been able to expand our environmental activities more and more in recent years. Following the renewal of our lighting system in 2010, we streamlined our range of hazardous materials in 2011. Since 2012, we have had a material wall in our showroom where ecological material samples are displayed. In 2013, we purchased a cardboard press, and in 2014 we installed authority models in the sanitary facilities to save electricity. In 2016, an ISO 16247-1 energy audit took place, as a result of which we installed a photovoltaic system on the roof of our logistics centre in 2017. In 2018, new servers were procured to save energy. In 2019, we participated in the development of bioplastics and conducted a waste consultation together with an external service provider. We were able to reduce our printouts and thus our paper consumption by a staggering 65% between 2010 and 2020. In addition, we have been a member of [CEOs bekennen Farbe](#), the Pro Recycled Paper initiative, since 2020. In 2021, we developed [Woody](#), our first FSC-based home office furniture (see Environment).

OCCUPATIONAL SAFETY AND HEALTH

By far the most dominant issue affecting the world, and therefore us, since 2020 has been the corona pandemic. Externally as well as internally, we have embraced the accompanying economic changes and social constraints and implemented a variety of measures described in 9. Stakeholder Engagement and GRI 102-44.

SOCIAL RESPONSIBILITY

As a family-run company operating in the global market, we consider it our moral duty to treat the environment and our employees with care and thus contribute to the well-being of society. For this reason, we have created our corporate guideline, the [ARNO Code of Conduct](#), based on corporate principles, visions, UN conventions, applicable laws and standards.

CYBER RISK MANAGEMENT

According to the Allianz Risk Barometer 2021, companies rank cyber-attacks as the third biggest business risk after business interruption and pandemic risk. Due to the acceleration of digitalisation caused by Covid-19, the threat of hacking and cyber-attacks has increasingly intensified. In addition to providing functional and reliable IT services, we see it as the most important task of IT to ensure the necessary data security and data protection. Therefore, we have taken various precautions. A strong hardware firewall and the IT service of an external provider ensure the security of our data. Our spam volume is below

0.01%. In addition, specific packages of measures were derived from the General Data Protection Regulation (GDPR) and training sessions were held with all employees. Due to further technical developments, a constantly changing, dynamic threat situation and legal requirements, we regularly adapt our concept for data security to the circumstances (see 20. Conduct that Complies with the Law and Policy). Since the process is regulated internally, we will not include the field of action in the strategic corporate goals.

3. Objectives

The company discloses what qualitative and/or quantitative as well as temporally defined sustainability goals have been set and operationalised and how their level of achievement is monitored.

The determination of the sustainability goals is based on the 3 pillar model, in which the main topics of environment - economy - social issues are implemented "equally" and "simultaneously".

ARNO 3 Pillars of sustainability

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Taking into account the stakeholder analysis (see 9. Stakeholder Engagement), the materiality analysis (see 2. Materiality) and the 3 pillar model, we prioritise core topics that are to be strategically developed further. These are processed in the strategic sustainability goals and individual goals are defined.

Our 4 key strategic sustainability goals are presented below. We have already dealt with these in 2. Materiality (fields of action):



PRODUCTS (Customer Relationship Management/Customer Satisfaction)

We want to offer our customers resource- and energy-efficient solutions. A first step is the development of recyclable products, if possible in modular design, in order to be able to return components and individual parts to the material cycle after use. At the same time, we will sustainably change our supply portfolio by gradually replacing classic purchased parts with bio-based components. Ensuring reliable product safety to protect consumers is a logical part of our quality policy.

CLIMATE PROTECTION AND RESOURCE CONSERVATION

In 2021, the EU adopted the "Fit for 55" legislative package, with which the EU Commission aims to achieve a reduction in greenhouse gas emissions of at least 55 per cent by 2030. We have been operating a photovoltaic system since 2017. If the solar energy was not sufficient to cover our electricity needs, we added conventional electricity until July 2021. To support the EU decisions, we will change our electricity tariff. From 1st August 2021, we will only feed in green electricity from 100% renewable energy sources (see 13. Climate-Relevant Emissions). Through further measures, which we will present below, we will lead ARNO into a safe, sustainable and economically successful future

OCCUPATIONAL HEALTH AND SAFETY

During the pandemic, occupational health and safety had the additional task of preventing infections and thus avoiding serious illnesses. Additional occupational safety measures had to be developed and implemented. The protection of our employees, their families and our partners is our top priority. As a result, we have implemented various packages of measures, including testing, mask distribution, health declarations, safety instructions and working from home options (see GRI 102-44). In the future, we will continue to meet the requirements to ensure the protection of all persons. Particular importance is attached to our Safety and Environment Committee (SCC), which is closely aligned with ISO 45001 and defines health protection measures (see performance indicator GRI SRS-403-4).

SOCIAL RESPONSIBILITY
















Our mission statement is characterised by a cooperative management style, work-life balance, fair working conditions, diversity, equal opportunities and the creation of training opportunities for all employees. As an internationally active company, social, ecological and economic factors determine our strategic decisions. For this reason, we support the [10 principles of the United Nations Global Compact](#) and the [17 Sustainable Development Goals](#) with conviction.

The Executive Board is responsible for the implementation of the strategic sustainability strategy and the annual definition of the strategic sustainability goals (see 5. Responsibility). The monitoring and evaluation of the strategic sustainability goals is carried out by the controlling, quality and environmental management (see 7. Control).

We have summarised our Corporate Social Responsibility results achieved so far in the table of realised sustainability projects. Each goal or project is categorised by topic and assigned to a Sustainable Development Goal.

Realised Sustainability Projects

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Realised Sustainability projects	SDGs	Action	100%	Status	GRI
Targets					
1 Climate protection and resource conservation Resource-saving IT infrastructure	13 	Reduction of the application server Procurement of new servers that conserve resources	✓	Implemented	302
2 Climate protection and resource conservation Photovoltaic system	7 	Operation of a photovoltaic system on our logistics center for the use of renewable energy sources Installation of 1532 solar modules with a total output of 413.64 kWp	✓	Implemented	302
3 Climate protection and resource conservation Conversion of the industrial truck fleet to electric drive	13 	Replacement of all gas-powered industrial trucks with electric-powered industrial trucks Reduction of CO ₂ Emissions	✓	Implemented	302
4 Climate protection and resource conservation Monthly monitoring of the operating hours of the industrial trucks (FFZ), fleet size	13 	Reduction of the industrial truck fleet by 4 industrial trucks to reduce CO ₂ emissions	✓	Implemented	302,305
5 Climate protection and resource conservation Reduction Continuous reduction of the pressure	13 	Compared to 2010, 85% fewer prints were made Saving of toner and paper Reduction of CO ₂ emissions and petroleum-based toner colors	✓	Implemented	301
6 Climate protection and resource conservation Authority models in the sanitary rooms Reduction of CO ₂ Emissions and heating costs	13 	Replacement of the thermostats with so-called authority models, which prevents regulation of the heating temperature.	✓	Implemented	302
7 Climate protection and resource conservation Replacement of the adhesive connections by ultrasonic welding devices and click	13 	Replacement of conventional adhesive technology by ultrasonic welding equipment Reduction of the range of hazardous substances (adhesives)	✓	Implemented	301
8 Work and Health protection Reduction of the range of hazardous substances	13 	Approval process in several stages, which is intended to prevent the purchase of new hazardous substances.	✓	Implemented	301
9 Climate protection and resource conservation Prevention of compressed air leaks	13 	Regular leak detection and control of the compressed air lines and shut-off cocks with regard to compressed air consumption	✓	Implemented	302
10 Climate protection and resource conservation Energy savings with a new compressor	13 	Replacement of the old compressor. The new system requires 1/3 less electricity	✓	Implemented	302
11 Climate protection and resource conservation Proactive ecological sales orientation	13 	Regular in-house training on environmentally friendly materials Presentation of environmentally friendly materials on the material wall in the showroom	✓	Implemented	301
12 Climate protection and resource conservation Internal recycling department	13 	Internal recycling department for the collection, dismantling and recycling of recyclable materials in accordance with the waste code	✓	Implemented	301
13 Products Product life cycle	12 	In the case of new projects, consideration of the product life cycle from the development phase with regard to environmentally relevant aspects	✓	Implemented	301
14 Climate protection and resource conservation Investigation of the recycling concept by an external service provider in 2019	13 	Review of waste codes and disposal routes Investigation of waste generation Determination of recyclable materials Recyclable materials and cost-optimized supply to the recycling partners	✓	Implemented	301
15 Climate protection and resource conservation Realization of a 100% ecological presentation system	13 	Production of a biodegradable display. The plastic processed in the injection molding process consisted exclusively of natural components. A total of 4,800 displays were produced and shipped worldwide. Received the golden POPAI Award in the Environment category	✓	Implemented	301
16 Climate protection and resource conservation Acquisition of a cardboard press to reduce CO ₂ Emissions during transport	13 	Acquisition of a cardboard box press with a waste volume of 18 cbm. The compression means that 2.3 t of mixed paper can be disposed of on "one" transport route	✓	Implemented	301, 305

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Realised Sustainability Projects

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17	Occupational Health and Safety Certification according to ISO 45001 occupational health and safety management		Digital knowledge platform on occupational health and safety based on ISO 45001 Comprehensive occupational safety concept as a learning platform with department-specific risk assessments, technical operating instructions, hazardous substances register, emergency concept and knowledge database A freely accessible information tool would be set up for employees without internet access.	✓	Implemented	403
18	Occupational Health and Safety Safety and Environment Circle		Regular interdisciplinary working group with the management on occupational safety and environmental issues	✓	Implemented	403, 307
19	Climate protection and resource conservation ISO 14001 certification pioneer in the industry		ISO 14001 is the only certifiable standard for environmental management standards. ARNO has been certified according to the environmental management standard since 2008 and plays a pioneering role in the industry. For 13 years, ARNO has been defining annual environmental goals that are in line with economic, social and political requirements and is committed to protecting the environment in the long term.	✓	Implemented	302, 307
20	Climate protection and resource conservation Examination certification according to ISO 50001		After intensive consultation regarding the cost and benefit situation, it was decided that no energy management system would be implemented. ARNO is a company with little environmental relevance. Within the framework of ISO 14001, ARNO will exhaust all possibilities to permanently improve the ecological balance.	✓	Implemented	302
21	Climate protection and resource conservation Energy audit according to ISO 16247-1		Identification of energy efficiency measures. Determination of the feasibility, determination of the investment volume and profitability	✓	Implemented	302
22	Climate protection and resource conservation Long-term partnership with a local recycling company		Intensification of the cooperation with a recycling company in the neighborhood to reduce CO ₂	✓	Implemented	301, 305
23	Occupational Health and Safety Maintaining the health of employees		1. Cooperation agreement with the sports park "WOFit" of TSV-Wolfschlugen "GUT" Healthy and trained at work 2. Back training for employees in cooperation with a health insurance company 3. Bicycle leasing "Job bike" 4. Fit in the water 5. Fit on land 6. Comprehensive prevention measures COVID-19	✓	Implemented	403
24	Climate protection and resource conservation Strong marketing of bioplastics with our customers		Development of a bio-plastic made from paper and cellulose-based polymers that is certified according to EN 13432. The bioplastic can be used both for vacuum forming and as an injection molded part in sheets, foils and profiles. The bioplastic has already been used in several customer projects.	✓	Implemented	301
25	Social responsibility Support of the United Nations Global Compact		Active support of the 10 principles of the UN Global Compact	✓	Implemented	402 + almost all remaining 400s
26	Social responsibility ARNO Code of Conduct		Declaration of commitment to comply with the UN conventions, applicable laws and standards. Commitment to and signing of the Code of Conduct by the executives The managing directors are responsible for implementation, and they are supported by the management of the subsidiaries	✓	Implemented	401, 402, 403, 404, 405, 406, 407, 408
27	Social responsibility Identification and monitoring of interested parties		Identification of all relevant stakeholders and their requirements for the ARNO Group Regular monitoring and review	✓	Implemented	101
28	Social responsibility Further education / knowledge transfer		Annual training budget for further training for employees Internal training on the occupational safety concept, ERP system, quality and environmental management, material specifications, lessons learned	✓	Implemented	404
29	Social responsibility Involvement of employees in the design of company processes		Introduction of a lessons learned module, monthly evaluation, processing and feedback on results to employees. Interface workshops. Anonymous ARNO feedback tool, safety and environmental group	✓	Implemented	403
30	Social responsibility Support social organisations		Christmas Stars Relief Aktion Café Regenbogen Support Plan International	✓	Implemented	201
31	Social responsibility Promotion of the work-life balance		Expansion of flexible working time models to relieve the family. Child care allowance for children not of school age	✓	Implemented	402, 403
32	Social responsibility Promotion of young talent		Promotion of creative young talent at the Peter Behrens School of Architecture, Retail Design course and at the University of Design in Schwäbisch Gmünd	✓	Implemented	404
33	Social responsibility Cooperation with GARP, the training center of the IHK Baden-Württemberg		Integration of young and unemployed people in the labor market Integration of older people and people with disabilities Integration of refugees in our production facilities	✓	Implemented	404
34	Social responsibility Fairtrade coffee donation to charitable organisation		Serving Fairtrade coffee to employees and guests The money raised from the coffee machines goes to a charitable cause.	✓	Implemented	201
35	Social responsibility Support for socially disadvantaged students		Donate 15 functional, used laptops with integrated cameras and microphones to "heyalter.com" to support students who cannot afford a computer for homeschooling. The campaign was awarded the "Lower Saxony Prize for Citizen Engagement" and the Braunschweig Prevention Prize 2020.	✓	Implemented	201
36	Social responsibility Integration of workshops for the disabled and penal institutions		Awarding of contracts to workshops for the disabled and penal institutions	✓	Implemented	201
37	Climate protection and resource conservation Social responsibility		Annual participation in the Business Sustainability Rating in the following categories: Environment, Labor and Human Rights, Ethics and Sustainable Procurement	✓	Implemented	301, 302, 303, 304, 305, 306, 307, 403.
38	Social responsibility IHK certificate for dual training		Continuation of the dual training in the areas	✓	Implemented	404

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We determine our short and medium-term sustainability goals annually on the basis of our strategic sustainability goals. In addition, suggestions for improvement from our employees and lessons learned tickets are incorporated (see 14. Employment Rights).

We always keep the following standards in mind:

- The Sustainable Development Goals (SDG),
- The 10 principles of the UN Global Compact,
- The environmental management standard DIN EN ISO 14001,
- The legal requirements,
- Our ARNO Code of Conduct.

We are currently concerned with these topics:

- Climate protection (CO₂ neutrality) and resource conservation,
- Sustainable products/materials,
- Social responsibility.

Taking into account our business activities, we have defined the following Sustainable Development Goals (SDGs) for the future. We can make our best possible contribution to these operational sustainability goals for a sustainable, ecological and socially just world.

Operational Sustainability Goals

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Our current sustainability projects	SDGs	Action	Degree of fulfillment					Status	Target	planned in	GRI
			20%	40%	60%	80%	100%				
1 Climate protection and resource conservation Promotion of the resource cycle, containment of worldwide primary fiber transports	13 climate action	Exclusive use of recycled paper with the Blue Angel. Support of the pro recycled paper initiative. IPR participants at CEOs show their colors					✓	Implemented	100% recycled paper with the Blue Angel	2021	301
2 Climate protection and resource conservation Environmentally friendly hygiene paper	13 climate action	Toilet paper and sanitary paper made from recycled material					✓	Implemented	100% of all hygiene papers made from recycled material	2021	301
3 Climate protection and resource conservation Development of sustainable, climate-friendly merchandising solutions	13 climate action	Intensive use of secondary raw materials, increased use of recyclates	✓					in progress	25-30% of the procured plastics made from recycled material or 25-30% of the wood procured from FSC / PEFC	2022	301
4 Climate protection and resource conservation Sourcing sustainable products for general use	13 climate action	Sustainable hygiene papers in the sanitary facilities Use of environmentally friendly cleaning agents by hospitality and housekeeping					✓	in progress	All hygiene papers and cleaning agents are being replaced by ecological products	2021	301
5 Products Recyclable constructions	12 responsible consumption and production	Already in the construction phase, attention is paid to dismantling and recycling, if this is technically possible.					✓	in progress	100% of the constructions can be returned to the recycling cycle	2021	301
6 Products Taking back used presentation systems from the retail trade and feeding them into the recycling process	12 responsible consumption and production	Intensification of the return of used presentation systems for material separation and processing into secondary raw materials	✓					in progress	20% by 2022	2022	301
7 Climate protection and resource conservation Sustainable packaging concepts from suppliers	13 climate action	According to our purchasing and delivery conditions, suppliers must submit a VP concept before delivery of the goods. When developing the packaging, care was taken to ensure that no mixed raw materials and materials made from secondary fibers are used				✓		in progress	35% reduction in waste volume	2021	301
8 Climate protection and resource conservation Building management renewal the lighting systems in the building	13 climate action	Replacement of conventional light sources with LED lights to reduce energy consumption. Bright and even illumination of the workplaces and areas.						in planning		2022	302
9 Climate protection and resource conservation Building management Reduction in water consumption	13 climate action	Regular checking of the pipes. Water flow limiters on the taps. Awareness training					✓	in progress	20% reduction in per capita consumption	2021	303
10 Social responsibility / products Remote audits with suppliers	12 responsible consumption and production	Intensification of remote audits						in planning	at least 10 A suppliers	2022	(308), 414
11 Climate protection and resource conservation Reduction of the range of hazardous substances	13 climate action	Replacement of conventional hazardous substances with ecological products (cleaning agents, adhesives, etc.)						in progress	at least 10% fewer hazardous substances	2022	301
12 Social responsibility Female leaders	12 responsible consumption and production	Increase the proportion of female managers to at least 20%. Diversity in control bodies					✓	in progress	20% female executives	2023	405, 301
13 Social responsibility Increase employee satisfaction to 80%	17 sustainable communities	Constructive feedback from the management on contributions in the anonymous ARNO feedback tool		✓				in progress	Employee satisfaction 80%	2022	
14 Social responsibility Continuous training of employees	4 decent work and fair wages	Training budget 80,000.00		✓				in progress	80,000 EUR training budget	2022	404
15 Climate protection and resource conservation Share of train journeys	13 climate action	Reduce the number of car trips to customers. Job ticket subsidy for employees who commute by public transport						in planning	at least 10,000 train kilometers per year	2022	305
16 Climate protection and resource conservation Green electricity rate	13 climate action	Green electricity since 01.08.2021 100% climate-neutral generated green electricity with the certified quality label "RenewablePLUS", which is audited annually by TÜV Rheinland.					✓	in planning	at least 10,000 train kilometers per year	2021	305

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Due to the complexity of the tasks ahead, we are continuously intensifying our sustainability efforts. Some of the tasks ahead can only be achieved through cooperation. With partners who share our commitment to sustainability, we are continuously working on sustainability concepts in order to jointly develop solutions for a sustainable future worth living.

4. Depth of the Value Chain

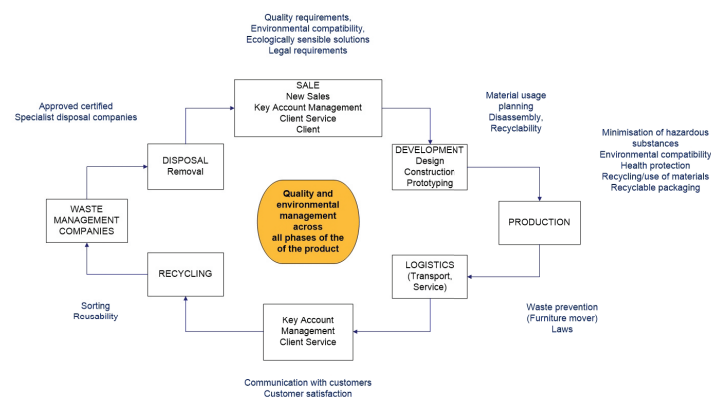
The company states what significance aspects of sustainability have for added value and how deep in the value chain the sustainability criteria are verified.

As an international operating company, we see it as our responsibility to integrate sustainability into the supply chain of our value creation partners. We actively encourage our partners and employees to live environmental protection, to optimise the use of resources and to promote the use of environmentally friendly products.

As a DIN EN ISO 14001 certified company, we consider the product life cycle from an ecological point of view. We identify risks, check whether they can be influenced and evaluate them. Our goal is to proactively influence the way products and services are developed, produced, shipped, used and disposed of.

ARNO Recyclable Materials Cycle

ARNO®



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The assessments of the ecological aspects and the time of possible influence within the value chain are derived from our product life cycle. This is regularly reviewed and assessed by the department heads together with our quality and environmental management officers.

These considerations play a role in the assessment:

- Relevance of the environmental aspects
- Influenceability of the environmental aspects
- Possible (temporal) influence

The following assessment table is used for the measurement.

Amount of damage/danger to the environment		Control / influence	Action	Score
Possible damage small or low probability of damage or little attention	+	Good control or simple control option or no control necessary	No action necessary	0
Possible damage great or great probability of damage or great attention	+	Good control or simple control option or no control necessary	Set long-term environmental goals, plan and monitor measures.	1
Possible damage small or low probability of damage or little attention	+	No or insufficient control or poor control	Define short-term environmental goals, plan and monitor measures.	2
Possible damage great or great probability of damage or great attention	+	No or insufficient control or poor control	Initiate immediate action. Re-evaluate after taking the measures.	4

The result of the evaluation is the table [Product life cycle ecological aspects](#), which shows the environmental aspects per department. As soon as we meet a score of 1 or above, measures to avoid environmental impacts are to be defined. The results are summarised in our "[Sustainable Product Life Cycle](#)".

Sustainable product life cycle

ARNO®



Our value chain is characterised by intensive, sustainable, interdisciplinary cooperation, concept development and three-dimensional design, engineering, prototyping, technical pre-production, production and logistics.

1. DESIGN and ENGINEERING

In times of strong national and international competition, contemporary, sustainable and customer-oriented designs are decisive for success. In addition, a feeling for trends and zeitgeist is required. Thanks to numerous sustainable client projects, we have reliable know-how in the selection of sustainable materials and environmentally friendly production options. In the design and subsequent engineering phase, we always keep the product life cycle in mind; this is where the possibilities for influencing the environmental impact of a product are greatest. Another part of the development process is the testing of product designs for compliance with legal requirements and standards, as well as the specifications demanded by our customers. At this stage, we give environmental considerations the same importance as our traditional goals of cost, functionality and quality. If we recognise negative interactions in this phase, e.g. that an environmentally compatible measure has negative effects at another location, we counteract this development early on and in a targeted manner. Our primary goal is to develop environmentally friendly and economic solutions in agreement with our partners and to create a win-win situation for all parties involved in the process.



2. PROTOTYPING

Based on the design concept, our prototype construction department creates three-dimensional models on a scale of 1:1, which serve as initial samples for our customers. When a prototype is built, we can see whether the model meets the customer's requirements technically, functionally, visually and in terms of quality. In addition, we can check whether new, ecological materials, elements or connections meet the product requirements. All our prototypes are created at our headquarters in Wolfschlügen. The knowledge gained here is also used for our series planning.

3. PROJECT MANAGEMENT and GLOBAL PROCUREMENT

In our project management, which combines tasks from work preparation and purchasing, work plans and parts lists are created and procurement activities are carried out. Due to our low vertical range of manufacture, our suppliers are of central importance. If at all, social and environmental problems are only to be expected with potential new suppliers. Before the start of a new business relationship, we expect the potential supply partner to give us their corporate responsibility by ratifying our [ARNO Code of Conduct](#). Furthermore, we prefer suppliers who are certified. Before approving a supplier's order, we carry out a supplier analysis, which is divided into 4 phases.

- **1st Phase:** The potential supplier receives our [Supplier questionnaire](#), which contains questions on quality, environmental, occupational safety and energy management standards, SA 8000, UN Global Compact, labour and human rights, REACH, on equal opportunities, his remuneration policy, the quality assurance measures expected of him and much more. In addition, our supplier receives the ARNO Technical Supply Agreement, ATV.
- **2nd Phase:** An initial visit to the supplier takes place. If the supplier accepts our [ARNO Code of Conduct](#), our Confidentiality Agreement, our Quality Assurance Agreement (QAA) and the General Terms and Conditions, and the production conditions on site meet our standards, we place an initial enquiry. If the potential supplier does not meet our standards, we refrain from cooperation.
- **3rd Phase:** The potential supplier's offer is evaluated internally. If suitable, a team-wide decision is made to approve the supplier.
- **4th Phase:** The supplier is established. Independently of this, supplier audits and/or supplier visits take place. Both parties are committed to the zero-defect goal. If serious deviations of an ecological, economic or social nature are found, we break off the business relationship.

The [Quality Assurance Agreement \(QAA\)](#) used as a basis in phase 2 describes the minimum requirements with regard to the supplier's quality management and quality assurance. Chapter 5.3 of the QAA stipulates that the supplier must comply with the applicable country-specific and regional environmental laws as well as the regulations of the European Union. In chapter 5.5, the supplier assures that all legal health and safety regulations of the manufacturing country are complied with during the production of the products. In Chapter 5.4, we again oblige the supplier to comply with the ARNO Code of Conducts. In chapter 5.1, we reserve the right to carry out supplier audits.

As we are a project manufacturer, i.e. we produce projects predominantly over a decimated period of time, we can only use reusable container systems in procurement to a limited extent, with the exception of EPAL Euro pallets and skeleton containers. As a result, we ask our suppliers to create a packaging concept before delivering the goods. In doing so, we rely on recyclable packaging materials that can be used sparingly and are nevertheless safe for transport. Furthermore, we try - wherever technically and economically possible - to procure products that have sustainable properties. In doing so, we are guided by environmental symbols, seals and labels such as FSC, PEFC, Blue Angel, etc.

4. TECHNICAL PRE-PRODUCTION

In the technical pre-production, quality assurance measures are carried out in the form of material tests, examinations of the dimensional and fitting accuracy, assemblability and functionality of parts and components.

5. PRODUCTION

On a production and assembly area of 10,000 m² we manufacture products for our customers in professional quality work. On the basis of the first production release sample, which is approved by our project management and sales department, we carry out comprehensive quality controls as part of a "zero defect strategy" during the ongoing production process. The products pass through the production process step by step as part of an "internal customer relationship". Our production employees ensure that the parts passed on to the next workstation are free of defects and meet the quality specifications of the release part.

6. LOGISTICS

All vehicles in our fleet meet the Euro 6 emission standard. Our forklift trucks (FFZ) run exclusively on electricity. We use external transport companies for shipping. Once every six months, our forwarding agents are evaluated according to the following criteria: Certificates, adherence to schedules, cooperation, service and price behaviour. When awarding contracts, A-grade forwarders are assigned with priority. In 2020, 400,000 parts left our premises.

7. RECYCLING

Our recycling department is the guarantor that material compounds are dismantled, waste is correctly sorted, placed in collection containers and disposed of in accordance with the waste code number. Since we work exclusively with certified waste management companies (EfB), it is ensured that the waste we dispose of is returned to the recyclable material cycle.

In our function as a project manufacturer, we regularly face new customer requirements. Our goal is to achieve them sustainably with fewer resources. Therefore, we rely on responsible, reliable partners who, like us, attach importance to social structures, the protection of the environment and an improvement in the quality of life.

Criteria 5–10 concerning PROCESS MANAGEMENT

5. Responsibility

Accountability within the company's management with regard to sustainability is disclosed.

The management is responsible for implementing the strategic sustainability strategy. This guarantees that the concept of sustainability is carried across all hierarchical levels in the ARNO Group and is implemented responsibly by all employees.

The qualitative and quantitative sustainability targets are set annually by the management on the basis of the strategic sustainability targets and identified environmental aspects. In addition, suggestions for improvement from our employees are incorporated. By taking into account the interests of our employees, we achieve that our employees continuously deal with possible improvements, identify with our sustainability goals and thus become part of the ARNO sustainability strategy.

The strategic sustainability goals are divided up in the form of a cascade of goals. All qualitative and measurable sustainability goals are broken down top-down along the hierarchy levels and split into target agreements based on function. To ensure effective implementation, the sustainability targets are evaluated monthly, quarterly and annually by Controlling. The Executive Board is informed about progress and results in regular meetings. If a target is not achieved, corrective measures are jointly initiated.

Through this systematic approach, we have created the prerequisites for a consistent and transparent ARNO sustainability culture from a socio-economic point of view.

6. Rules and Processes

The company discloses how the sustainability strategy is implemented in the operational business by way of rules and processes.

When allocating the strategic sustainability goals, each department receives target agreements that are to be taken into account in the operational

business. The heads of departments are responsible for implementing the goals. They actively involve their employees in the pursuit of the goals.

The framework for implementation is our **integrated quality management system** with the ISO standards:

- DIN EN ISO 9001 Quality management systems
- DIN EN ISO 14001 Environmental management systems

All work and operating instructions, codes of conduct, verifications and responsibilities are documented here. In addition, the integrated quality management system serves as a know-how tool for the areas of occupational safety and health protection.

Documents within our integrated quality management system that are subject to change are always applied in their latest and thus valid version. The versioning of the documents takes place after updating the status, date and process owner. Our heads of departments are responsible for passing on the contents to the specialist departments. The training of our employees takes place in written or oral form, taking into account the subject matter. Elementary training, e.g. on process flows, changes in legislation or our ERP system, is carried out on the basis of training manuals. These trainings are documented in writing by means of training certificates and summarised in our training calendars. Our heads of departments keep qualification matrices for their employees in order to identify knowledge in the company and to recognise training potential.

Two to three times a year, a company meeting is held in which the management explains the company strategy to the staff, presents the current key figures, and introduces sustainability goals, aspects and projects.

As a project manufacturer working in a dynamic environment, we are used to actively integrating agile corporate structures into our business processes. Our capacity for organisational resilience enables us to adapt to changing conditions, to react quickly and precisely and to increase our performance. We support **agile quality and environmental management** with self-direction and self-responsibility within teams.

Our approach pays off both in product quality and within process quality. Sustainable products and business processes are becoming increasingly important. Process quality (communication, order processing, functionality, information quality) must also be lean, goal-oriented and reliable. The focus on customer benefit is of central importance to us in the redesign of agile organisational structures and sustainable business processes. Process optimisations geared towards this lead to savings of resources on both sides, increase process efficiency and the satisfaction of all, customers and

employees.

In addition, we regularly identify optimisation potential by means of lessons learned tickets, interface workshops, work monitoring, internal audits, a feedback tool with the possibility of completely anonymous feedback, an IT ticket list and surveys on employee satisfaction. In this way, we ensure that a continuous improvement process (CIP) is maintained together with our employees.

In summary, our focus is on:

- The integration of the sustainability strategy into the business processes under the aspect of an integrated quality management system,
- Identifying opportunities and risks related to significant sustainability aspects,
- The maintenance of a continuous improvement process (CIP),
- Identifying and taking into account the requirements of interested parties,
- Compliance with applicable legal requirements and voluntary commitments,
- Saving resources,
- Ensuring the recycling of materials,
- Measuring environmental performance against performance indicators, SDGs.

7. Control

The company states how and what performance indicators related to sustainability are used in its regular internal planning and control processes. It discloses how suitable processes ensure reliability, comparability and consistency of the data used for internal management and external communication.

Since 2008, we have set our sustainability goals annually within the framework of DIN EN ISO 9001 and 14001 sustainability goals. In our sustainability declaration, we are guided by the 17 Sustainable Development Goals. Since 2020, we have been measuring our economic, ecological and social performance using the GRI standard.

The quantitative data and the qualifiable sustainability results are evaluated at regular intervals by Controlling and Quality and Environmental Management and submitted to the Executive Board in the monthly meeting (monthly report) and via management reviews. Qualified targets are monitored by the department heads and documented by Controlling by means of continuous spot checks. If the continuous monitoring of a target reveals a negative development that suggests that the achievement of the target is not

guaranteed, the Executive Board, together with the responsible persons, defines corrective measures to achieve the target.

All sustainability targets are part of ARNO's corporate objectives.

Key Performance Indicators to criteria 5 to 7

Key Performance Indicator GRI SRS-102-16: Values

The reporting organization shall report the following information:

a. A description of the organization's values, principles, standards, and norms of behavior.

We are a family business. What drives us are values such as integrity, trust, commitment, quality and the firm conviction that you have to consciously improve every day in order to achieve excellent results for your customers in the long term.

We are committed to complying with the SA 8000 social standard, which was developed by the US non-governmental organisation Social Accountability International (SAI) on the basis of the International Convention on Human Rights and the recommendations of the International Labour Organization (ILO).

We support the 10 Principles of the UN Global Compact, the Guide to Social Responsibility (ISO 26000), the standards of the Global Reporting Initiative (GRI) and the UN Guiding Principles on Business and Human Rights.

We want to improve continuously. As part of our sustainability reporting, we participate in various assessment platforms, for example [Ecovadis](#) for the purpose of performance improvement and benchmarking.

In addition to the ARNO Code of Conduct, these topics are of particular concern to us:

1. Prohibition of child labour

Child labour is not tolerated by ARNO. Children must be treated with dignity and respect and have access to education. For young people under the age of 18, ARNO takes into account the special protection under the Youth Employment Protection Act. 2.

2. No forced labour

ARNO rejects forced labour. If we ourselves or our partners find indications of illegal activities, we will inform the relevant authorities immediately.

3. Health and safety

ARNO has an occupational health and safety concept which takes into account the current state of knowledge about specific hazards and provides a safe and healthy working environment. A regular exchange takes place in the safety and environment circle to identify potential hazards. The measures taken are documented and their implementation monitored. Regular site-specific and job-specific training ensures health and safety in the workplace.

4. Freedom of association

ARNO respects the right of the workforce to independent and free association.

5. Discrimination

ARNO rejects any form of discrimination based on gender, race, ethnic origin, religion or belief, trade union membership, disability, age, sexual orientation, nationality, marital status, political affiliation, age or any other characteristic protected by local law.

6. Disciplinary measures

ARNO does not tolerate psychological or physical coercion.

7. Working hours

ARNO respects applicable laws and industry standards regarding working hours within the framework of company regulations.

8. Remuneration policy

ARNO is committed to ensuring that the wages paid are always at least equal to the minimum wage required by law or industry standards. Employment contracts with illegal temporary employers are not tolerated. ARNO fully complies with the relevant laws and regulations of labour and social security law without exception.

9. Supply partners

ARNO has established appropriate procedures to evaluate and select suppliers and subcontractors based on their ability to meet these standards. Homeworkers are afforded the same protection as direct employees under the rules of these standards. ARNO is committed to investigating and responding appropriately to the concerns of workers and other interested parties regarding compliance with these standards.

In 2018, our management guidelines were defined. These are intended to contribute to fair and equitable treatment regardless of the level of the company (cf. 15. Equal Opportunities).

8. Incentive Systems

The company discloses how target agreements and remuneration schemes for executives and employees are also geared towards the achievement of sustainability goals and how they are aligned with long-term value creation. It discloses the extent to which the achievement of these goals forms part of the evaluation of the top managerial level (board/managing directors) conducted by the monitoring body (supervisory board/advisory board).

We want to anchor the idea of sustainability in the company in the long term and feel it in our daily actions. All sustainability goals are carried by the management to the hierarchical levels of the ARNO Group. This ensures that all employees are aware of them and that the sustainability goals are implemented responsibly by each individual (see 5. Responsibility). Qualitative and quantitative sustainability indicators are evaluated by Controlling and Quality and Environmental Management in the form of key performance indicators, monthly reports or annual management reviews. As a result of the sustainability reporting, we have adapted our previous key performance indicators to the GRI standard. We report on all performance indicators listed in the sustainability report. They are evaluated by the management and the sustainability strategy is aligned. In case of non-achievement, corrective measures are the consequence (cf. 5. Responsibility and 7. Control).

An important building block for driving sustainability projects forward is our integrated quality management system. The coupling of the subject-specific individual standards ISO 9001, 14001 with our occupational safety concept based on ISO 45001 creates sustainability and enables transparency across all corporate divisions and sustainability projects.

A **CIP process** built on several pillars and observing the PDCA cycle, which consists of interface workshops with meta plans, lessons learned, Ishikawa diagrams, 5S, departmental monitoring and other tools, contributes significantly to the identification of optimisation potential in terms of sustainability.

In addition, we consciously set performance incentives. Target agreements with departmental target values ensure that the sustainability measures are implemented and the sustainability goals are targeted. These target values are linked to a department, but not to a financial reward to an individual.

In everything we do, quality is important to us. Already in the development phase, release processes take place in the form of feature monitoring or feature testing according to our quality plan. At the start of production, our production departments create a so-called series failure sample (also called

release sample) based on the work plan, which takes into account the quality features required by the customer. In addition, depending on the product, we carry out 100 % inspections or random sample inspections. Intermediate tests as well as final tests, which are documented photographically, are also possible. Should complaints nevertheless arise, we regard these as learnings. We have consciously decided not to make our remuneration system dependent on complaints. We see complaints as an opportunity to improve further. Nevertheless, we want to avoid error costs at all costs. Therefore, we evaluate complaints according to cause and originator and define measures for error prevention. The causes of errors and defined measures are passed on to our employees in knowledge transfer meetings. Our approach is prevention, not punishment. We want a climate of trust and mutual respect in which we can develop.

We welcome and encourage sustainable engagement, sustainable ideas and responsible and social interaction. We reward the personal commitment of our employees, e.g. in the form of suggestions for improvement or lessons learned tickets, through a points system in our employee appraisal.

An internal wage and salary programme ensures fair, performance-oriented and gender-independent payment. All salary components are defined and comprehensible.

Key Performance Indicators to criteria 8

Key Performance Indicator GRI SRS-102-35: Remuneration policies

The reporting organization shall report the following information:

- a.** Remuneration policies for the highest governance body and senior executives for the following types of remuneration:
 - i.** Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;
 - ii.** Sign-on bonuses or recruitment incentive payments;
 - iii.** Termination payments;
 - iv.** Clawbacks;
 - v.** Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.
- b.** How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.

We ensure good, safe working conditions and fair pay for everyone at all our locations.

Salary differences arise from qualifications, special skills, experience, responsibility, commitment and length of service of our employees. We are particularly attentive when it comes to the salary gap between employees and management. Based on the average basic salary of a permanent employee, the top earners currently earn a maximum of 3.8 times that amount.

Key Performance Indicator GRI SRS-102-38: Annual total compensation ratio

The reporting organization shall report the following information:

a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.

Please see Key Performance Indicator GRI SRS-102-35: Remuneration policies.

9. Stakeholder Engagement

The company discloses how the socially and economically relevant stakeholders are identified and integrated into the sustainability process. It states whether and how an ongoing dialogue takes place with them and how the results are integrated into the sustainability process.

Stakeholders exert an influence that should not be underestimated. Analysing the interested parties is elementary for a manufacturing company like ARNO. Knowing the requirements, goals and values of our stakeholders and assessing their interest and influence on our activities and decisions enables us to target our activities and lead ARNO into a successful future.

By regularly exchanging information with our stakeholders and analysing their sustainability expectations, we can identify material sustainability aspects and assess the relevance of their sustainability aspects. To keep our stakeholder analysis up to date, we check twice a year whether aspects have changed or new ones have been added. For this purpose, the quality and environmental management compiles information from our stakeholders from all departments in order to include them in the list of relevant interested parties/stakeholders. Within the stakeholder analysis, we distinguish between internal and external stakeholder groups. After all available information has been collected, usually

in the months of May and November, the Executive Board, together with the managers and the Quality and Environmental Management, checks whether the stakeholder groups and their expectations have changed. If new requirements are identified or risks are identified, the management determines the areas of action and initiates measures or changes. We present our stakeholder analysis to our auditors annually as part of the ISO 9001 and ISO 14001 recertification (see 2. Materiality).

Interested Parties/Stakeholder



No.	Interested party	internal	external	Assessment expectation	Source of information How are these monitored/checked?
1	Occupational medical service (company doctor)		X	- Adherence to the BG guidelines - Offer of examinations - Involvement of the company doctor in the event of accidents / conspicuous illnesses - Precautionary measures for illnesses - Occupational safety concept, measures	BG guidelines legislation
2	Banks		X	- Liquidity - Creditworthiness - Conclusions of contracts - Consolidated financial statements / Group structure	Accounts payment transaction legislation, (e.g. SEPA) regular discussions
3	Authorities		X	Employment Agency: - Notification of vacancies - Inquire about potential applicants and invite them to an introduction Tax office: - monthly sales tax advance notification (UVA) - monthly summary reporting of sales in the EU - correct payment of sales tax and wage tax State Statistical Office: - Report monthly report: number of employees, turnover, hours worked, wages - report on production survey: product quantity (kg), sales value Federal Office of Statistics: - To report Intrastat declarations: goods delivered to EU countries and goods received from EU countries (goods movements)	Employment Agency Calls / contact Tax office Legislation Newsletter input for training measures Statistical offices Letter of request in the event of changes by the authorities
4	Trade Association (BG)		X	- Compliance with BG guidelines - Annual reporting of total wages / salary structure to determine the payments in the event of accidents	IHK newsletter
5	German institute for standardization		X	- Compliance with standard specifications - Active monitoring of standard adjustments	Newsletter Beuth
6	Owner	X		- Values - Equity - Profit	Management dialogue Management, monthly meeting
7	Disposal / Recycling company		X	- Correct, clean separation of waste - Disposal orders	Environment online
8	Legislator		X	- Compliance with laws, guidelines, regulations	juris.de Umwelt-online Newsletter Haufe
9	Health department		X	- Support in arranging contacts - preventive healthcare	
10	Chamber of Commerce IHK		X	- Registration - Contribution - Registration of training contracts - Registration of final exams	IHK newsletter
11	Customers		X	- Implementation of customer requirements - Balance sheet - Certificates - RFI / RFU - Disaster Recovery Plan - Possibly potential analyzes - F17Innovative solutions - Compliance with contracts - Compliance with legislation / standards	Observation market research
12	Suppliers		X	- Orders - fair, partnership-based cooperation / payment	Supplier qualification / certification On-site inspection / acceptance
13	Employees	X		- Company induction (induction plan) - Compliance with legislation, - Further training / personnel development - Social / fair treatment / payment	Jour fixe employee appraisal qualification matrix feedback employee
14	Social organisations		X	- Donate	regular conversation advertising / donation receipt
15	Safety and Environment Group (SUK)	X		- Compliance with the work safety concept, QMH - Compliance with legislation, guidelines, ordinances	Managing directors

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Key Performance Indicators to criteria 9

Key Performance Indicator GRI SRS-102-44: Key topics and concerns

The reporting organization shall report the following information:

a. Key topics and concerns that have been raised through stakeholder engagement, including:

- i.** how the organization has responded to those key topics and concerns, including through its reporting;
- ii.** the stakeholder groups that raised each of the key topics and concerns.

By far the most dominant topic that has affected not only us, but also our customers, suppliers, service providers and society in general since 2020 is the corona pandemic and its consequences.

While online trade profited sustainably from the recurring shop and store closures, stationary trade, with the exception of the system-relevant areas, had to struggle with constantly changing initial situations. Customer enquiries about hygiene protection products, e.g. disinfection dispensers or spit protection solutions, increased by leaps and bounds.

Internally, the demands associated with the pandemic were accepted and the following measures were implemented:

- All necessary precautions were taken to protect employees. In our digital occupational safety concept, an area was created with safety measures, health explanations in various languages, test offers, video updates from the management and many helpful tips about the virus.
- Digitalisation has been pushed forward. Working from home is possible across departments, with the exception of the production and logistics areas. Even product releases are carried out digitally.
- Our corporate culture, which is based on trust and the independent commitment of our employees, has become established.
- Positive incentives have been developed for employees, e.g. a weekly digital Happy Thursday, a digital Christmas party and team video meetings with the management.
- Existing processes for continuous improvement were digitalised and maintained.
- Working from home was recognised as having potential. Working from home units were designed by our development departments and will be available for sale B2B from summer 2021. Our Woody meets all the requirements for all-round sustainable working from home.

Our key stakeholders are our customers and the legislator. Since we know the issues that primarily concern our customers since 2020, we can respond individually to their needs. Our planning and activities focus on the customer requirements listed in descending order of priority:

- Omnichannel trade due to eCommerce,
- Cost efficiency,
- Sustainability,
- Uniqueness,
- Flexible, modular systems,
- Digital solutions.

10. Innovation and Product Management

The company discloses how innovations in products and services are enhanced through suitable processes which improve sustainability with respect to the company's utilisation of resources and with regard to users. Likewise, a further statement is made with regard to if and how the current and future impact of the key products and services in the value chain and in the product life cycle are assessed.

Successful retail concepts are based on designs that not only inspire consumers visually at the point of sale, but are also convincing in terms of quality, functionality, clarity in the arrangement of goods and the source materials used. A trend towards more sustainability at the POS is clearly recognisable and noticeable.

We want to meet this demand out of conviction. Due to our holistic view of the supply chain, we already check in the design phase whether conventional materials can be replaced by ecological materials. This process continues through all development departments, design and prototyping. Technical pre-production and our production foremen are also involved in product development. Their many years of series experience support us in the development, selection and processing of new, biological alternative materials and auxiliaries. During product development, we always keep an eye on our sustainable product life cycle. If environmentally friendly solutions exist and the product requirements allow their use, recyclable materials are used. In project planning, we are supported by an efficient digital project control tool that divides projects into sub-sections. As soon as an input is changed, it is possible to see how this affects the progress of the project. If the system signals critical processes, resources are rescheduled or interim targets are changed. Our constant aim is to deliver the highest possible quality and to meet the delivery dates promised to our customers.

Through our CIP process, which is based on several pillars (see 6. Rules and processes), including [Lessons Learned Tickets](#) (see 14. Employee rights), we involve all employees in the suggestion system and ideas management. The identified potential for improvement is recorded centrally each month by the quality and environmental management and processed in the following month by our supervisors in the team. The results are then published digitally and on the notice board.

As a responsible company, we actively involve our customers in our sustainability considerations. Through a joint sustainability strategy, innovative and environmentally friendly product solutions are possible across the entire supply chain. When developing a presentation system, we already pay attention to the disassembly of components in the design phase. Especially for multi-component parts with different materials, this criterion plays an important role. Only if the disassembly of a component is possible can used materials be separated and fed into a recycling process. Recyclable designs are a crucial basic requirement for us in creating a sustainable sales display.

When using plastics, we prefer recycled material. Plastics made from recycle can be ground several times and repeatedly processed into plastic products. Unlike bioplastics, these do not contain unknown additives that often cause difficulties when recycled in composting plants. We support the approach of Deutsche Umwelthilfe, which demands that resource-saving reusable and closed-loop systems be promoted and that the greenwashing of bioplastics be stopped.

See 11. use of natural resources.

For thermoplastics, we use ultrasonic welders. Melting the plastics creates long-lasting bonds. The process is environmentally friendly as there is no need for adhesives or adhesive tapes. By using ultrasonic welding technology, we have been able to clean up our range of hazardous materials and reduce the total weight of the hazardous materials we have procured by 41% since 2018. Another positive effect is that with ultrasonic welding, the welding cycle is completed immediately after removal from the machine. Curing times, which are necessary for adhesive joints, are eliminated. The processing time could be significantly reduced.

Since we also ship the sales displays for our customers individually as general cargo, we need secure shipping packaging. Poorly packaged products are insufficiently protected during transport and the likelihood of the products arriving damaged is high. If a product is returned, double transport routes with double CO₂ emissions are the result. To ensure that our recipients receive their goods in perfect condition, we select sturdy shipping packaging. We use corrugated paper cardboard boxes and edge protectors with the FSC seal as outer packaging. If our customers wish, we use paper tape or stretch film with

recycled content.

The sanitary papers we use are demonstrably made of FSC mix and 100% recycled fibres. All sanitary papers bear the FSC seal or the Blue Angel eco-label. In the case of print papers, we use recycled paper with the Blue Angel label without exception. Compared to primary fibre paper, the production of recycled paper requires 70% less water and 60% less energy. Since 100% of the paper fibres are obtained from waste paper, our forest is spared and the original habitats for plants and animals are preserved. Other advantages are that recycled paper is not bleached and does not contain any chemicals that are harmful to health. Recycled paper also outperforms hemp and bamboo papers, as hemp and bamboo cultivation require far larger areas of cultivable land than wood. As participants in [CEOs bekennen Farbe](#), we publicly support and commit to the [pro-recycled paper initiative](#). With its excellent eco-balance, Blue Angel recycled paper is the product of choice for us in all areas of our business.

Our innovations are driven by sustainable solutions that focus on the benefits for customers and the environment. Our modular counter systems, developed for use in cosmetic counters but also applicable to other systems, offer versatility and extend the product life cycle of our displays. In addition to innovation, our two techniques, called "comb" and "register", also reflect creativity. The advantage of the comb technique is that vertical parts can be positioned variably, elements can be inserted and quickly joined together. The register technique dispenses with classic hooks, allowing shelves to be fixed at a new height in no time at all.

The technical solutions were registered as utility models in 2019, which were granted in 2020. Both inventions are patent pending.

ARNO Utility Model Comb Technology

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Key Performance Indicators to criteria 10

Key Performance Indicator G4-FS11

(report also in accordance with GRI SRS): Percentage of assets subject to positive and negative environmental or social screening.
(Note: the indicator should also be reported when reporting to GRI SRS)

We only have financial investments in our subsidiaries. These financial investments do not undergo any environmental or social due diligence.

Criteria 11–20: Sustainability Aspects

Criteria 11–13 concerning ENVIRONMENTAL MATTERS

11. Usage of Natural Resources

The company discloses the extent to which natural resources are used for the company's business activities. Possible options here are materials, the input and output of water, soil, waste, energy, land and biodiversity as well as emissions for the life cycles of products and services.

As an ISO 14001 certified company, we have to evaluate our environmental aspects annually. So far, all auditors have certified that ARNO is a company with a "low environmental relevance". Even though a low environmental relevance is positive for a company, we see this as an opportunity that we have to take up all possibilities of action that open up to us in order to further reduce our environmental impact. We will present these in detail in the following criteria.

We have been working intensively on ecologically compatible plastic substitute products for more than 10 years. Our goal is to significantly reduce the carbon footprint in the retail sector. In 2010, we produced our first ecological sales display from 100% degradable and renewable raw materials using injection moulding. In cooperation with a well-known manufacturer of thermoplastic compounds, bioplastic elements were developed for a tabletop sales display of an organic cosmetics manufacturer. The processed raw material was lignin, Latin "lignum" (wood), which is formed during the growth of lignifying plants. When lignin is processed, a granulate is created within the production process by enriching it with environmentally friendly additives, which can be processed into recyclable plastic products by means of thermal reshaping. The ecological displays were produced and delivered at our main plant in Wolfschlügen. After their use in the retail trade, the used sales displays were taken back by us, collected and returned to the recyclable material cycle via a recycling process.

In recognition, we were awarded the "POPAI Award Gold" in the "Ecological Display" category at the POPAI D-A-CH Awards by an independent committee of experts.

POPAI Award Category EcoDesign

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For many years, we have been dealing with both conventional plastics and ecological plastic substitutes, i.e. bio-based or biodegradable plastics. Additives are added to both synthetic plastics and bioplastics during production so that they meet special processing requirements such as elasticity, stability or fire resistance. These additives often prevent high-quality recycling, as colour pigments remain behind during the recycling process. Where customer or technical product requirements allow, we use recyclable starting materials.

For example, APET with a recycled content of up to 100 percent, which is fully recyclable, impact-resistant and heat-resistant from -20 to +60 degrees, is used as a starting material. For polystyrene elements, we use base materials with a high recycled content. The special thing about polystyrene recycling is that the parts can be easily recycled again at the end of their service life. For injection-moulded parts, too, we demand the use of granulates with the highest possible recycled content, provided that the production, the intended use, the colouring and the requirements for the component permit this. Whenever possible, we refrain from direct printing and adhesive foils on plastic parts, as these, like additives, result in impurities during the recycling process. Light colours such as pure white cannot be produced.

In 2020, we conducted an extensive market analysis of sustainable materials in order to include them in our product portfolio. The primary focus was on sustainable plastics for thermoformed and injection-moulded parts, sustainable packaging, the ecological consideration of the starting materials, their suppliers and the optimisation of the recyclable material cycle. Since a large number of

bio-based and biodegradable plastics are offered, sample materials were requested. In the area of bio-based plastics, we came across types of plastic that are structured almost similarly to conventional plastics and are collected, sorted, melted down and processed into recyclate via the recycling circuit. Other bio-based or biodegradable types of plastic must be sent for energy recovery or chemical recycling. Since chemical recycling is energy-intensive and currently still uneconomical, there seems to be no breakthrough in the foreseeable future. In order to be able to analyse the suitability of the sustainable materials we procured, their properties were compared. We have compiled and evaluated the results of the material analysis in our ARNO decision matrix "Sustainable Materials". This decision matrix shows

- in which projects the material was tested,
- for which end products the raw material is suitable,
- which properties are possible, e.g. in terms of surfaces, colouring, printing options,
- which material processing options are available,
- which thermal or mechanical properties are based on,
- which recyclable material cycles can be realised.

For competitive reasons, we will not publish the results.

In summary, we were able to determine that, especially in the field of bioplastics, there are types that are constructed similarly to conventional plastics and can therefore be recycled almost identically. Other biobased or biodegradable plastic types that we investigated have to be sent for energy recovery or chemical recycling. If we compare fossil-based plastics with biobased plastics in terms of their environmental impact, both raw materials have advantages and disadvantages. While the production of fossil-based plastics increases CO₂ emissions, the ecological footprint of bio-based plastics is affected by the fact that they are produced from maize, sugar beet or sugar cane and that these agricultural areas are in direct competition with food production. Our findings are reflected in currently published studies and life cycle assessments, which confirm that under current conditions, bio-based plastics are not significantly more environmentally friendly than conventional plastics.

In 2020, our photovoltaic system generated 389,828 kWh of solar electricity, our own consumption rate was 42 %. 224,841 kWh of solar electricity were sold to an external service provider (cf. GRI SRS-302-1: Energy consumption). Besides solar power, the natural resource we use most is wood. Since the components of our projects vary greatly and we use few standard parts, we do not use volume and weight data when creating the material master in SAP. Instead, we assign the purchased parts to a higher-level material group. We evaluated the wood-based products we procured according to their specific material groups. The purchasing quantity was used as the unit of measurement

(see GRI SRS-303-1). These are listed below in descending order of purchase quantity: Packaging, cardboard packaging, office and sanitary paper, various project-specific wooden parts and pallets. Water plays a subordinate role, as we only use water in sanitary areas and for cleaning (cf. GRI SRS-303-3).

Meanwhile, many elements of our sales displays carry recycling codes. We are happy to offer our customers the opportunity to return used sales displays with recycling codes to us free of charge. We ensure that returned materials with these codes are recycled by our disposal service providers and fed into the material cycle for reprocessing. For disposal, we work exclusively with certified specialist disposal companies (EfB).

Reduce – Reuse - Recycle

ARNO®



After use, you can return this sales display to the manufacturer free of charge. The manufacturer will ensure that this material is recycled.

Please send this display to:

ARNO GmbH
Daimlerstrasse 10 - 72649 Wolfschlugen - Germany



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As a trading company, we see it as our responsibility to openly communicate critical materials to our customers and employees. Our aim is to reconcile environmental protection and social responsibility. From the current ecological point of view, raw materials made from recycled materials are a responsible and socially acceptable solution for us. Regardless of this, we will continue to research innovative environmentally friendly materials, document our research results and build a network of sustainable supply partners to expand our portfolio.

12. Resource Management

The company discloses what qualitative and quantitative goals it has set itself with regard to its resource efficiency, in particular its use of renewables, the increase in raw material productivity and the reduction in the usage of ecosystem services, which measures and strategies it is pursuing to this end, how these are or will be achieved, and where it sees there to be risks.

Our qualitative and quantitative sustainability goals for increasing resource efficiency emerge from our realised sustainability projects and operational sustainability goals (see 3. Goals).

In the following section, we present these per category. Possible risks are identified and evaluated within the framework of our quality and environmental management system via turtle diagrams and measures for regulation are defined.

GRI SRS-301-1: Materials used

Since our products are produced individually for each customer, the effort required to record weights and volumes is disproportionate to the benefit to the company. The distinguishing feature for differentiating the materials used is the material group assigned to the respective material. With the support of the waste management company primarily responsible for us, we have analysed the product groups in terms of recyclability. According to this, all materials used by us can be recycled materially or thermally (see GRI SRS-301-1).

GRI-SRS-302-1: Energy consumption (Fuel consumption)

Our current sustainability projects	SDGs	Action	Degree of fulfilment					Status	Target	planned in	GRI
Goals			20%	40%	60%	80%	100%				
Climate protection and resource conservation Convert fleet to e-vehicles	12 Responsible consumption and production	Conversion of the vehicle fleet to electric and hybrid vehicles	✓					in progress	E-Mobility	2025	305
Climate protection and resource conservation Share of train journeys	12 Responsible consumption and production	Reduce the number of car trips to customers. Job ticket subsidy for employees who commute by public transport						in planning	at least 10,000 train kilometers per year	2022	305

We have been investing in electric mobility since 2018. At our company headquarters in Wolfschlugen, both our employees and visitors can refuel free of charge. In 2018, we purchased the first electric vehicle. In 2021, we will replace three conventional vehicles with hybrid vehicles.

GRI-SRS-302-4 Reduction of energy consumption

Our current sustainability projects	SDGs	Action	Degree of fulfilment					Status	Target	planned in	GRI
Goals			20%	40%	60%	80%	100%				
Climate protection and resource conservation Building management Renewal the lighting systems in the building	12 Responsible consumption and production	Replacement of conventional light sources with LED lights to reduce energy consumption. Bright and even illumination of the workplaces and areas.						in planning		2022	302

We have already implemented various energy efficiency measures to reduce our energy consumption. By 2022, we will replace the remaining conventional light sources with modern LED technology (see 13. Climate-relevant resources).

GRI-SRS-302-3 Reduction of water withdrawals

Our current sustainability projects	SDGs	Action	Degree of fulfilment					Status	Target	planned in	GRI
Goals			20%	40%	60%	80%	100%				
Climate protection and resource conservation Building management Reduction in water consumption	12 Responsible consumption and production	Regular checking of the pipes Water flow limiters on the taps Awareness training				✓		in progress	20% reduction in per capita consumption	2021	303

Water is only used at our sites for non-production purposes, e.g. in the sanitary facilities, for cleaning, in the canteen or in our kitchenettes. None of our sites is located in an area at risk of water scarcity.

Regardless, we see water consumption at our sites as an important environmental issue. We are constantly pursuing our goal of reducing water consumption. In doing so, all water sinks are considered. The water supply for our main site in Wolfschlügen is provided by the Zweckverband Filderwasserversorgung. Two thirds of the drinking water comes from Lake Constance and one third from the association's own waterworks in Neckartailfingen.

In the past years we have carried out several projects to reduce the total water consumption:

- Regular checks of the water tapping points for tightness and function of the self-closing valves,
- Repair or replacement of leaking valves,
- Restricting the watering of green areas,
- Checking the seals,
- Annual reading of water consumption.

By the end of 2021, we aim to reduce water consumption by 20%. The following measures are planned:

- Awareness training for staff,
- Installation of flow regulators, which reduce the amount of water flowing through the taps. The water flow regulators will save 10-12 litres of water per minute.

GRI-SRS-306-2 Waste

Our current sustainability projects	SDGs	Action	Degree of fulfillment					Status	Target	planned in	GRI	
Goals			20%	40%	60%	80%	100%					
Climate protection and resource conservation Promotion of the resource cycle, containment of worldwide primary fiber transports	13 Climate Action	Exclusive use of recycled paper with the Blue Angel. Support of the pro recycled paper initiative, IPR participants at CEOs show their colors						✓	implemented	100% recycled paper with the Blue Angel	2021	301
Climate protection and resource conservation Environmentally friendly hygiene paper	13 Climate Action	Toilet paper and sanitary paper made from recycled material						✓	implemented	100% of all hygiene papers made from recycled material	2021	301
Climate protection and resource conservation Development of sustainable, climate-friendly merchandising solutions	13 Climate Action	Intensive use of secondary raw materials, increased use of recyclates	✓						in progress	25-30% of the procured plastics made from recycled material or 25-30% of the wood procured from FSC / PEFC	2022	301
Climate protection and resource conservation Sourcing sustainable products for general use	13 Climate Action	Sustainable hygiene papers in the sanitary facilities Use of environmentally friendly cleaning agents by hospitality and housekeeping						✓	in progress	All hygiene papers and cleaning agents are being replaced by ecological products	2021	301
Products Recyclable constructions	12 Responsible Consumption and Production	Already in the construction phase, attention is paid to dismantling and recycling, if this is technically possible.						✓	in progress	100% of the constructions can be returned to the recycling cycle	2021	301
Products Taking back used presentation systems from the retail trade and feeding them into the recycling process	12 Responsible Consumption and Production	Intensification of the return of used presentation systems for material separation and processing into secondary raw materials	✓						in progress	20% by 2022	2022	301
Climate protection and resource conservation Sustainable packaging concepts from suppliers	13 Climate Action	According to our purchasing and delivery conditions, suppliers must submit a VP concept before delivery of the goods. When developing the packaging, care was taken to ensure that no mixed raw materials and materials made from secondary fibers are used						✓	in progress	35% reduction in waste volume	2021	301
Climate protection and resource conservation Reduction of the range of hazardous substances	12 Responsible Consumption and Production	Replacement of conventional hazardous substances with ecological products (cleaning agents, adhesives, etc.)							in progress	at least 10% fewer hazardous substances	2022	301

In October 2019, we had our recycling concept examined by one of the world's largest service providers for recycling, service and water. The task set for the waste management company was to check,

- whether further breakdowns of our waste are possible,
- whether all the waste is being sent to the correct waste codes and correct disposal routes,
- which types of waste are profitable beyond those we know about,
- to what extent the separation of waste and its delivery to recycling companies can be optimised in terms of costs.

The waste analysis showed that all waste, with the exception of glued belts, which are to be disposed of as commercial waste, is ideally separated by us and fed to the exact waste code. Based on the results, we will maintain our current waste concept.

According to our experience to date, also in the course of the ISO 14001 recertifications, there are no significant risks arising from our business activities, from our business relationships and from our products and/or services (cf. 4 Depth of the value chain) that may have a negative impact on resources and ecosystems.

Key Performance Indicators to criteria 11 to 12

Key Performance Indicator GRI SRS-301-1: Materials used

The reporting organization shall report the following information:

a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:

- non-renewable materials used;
- renewable materials used.

Under 11. use of natural resources we have described why we can only evaluate the materials we use according to commodity groups and purchase quantities. On the one hand, we are a project contract manufacturer, so the materials used in our projects vary greatly. On the other hand, we can only use a few standard parts in our projects, with a few exceptions, such as DIN parts. To increase and accelerate process efficiency, we do not specify weights and volumes of the procured materials when creating the material master in SAP. These are only recorded for shipping items for goods issue. In order to group goods with the same properties, we assign them to material groups in the material master. The material groups serve as sorting or selection criteria for work planning. At the same time, they serve controlling for evaluation purposes.

The table is the result of a discussion with our recycling company.

GRI 301-1 Materials used



Commodity groups	Incoming goods 2020	Recycling	
		thermal	material
DIN parts, screws	1.419.934		x
Injection moulded parts	876.707		x, as Axxis Vivak, acrylic, etc.
Metal parts	597.245		x
Deep-drawn parts	555.421	x	
Packaging in general	525.340		x
Plastic parts	477.528	x	
Transformers / ballasts	402.436		x
Locks, fittings	314.600		x
Extrusion profiles (plastic/aluminium)	311.804		x
Cardboard boxes	237.680		x
Office supplies, recycled paper	202.412		x
Adhesive tapes	188.560	x	
Lights	136.831		Neon lamp/LED (electronic scrap)
Printing, printed film	124.556	x	
Wooden parts	64.012		x
General raw materials and supplies	55.816	x	
Aluminium parts	10.129		x
Foils, films	9.472	Foam material	foil
Pallets	7.490		x
Illuminants	6.588		Neon lamp/LED (electronic scrap)
Glass, mirrors	4.656		x
Fabrics, textiles, leather	3.090	x	
Digital components	864		x
Hazardous substances	749	x incl. container	

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Key Performance Indicator GRI SRS-302-1: Energy consumption
The reporting organization shall report the following information:

a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.

b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.

c. In joules, watt-hours or multiples, the total:

i. electricity consumption

ii. heating consumption

iii. cooling consumption

iv. steam consumption

d. In joules, watt-hours or multiples, the total:

i. electricity sold

ii. heating sold

iii. cooling sold

iv. steam sold

e. Total energy consumption within the organization, in joules or multiples.

f. Standards, methodologies, assumptions, and/or calculation tools used.

g. Source of the conversion factors used.

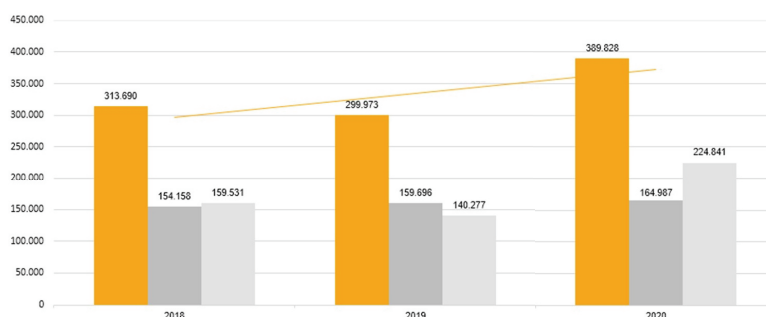
In 2020, the total energy consumption at the company site in Wolfschlügen was 676,664 kWh (0.677 MWh).

389,828 kWh of solar power was produced by our photovoltaic system. 164,987 kWh, i.e. 42.32 % of the electricity we needed was covered by it. Since our solar system is operated without storage, we have to purchase additional conventional electricity at peak times. The surplus of 224,841 kWh produced by the photovoltaic system was fed into the grid of Stromwerke München Netz.

GRI 302-1 Energy consumption from renewable and non-renewable energies

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	2018	2019	2020	Percentage change to previous year
Volume of electricity generated kWh	313,690	299,973	389,828	29.95%
Own consumption kWh	154,158	159,696	164,987	3.31%
Surplus electricity/grid feed-in	159,531	140,277	224,841	60.28%
Own consumption rate	49.14%	53.24%	42.32%	



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The energy consumption of our vehicle fleet was 286,836.49 kWh. For the calculation, the calorific values of the fuels were apportioned as follows: Super petrol 8.4 kWh/l, diesel 9.8 kWh/l.

GRI 302-1 Fuel Consumption

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Fuel	2020 Petrol	2020 Diesel
Consumption litre	11,497	19,415
Conversion factor litre in kWh	8.40	9.80
Consumption in kWh	96.573,71	190.262,79
Total consumption kWh		286.836,49

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Key Performance Indicator GRI SRS-302-4: Reduction of energy consumption

The reporting organization shall report the following information:

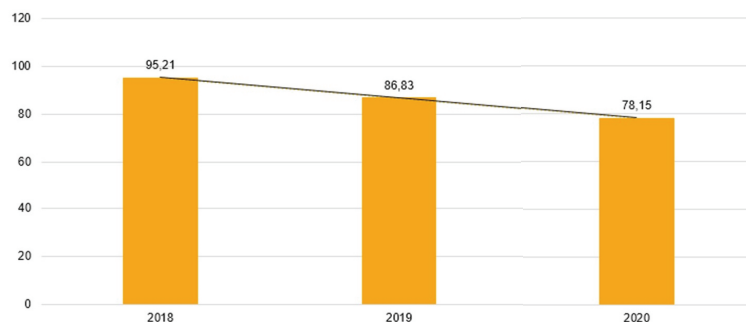
- a.** Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.
- b.** Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.
- c.** Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.
- d.** Standards, methodologies, assumptions, and/or calculation tools used.

In mid-2017, we installed a photovoltaic system on our logistics centre. Consequently, 2018 was used as the base year for calculating the reduction in energy consumption (cf. 13. Climate-Relevant Emissions). By implementing the energy efficiency measures listed in the [realised sustainability goals](#) we were able to continuously reduce our electricity consumption. In 2020, the saving compared to the base year 2018 was almost 18%. 42,530.40 kWh of electricity were saved, thus relieving the atmosphere of 17.05 t of CO₂. The calculation is based on <https://www.klimaneutral-handeln.de/php/kompens-berechnen.php#rechner>.

GRI 302-4 / GR-305-1 Electricity Consumption

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	2018	2019	2020
Electricity consumption kWh	237.423,90	216.525,75	194.893,50
Total CO₂	95,21	86,83	78,15
Reduction compared to 2018		-8,80%	-17,91%



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Key Performance Indicator GRI SRS-303-3: Water withdrawal
The reporting organization shall report the following information:

- a.** Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:
 - i.** Surface water;
 - ii.** Groundwater;
 - iii.** Seawater;
 - iv.** Produced water;
 - v.** Third-party water.

- b.** Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable:
 - i.** Surface water;
 - ii.** Groundwater;
 - iii.** Seawater;
 - iv.** Produced water;
 - v.** Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv.

- c.** A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories:
 - i.** Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids);
 - ii.** Other water ($> 1,000$ mg/L Total Dissolved Solids).

- d.** Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

GRI 303-3 Water withdrawal

Our water comes from the Zweckverband Filderwasserversorgung (FIWA). FIWA regularly carries out water analyses, which can be inspected. In addition, the Esslingen Health Department monitors compliance with the regulations by taking its own samples.

GRI 303-3 Water consumption



	m^3 / J	Total 2018 m^3 / J	Total 2019 m^3 / J	Total 2020 m^3 / J
WO Daimlerstr. 12	Counter 1	194	93	77
WO Daimlerstr. 10	Counter 2	591	495	287
WO Daimlerstr. 10	Counter 3	223	149	164
	Total consumption	1008	737	528

¹ joule / cubic meter [J / m³] = 1 cubic meter / joule [m³ / J]

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GRI-303-3 Water consumption per Full Time Equivalent (FTE)

Total annual water consumption per FTE was 3.8 m³/J in 2020.

The measures to reduce water consumption are paying off. Compared to 2018, we saved almost 1.89 m³ of water per employee, a 33% savings rate. By 2022, we will additionally equip our taps with water-saving floodlights.

GRI 303-3 Water and waste water savings per capita

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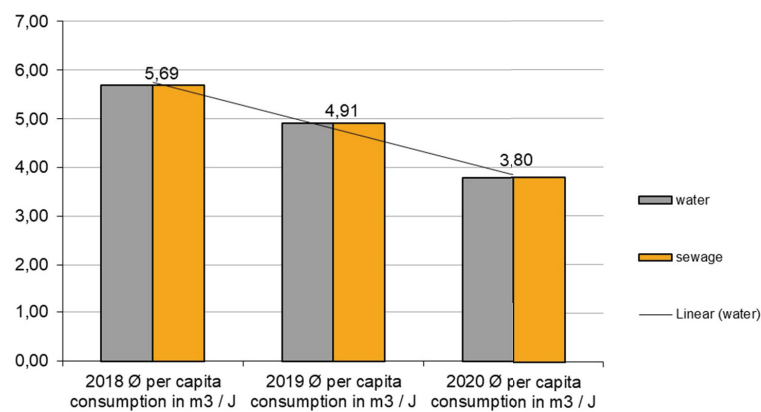
	2018 Ø per capita consumption in m ³ / J	2019 Ø per capita consumption in m ³ / J	2020 Ø per capita consumption in m ³ / J
water	5,69	4,91	3,80
sewage	5,69	4,91	3,80
Savings in m ³ compared to 2018		0,78	1,89
Savings in% compared to 2018		-13,71%	-33,22%

1 joule / cubic meter [J / m³] = 1 cubic meter / joule [m³ / J]

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GRI 303-3 Water and wastewater consumption per capita

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Key Performance Indicator GRI SRS-306-2: Waste

The reporting organization shall report the following information:

- a.** Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable:
 - i.** Reuse
 - ii.** Recycling
 - iii.** Composting
 - iv.** Recovery, including energy recovery
 - v.** Incineration (mass burn)
 - vi.** Deep well injection
 - vii.** Landfill
 - viii.** On-site storage
 - ix.** Other (to be specified by the organization)
- b.** Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable:
 - i.** Reuse
 - ii.** Recycling
 - iii.** Composting
 - iv.** Recovery, including energy recovery
 - v.** Incineration (mass burn)
 - vi.** Deep well injection
 - vii.** Landfill
 - viii.** On-site storage
 - ix.** Other (to be specified by the organization)
- c.** How the waste disposal method has been determined:
 - i.** Disposed of directly by the organization, or otherwise directly confirmed
 - ii.** Information provided by the waste disposal contractor
 - iii.** Organizational defaults of the waste disposal contractor

a. GRI-306-2 Hazardous waste

The hazardous substances used are kept in a hazardous substances register and updated regularly. Safety data sheets are created for each hazardous substance and operating instructions are prepared. If hazardous substances have to be disposed of, the recycling work instructions for hazardous substances contained in our quality management manual must be applied. Our explosion-proof hazardous substances room contains only a few drums with hazardous substances. To ensure safe and environmentally sound destruction of our hazardous waste, we work with a certified specialist disposal company. This company feeds the waste requiring special monitoring into correct recycling and reprocessing processes via transparent disposal routes. As a result of sustainability reporting, our recycling partner has confirmed the

following disposal processes to us in writing:

- Alkaline/lead batteries are discharged, lead is dissolved out, lead and metal are recycled.
- Aerosol cans are shredded, other contents are thermally recycled, the metal is recycled (smelted).
- Solvents, including containers, are incinerated in hazardous waste incinerators (calorific value).

We are constantly working on replacing conventional hazardous materials with environmentally friendly products. We were able to reduce our hazardous waste by almost 37% in 2020 compared to the base year 2018. In 2019, we refrained from collecting hazardous waste due to the low volume of waste and to avoid unnecessary transport routes (due to environmental aspects).

GRI 306-2 Hazardous Waste

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	2018	2019	2020
Total in tonnes	0,52	0,00	0,33
Reduction to 2018			-36,54%



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b. GRI 306-2 Non-hazardous waste

As a project manufacturer, we can only use reusable container systems to a limited extent in the procurement of our purchased parts. The majority of our waste arises from packaging materials from our suppliers, e.g. cardboard boxes, mixed wood and foil. In 2020, a stringent stock clearance was carried out based on evaluations of the warehouse management system. As a result of the measure, our waste volume increased compared to the previous year. Compared to the base 2018, we reduced our waste volume (t) to 192.6 t by almost 8%. 66 m³ of polystyrene packaging went into the recycling process.

GRI 306-2 Non-hazardous waste



Types of waste	Waste key	Total amount per year	
		t	m ³
Electronic scrap <i>Compensation!</i>	-	0,00	0,00
Flat glass	200102	0,00	0,00
Foil colorful <i>Compensation!</i>	150102	7,41	0,00
Commercial waste	200301	11,12	0,00
Plasterboard	170802	0,00	0,00
Glass	200102	0,00	0,00
Wood / pollution	170204	0,00	0,00
Cardboard / mixed paper	150101	48,79	0,00
Since 01.01.2021, there is not always remuneration for this plastic	200139 170203	5,82	0,00
metal <i>Compensation!</i>	200140	0,00	0,00
Mineral wool	170604	0,00	0,00
Mixed wood	200138	56,70	0,00
Mixed wood with cling.	200307	0,00	0,00
Mixed scrap <i>Compensation!</i>	120102	30,71	0,00
Pallet wood	150103	31,72	0,00
Hazardous waste	-	0,33	0,00
Styrofoam	150102	0,00	66,00
Total amount 2020		192,60	66,00
Total amount 2019		132,30	45,00
Total amount 2018		208,59	52,00
Development to 2019		45,58%	46,67%
Development compared to 2018		-7,67%	26,92%

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c. ARNO determines the waste disposal methods. At the end of 2019, our approach was reviewed by one of the world's largest recycling, service and water service providers and found to be good.

Sector Supplements

Commission Decision (EU) 2020/1804 of 27 November 2020
establishing the EU Ecolabel criteria for electronic displays

In November 2020, the EU introduced the EU Ecolabel for electronic displays - Decision (EU 2020/1804 (monitors and digital signage displays). The EU Ecolabel is awarded to displays that are energy-efficient and repairable, can be easily disassembled and returned to the material cycle, have a minimum recycled content and contain only a limited amount of hazardous substances. Within our purchasing process, electronic displays with the EU Ecolabel are procured without exception.

13. Climate-Relevant Emissions

The company discloses the GHG emissions in accordance with the Greenhouse Gas (GHG) Protocol or standards based on it and states the goals it has set itself to reduce emissions, as well as its results thus far.

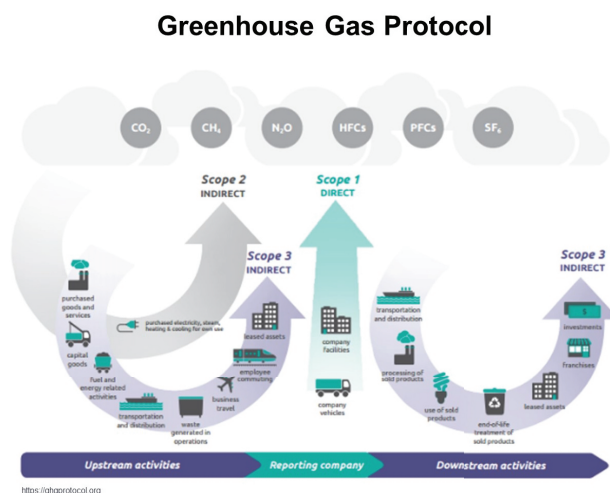
Every single one of us leaves a carbon footprint. In addition, global industrialisation fuels CO₂ production worldwide. Since the CO₂ balance can no longer be established, a greenhouse effect occurs. Our planet heats up, oceans overacidify, sea levels rise. We must counteract this development together. It is only through the commitment and responsibility of each individual that we will be able to restore the CO₂ balance and halt the progress of climate change.

Within the framework of the ISO 14001 certification, we are classified as a company with a "low environmental relevance" (see 10. Environment). The core of our sustainability strategy is the avoidance of climate-damaging GHG emissions. We focus on all areas that we can influence directly. These include emissions that occur in our production, logistics centre and administration in the areas of energy, waste, water, paper and mobility. To limit GHG emissions, we continuously monitor our key figures.

The current calculation of GHG emissions was carried out on the basis of the Greenhouse Gas Protocols Corporate Standard. The focus was on the company level, not the product level. For a better overview, all emissions as well as consumption data (e.g. gas, fuel, electricity) were converted into CO₂ equivalents and presented. Our calculations are based on the emission factors given in the portal <https://www.klimaneutral-handeln.de/php/kompens-berechnen.php>. 2020 was set as the balancing period. The organisational system boundary is our main location in Wolfschlügen near Stuttgart. As a project manufacturer, we deal with complex, constantly changing customer orders that usually take place under one-off conditions. Therefore, we have defined Scope 1 and Scope 2 of the Greenhouse Gas Protocol as our operational boundary. This regulates the emissions that we can influence directly. Other indirect sources of emissions that lie within the value chain (Scope 3) are recorded and evaluated as part of the company's objectives.

Scope 1: Direct emissions

Under Scope 1, direct GHG emissions resulting from combustion were evaluated. We included our boilers, gas combustion plants and our vehicle fleet in the calculation.



Scope 2: Indirect emissions

Under Scope 2, indirect GHG emissions originating from our energy suppliers were identified.

In 2016, we identified measures to increase energy efficiency as part of an energy audit in accordance with ISO 16247-1, prioritised them under the aspects of feasibility, investment volume and economic efficiency. The following optimisations were implemented as a result of the energy efficiency analysis.

Since 2017, green energy has been produced at ARNO with an in-house photovoltaic system on the roof of our logistics centre. On an area of 6,300 m², 1,532 solar modules generate a total output of 413.64 kWp. In 2020, our solar panels produced 389,828 kWh of energy, saving 261.18 t of CO₂. With the amount of electricity generated, ARNO can not only supply itself with electricity, but also the public grid.

Photovoltaic system

ARNO®



42.3 % of the energy is consumed on our premises, the rest is fed into the grid. By investing in regenerative energies, we are setting an active example for environmental protection.

To avoid energy losses in compressed air, the compressed air lines and hoses, including the couplings, are regularly monitored in the production departments. The production team leaders check the shut-off valves on the air cushion machines daily at the end of work.

In all sanitary facilities and meeting rooms, the conventional heating thermostats have been replaced by authority models that limit the flow of water in radiators.

Due to a relatively low vertical range of manufacture, we attach great importance to the supplier chain in the value chain and in the cycle of recyclable materials. Our goal is to work with our supply partners to launch innovations that conserve resources and avoid waste. We select suitable partners through a comprehensive supplier analysis. We only develop suppliers who stand for our values (see 4. Depth of the value chain).

In order to make the use of public transport more attractive, we are examining the possibility of introducing [Deutsche Bahn job tickets](#), which our employees can also use for private journeys.



In addition, we offer our employees the opportunity to lease their desired bicycle (pedelec, cargo bike, mountain bike, etc.) within the framework of [JobRad](#). Thanks to this option and the associated favourable taxation, our employees can save up to 40% compared to a conventional purchase.

In order to promote electric mobility, we have installed two e-charging stations at our corporate headquarters, where not only our employees but also our visitors can recharge their batteries free of charge. The first e-vehicle was purchased in 2018. We will gradually convert our fleet to e-vehicles.

We primarily award forwarding contracts to our A-grade forwarders, who are certified according to the environmental management standards ISO 14001 or EMAS.

As a result of these energy efficiency measures, our main location in Wolfschlugen has been CO₂-neutral since 2020!

But we are not satisfied with that. From 1 August 2021, we will exclusively purchase 100% **climate-neutral green electricity** with the certified environmental label "[RenewablePlus](#)", which is audited annually by TÜV Rheinland. In addition, over the next 2 years we will replace the T8 fluorescent tubes, some of which are still in place and connected to electronic or conventional ballasts (EVG/KVG), with efficient LED tubes. Other light sources, such as outdoor spotlights, will also be replaced with more efficient LED technology. According to the calculation of an independent energy consultant, we will save about 108 MWh of electricity through this measure, which corresponds to a CO₂ reduction of about 67 tonnes p.a..

Our current sustainability projects		SDGs	Action	Degree of fulfillment					Status	Target	planned in	GRI
Goals				20%	40%	60%	80%	100%				
8 Climate protection and resource conservation	13		Replacement of conventional light sources with LED lights to reduce energy consumption. Bright and even illumination of the workplaces and areas.						in planning		2022	302
16 Climate protection and resource conservation	13		Green electricity since 01.08.2021 100% climate-neutral generated green electricity with the certified quality label "RenewablePLUS", which is audited annually by TÜV Rheinland.						✓ in planning	at least 10,000 train kilometers per year	2021	305
Green electricity rate												

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Further sustainability results and operational sustainability projects are discussed under 3. goals.

In the future, we will continue to work actively on sustainability projects, continuously promote the expansion of renewable energies in the company, use sustainable and resource-saving materials in the company and in customer projects, and train our employees in the economical use of resources.

To us, sustainability means passing on an intact environment!

Key Performance Indicators to criteria 13

Key Performance Indicator GRI SRS-305-1: Direct (Scope 1) GHG emissions

The reporting organization shall report the following information:

- a.** Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent.
- b.** Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ or all.
- c.** Biogenic CO₂ emissions in metric tons of CO₂ equivalent.
- d.** Base year for the calculation, if applicable, including:
 - i.** the rationale for choosing it;
 - ii.** emissions in the base year;
 - iii.** the context for any significant changes in emissions that triggered recalculations of base year emissions.
- e.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
- f.** Consolidation approach for emissions; whether equity share, financial control, or operational control.
- g.** Standards, methodologies, assumptions, and/or calculation tools used.

GRI SRS-305-1 GHG emissions in tonnes of CO₂ equivalent

In 2021, we calculated GHG emissions for the first time according to the GHG Protocol based on operational data. The basis for calculation is the year 2020. 181.92 tonnes of CO₂ direct GHG emissions were released by ARNO GmbH (Scope 1) in 2020. The internet platform <https://klimaneutral-handeln.de/php/kompens-berechnen.php> was used to calculate the CO₂ equivalents.

ARNO CO₂ Balance 2020



Scope	Type	GHG Emissionen	in Tonnen CO ₂
Scope 1	direct	Liquid gas	14,58
		Heating oil	82,76
		Petrol	29,05
		Diesel	55,53
Summe	direct	Scope 1	181,92
Scope 2	indirect	Electricity consumption	78,15
Total	indirect	Scope 2	315,60
		CO ₂ Emissions Scope 1 + 2	260,07
		./. CO ₂ Savings photovoltaic system	261,18
		Remaining CO ₂ emissions in tonnes	-1,11

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Savings photovoltaic system: see GRI SRS-305-5 Scope 2

Key Performance Indicator GRI SRS-305-2: Energy indirect
(Scope 2) GHG emissions

The reporting organization shall report the following information:

a. Gross location-based energy indirect (Scope 2) GHG emissions
in metric tons of CO₂ equivalent.

b. If applicable, gross market-based energy indirect (Scope 2)
GHG emissions in metric tons of CO₂ equivalent.

c. If available, the gases included in the calculation; whether CO₂,
CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.

d. Base year for the calculation, if applicable, including:

i. the rationale for choosing it;

ii. emissions in the base year;

iii. the context for any significant changes in emissions that
triggered recalculations of base year emissions.

e. Source of the emission factors and the global warming potential
(GWP) rates used, or a reference to the GWP source.

f. Consolidation approach for emissions; whether equity share,
financial control, or operational control.

g. Standards, methodologies, assumptions, and/or calculation
tools used.

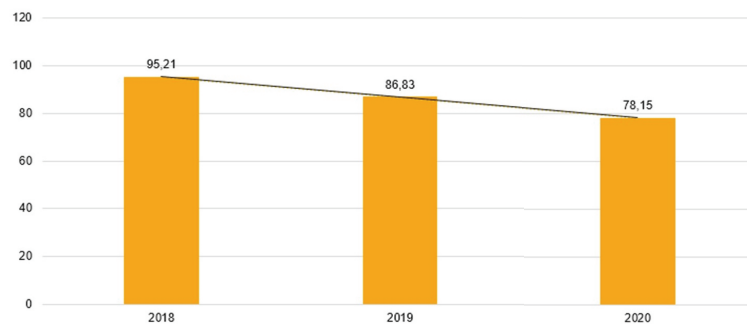
GRI SRS-305-2: Indirect energy-related GHG emissions (Scope 2)

Scope 2 was calculated according to the GHG Protocol on the basis of operational data. The calculation basis is the year 2020. The internet platform <https://klimaneutral-handeln.de/php/kompens-berechnen.php> was used to determine the CO₂ equivalents.

Energy Consumption Development

ARNO®

	2018	2019	2020
Electricity consumption kWh	237.423,90	216.525,75	194.893,50
Total CO₂	95,21	86,83	78,15
Reduction compared to 2018		-8,80%	-17,91%



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Compared to 2018, we were able to reduce our electricity consumption by almost **18%**.

Key Performance Indicator GRI SRS-305-3: Other indirect (Scope 3) GHG emissions

The reporting organization shall report the following information:

a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent.

b. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.

c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent.

d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.

e. Base year for the calculation, if applicable, including:

i. the rationale for choosing it;

ii. emissions in the base year;

iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

g. Standards, methodologies, assumptions, and/or calculation tools used.

As a **project manufacturer**, we deal with complex, constantly changing customer orders that usually take place under one-off conditions. Scope 1 and Scope 2 of the Greenhouse Gas Protocol were defined as operational boundaries. This regulates the emissions that we can influence directly. Other indirect sources of emissions in the value chain (Scope 3) are recorded and evaluated as part of the corporate goals.

Key Performance Indicator GRI SRS-305-5: Reduction of GHG emissions

The reporting organization shall report the following information:

- a.** GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO₂ equivalent.
- b.** Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.
- c.** Base year or baseline, including the rationale for choosing it.
- d.** Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).
- e.** Standards, methodologies, assumptions, and/or calculation tools used.

In the following, we present the GHG emissions that could be reduced due to direct initiatives. The gas used in the calculation is CO₂. The chosen reference year is 2018, as our photovoltaic system was installed in mid-2017. We used the calculation programme: <https://klimaneutral-handeln.de/php/kompens-berechnen.php> to determine the values.

The reductions are the result of our [realised sustainability projects](#). In the future, we will continue to work on reducing CO₂ emissions as part of our [Operational Sustainability Goals](#). By 2022, our conventional light sources will be replaced by LED lights (cf. 3. Goals).

Scope 1

Heating oil consumption 2020

ARNO®

Heating oil	2018	2019	2020
in total litres	33.003	42.455	28.343
Conversion factor	2,92	2,92	2,92
in total kg CO ₂	96.369	123.969	82.762
in total t CO ₂	96,37	123,97	82,76
			-14,12%

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Following an increase in 2019, our heating oil consumption has reduced by 14.12% compared to the 2018 baseline.

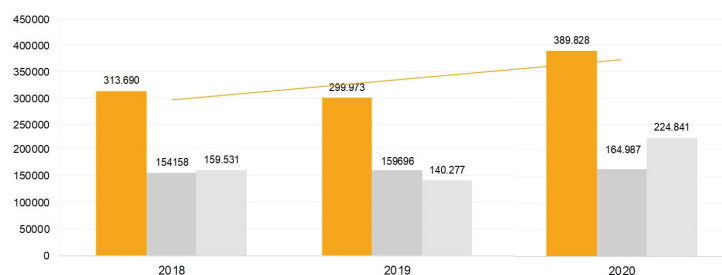
Scope 2

Our photovoltaic system is installed on the roof of our logistics centre. In addition, we have a growth of green plants. In 2020, the roof growth was inhibited. As a result of the measure, electricity production increased by 30% compared to 2019. Compared to 2018, 23% more electricity was generated. Our photovoltaic system has no storage capacity. We feed surplus electricity into the public grid. In 2020, we provided 224,841 kWh of solar power to Stadtwerke München.

Photovoltaic system

ARNO®

	2018	2019	2020
Electricity generation amount kWh	313.690	299.973	389.828
Conversion factor	0,67	0,67	0,67
SAVINGS in kg of CO ₂	210.172	200.982	261.185
SAVINGS in t CO ₂	210,17	200,98	261,18
Self-consumption kWh	154.158	159.696	164.987
Excess electricity / grid feed-in	159.531	140.277	224.841
Self-consumption rate	49,14%	53,24%	42,32%



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Scope 3

Journeys by German Rail

In 2020, 5,329 km were travelled by our employees by Deutsche Bahn, saving
426 kg of CO₂.

Criteria 14–20 concerning SOCIETY

Criteria 14–16 concerning EMPLOYEE-RELATED MATTERS

14. Employment Rights

The company reports on how it complies with nationally and internationally recognised standards relating to employee rights as well as on how it fosters staff involvement in the company and in sustainability management, what goals it has set itself in this regard, what results it has achieved thus far and where it sees risks.

As a family business with more than 85 years of experience at the point of sale (POS), it is a matter of course for us to pay attention to the rights of employees. Ethical and moral guidelines are the basis for successful cooperation and fair interaction. We want to communicate with our employees at eye level and create space for ideas and culture. Together we can make the company more sustainable day by day.

As an ISO 9001 and ISO 14001 certified company, it is standard practice for us to monitor "all" legal and environmental regulations (laws, legal ordinances, standards and guidelines) that apply to our business activities, to check their scope and to apply them in full. We submit our legal register to independent auditors for review each year as part of the recertification process (see 20 Conduct in compliance with laws and directives).

In our international day-to-day business and the associated legal or ethical decision-making processes, we are supported by our binding [ARNO Code of Conduct](#) with our corporate guidelines, the UN conventions, applicable laws and standards. These are all principles to which we as a company are committed without exception. Our claim to conduct all business ethically and legally impeccable is naturally transferred to our subsidiaries, suppliers and employees. Since we only work with persons or organisations that commit to complying with our ARNO Code of Conduct, we are not aware of any significant risks that could arise from our business activities, our business relationships or products and services that could have a negative impact on workers' rights (cf. 4. Depth of the value chain).

Within the framework of the company meeting, we regularly inform our employees about our strategy, our corporate and environmental goals, the results of the parent company and subsidiaries. We strive to create transparency at all levels. This is the only way our employees can understand and fully support our decisions and identify with our values and objectives.

As our employees are true experts in their field, it is important for us to exploit the existing potential and to proactively involve all employees in improvements. Together, we are constantly developing our sustainability management. In doing so, we use the quality management tools mentioned below. Our employees can use these tools to express praise, criticism, ideas, suggestions for improvement or opinions. The contents are collected and published in our integrated quality management system and the forms of processing are determined. In some cases, workshops are held to optimise the implementation of sustainability potentials.

1. Lessons learned tickets

Our employees use digital or manual [Lessons Learned Ticket](#) to identify weaknesses in the company,

- where weaknesses exist in the company,
- where there is potential for improvement,
- what positive experiences have been made,
- which insights or ideas have led to (project) successes,
- which processes can be improved with the wealth of experience gained.

This results in the following advantages:

- Direct, immediate identification of problem areas,
- Safeguarding of know-how,
- Avoidance of repeat mistakes,
- Reduction of possible risks,
- Further development of our quality, environmental and sustainability management system,
- Our employees have the opportunity to pass on their positive and negative findings unfiltered.

All Lessons Learned tickets are processed internally and the results are published monthly digitally and on the notice board. Active participation in the Lessons Learned has a positive effect on the employees' appraisal. In 2020, 41 Lessons Learned Tickets were submitted by our employees. These have contributed significantly to improvements in project and department organisation, technical solutions, employee development, optimisation of the ERP system and the supplier management system (see 10. Innovation and product management).

2. Employee survey

Since 2013, our employees have been asked once a year about their satisfaction in the company, the organisation of their work, their working conditions, their work in the team and with their superiors. The results are explained in the company meeting. The satisfaction analyses show how strongly our employees identify with the company. In 2018 this was 88%, in 2019 87%. As a result of the corona pandemic, this fell to 77% in 2020.

3. Anonymous ARNO feedback tool

Our employees can openly express their opinions via the anonymous ARNO Feedback Tool, which is offered on a voluntary basis. The feedback tool can be used digitally or as a paper form, so that employees without their own PC access can also be fully considered. The feedback is recorded anonymously. Our management responds to the feedback given in the company meeting.

Risk assessments are carried out using turtle diagrams, in which processes and their possible influencing factors are depicted. The following contents become clear during the recording:

- Type of process,
- Process inputs,
- Process results (outputs),
- Realisation with what: Equipment, resources, etc.
- Realisation with whom: process participants, skills of the persons involved,
- Process indicators, KPIs,
- Process control (guidelines/standards).

The Turtle Diagram thus systematically provides the most important information on the respective process as well as the possible risks in relation to sustainability.

Of course, we involve our staff in the processing of all suggestions for improvement. This may be in the form of introducing processes that make everyday work easier, contribute to environmental protection or enable customer projects to be managed more efficiently and effectively.

15. Equal Opportunities

The company discloses in what way it has implemented national and international processes and what goals it has for the promotion of equal opportunities and diversity, occupational health and safety, participation rights, the integration of migrants and people with disabilities, fair pay as well as a work-life balance and how it will achieve these.

We have anchored our values on equal opportunities in our [ARNO Code of Conduct](#) ARNO Code of Conduct DE/ARNO Code of Conduct EN as well as in the company regulations with direct reference to the General Equal Treatment Act (AGG) and in our [ARNO Leadership Culture](#).

As a member of the world's largest and most important network, the **United Nations Global Compact** (UNGC), we also see ourselves as having a direct corporate responsibility.

Should complaints arise, those affected can turn to a central, independent complaints office. If the complaint proves to be justified, countermeasures are taken under labour law.

Currently, almost 20 % of our managers are female employees. Our management is aware that leadership skills, analytical abilities and social competence are not a gender issue. On the contrary, we have recognised the advantage of mixed teams and actively use the following tools to give women and men equal opportunities (cf. 3. Goals, implemented sustainability projects):

- Flexible working time models

ARNO currently has 14 different working time models. With flexible offers, we want to promote the compatibility of family and career and strengthen employee loyalty.

- Working from home

Home office is possible across all departments, with the exception of the production and logistics departments. (See GRI SR-102-44)

- Annual training budget

We set an annual ARNO training budget that benefits both industrial and commercial employees. A training budget of EUR 165,000 was made available for the further training of our employees from 2018 to 2021. By the beginning of 2021, EUR 133,000 had been used. By the end of the year, we will use the training budget for a specific purpose. (See 16. Qualification).

- Internal seminars and training

In order to further educate our employees, we regularly offer internal training and instruction in all areas of the company. These include: ERP training, instruction on occupational safety and health protection, process training, knowledge transfer on materials, know-how transfer from lessons learned, training in the areas of quality and environmental management, and much more. (See 6. Rules and processes as well as performance indicator GRI SRS-404-1 Number of hours of education and training).

- Childcare subsidy

We provide a childcare allowance for children of our employees who are not of school age. This amounts to 30.00 euros per month. All employees who have a full-time or part-time contract without notice are entitled to this allowance.

- Childcare at the workplace

Our employees have the option of looking after their children up to the age of 12 at the workplace if conventional childcare is not available at short notice. In the case of dangerous workplaces, prior consultation with the supervisor and the human resources department is required.

In summary, we can state that the fair further development of all our employees in line with opportunities through individual support contributes significantly to the development of know-how, increases the motivation of all those involved and is of immeasurable benefit to the ARNO Group (cf. 16. Qualification).

Our international success is not possible without motivated, functional and interdisciplinary teams. Irrespective of origin, ideology, religion, gender, age, disability or sexual orientation

We treat our counterparts with impartiality, respect and fairness, regardless of origin, ideology, religion, gender, age, disability or sexual orientation, employee or business partner. This principle is laid down in our ARNO Code of Conduct is laid down. We want free, open and honest communication. In an environment characterised by mutual respect, all project participants can perform at their best, support us with valuable innovative ideas and make ARNO more efficient bit by bit.

The following diagram with our motto on leadership culture is intended to illustrate this:

ARNO CORPORATE CULTURE

Leadership

"If you want to go fast, go alone. If you want to go far, go together."



16. Qualifications

The company discloses what goals it has set and what measures it has taken to promote the employability of all employees, i.e. the ability of all employees to participate in the working and professional world, and in view of adapting to demographic change, and where risks are seen.

The continuous development and qualification of our employees is a central issue for us and a good starting point for recruiting new specialists. The topic of training includes both external seminars and internal training as well as (safety) instructions. Through targeted internal and external training and further education measures, we ensure that motivated and qualified personnel are employed at all workplaces, that sufficient expertise is available to carry out the required activities, and that the labour, quality, environmental, safety and sustainability guidelines are adhered to. We communicate to our employees the effects of their activities on product and service quality as well as possible consequences when deviating from established procedures. Instruction on VDU workstations as well as their examination is carried out by our IT.

We are not aware of any significant risks arising from our business activities, our business relationships or our products and services that may have a negative impact on qualification.

In our company meeting, we communicate the company strategy to our employees, report on the company and environmental goals and explain the company's key figures. In addition, we conduct training courses on software applications, the quality and environmental management system, sustainability issues, occupational health and safety, process flows, materials, lessons learned, and much more.

To determine the need for further training, all employees are called upon, together with their superiors, to take advantage of opportunities for their own professional development and to shape their career in dialogue with the HR department. We want all employees to make active use of our training opportunities. For this reason, we hold a feedback meeting with our employees once a year and so-called "how-to" meetings twice a year. We identify training potential as part of the CIP process (see 6. Rules and processes and 8. Incentive systems). Our training contents, training documents and training dates are geared to the respective requirements at short notice. Our quality management manual (QMH) and our IT instructions contain comprehensive work instructions, instructions and training documents on all conceivable topics (quality, environment, occupational health and safety, digitalisation, etc.), which our employees can access at any time. In addition, every employee can request external training via one of our seminar and training forms. The requests are reviewed by our line managers. If both parties, our employees and ARNO, can see an added value and the training budget is available, the training is approved. In order to make the qualifications of all employees clear and transparent, we keep a training calendar for each department. The human resources department enters every training course here, whether internal or external. In addition, each department has its own qualification matrix, which shows the competences of the employees.

In the case of further training, we distinguish between training and instruction.

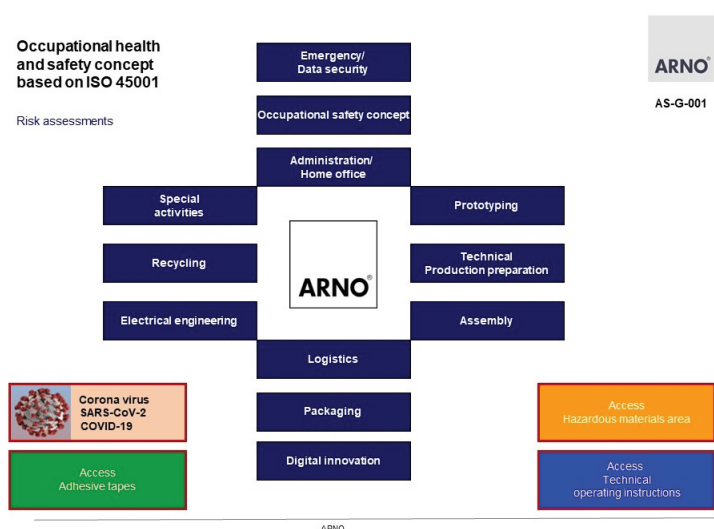
INSTRUCTION

According to DGu V1 and ArbSchG, all employees must receive sufficient and appropriate instruction on safety and health protection. This means that the instruction must be tailored to the individual work situation. Our instructors explain to the employees concerned within the first quarter of each year how they must behave at their workplace for their own safety. Each instruction is documented in writing in our [Internal training record Annual safety instruction](#). In 2020, we have included training on waste separation in our safety instruction. The starting point for the annual safety instruction is the ARNO occupational health and safety concept, which we will explain below.

OCCUPATIONAL SAFETY AND HEALTH PROTECTION

The safety and health of our employees and the protection of the environment are just as important to us as the quality of our work and our business success. In order to guarantee our employees the best possible health protection in the performance of their work, we have developed a digital occupational health and safety concept based on ISO 45001. The occupational health and safety concept contains general and specialised information on occupational health and safety, e.g. risk assessments, operating instructions, the list of applicable legal regulations, emergency plans, the hazardous substances register, safety data sheets, first-aid lists, information on data protection, for pregnant women and nursing mothers, on driving licence checks, on battery systems, on personal protective equipment (PPE), welding permits and much more. In addition, the occupational safety and health concept is used as a knowledge tool. For employees without PC access, a freely accessible info tool has been set up that can be accessed and used during working hours.

This is the entry screen to our digital occupational safety and health concept. When you open the coloured fields, you get to the subject-specific information described in advance.



Our employees can report hazards or safety deficiencies at any time to the Safety Officer (Siba) or to the Safety Specialist (Sifa). If necessary, the deficiencies are discussed in the Safety and Environment Committee (SUC) and solutions are worked out together. The primary goal is to prevent personal injury and damage to property (cf. GRI SRS-403-4).

FURTHER TRAINING THROUGH INTERNAL AND EXTERNAL COURSES

Our general goal is to encourage our employees to contribute their skills and to take advantage of the opportunities presented to them for their own professional development. We welcome and support a thirst for knowledge, initiative and commitment. Qualified, motivated employees are an asset to ARNO and a fundamental part of our value chain. They acquire qualifications, develop their skills, are more satisfied and able to deal openly with challenges and changes. Thanks to their impetus, we can accelerate innovations and permanently increase process efficiency in all areas of the company. In the course of these fundamental objectives, we have made a training budget of 165,000 euros available for the further training of our employees from 2018 to 2021. By the beginning of 2021, EUR 133,000 had been used. We have thus achieved our training goals. By the end of the year, we will use the remaining training budget appropriately.

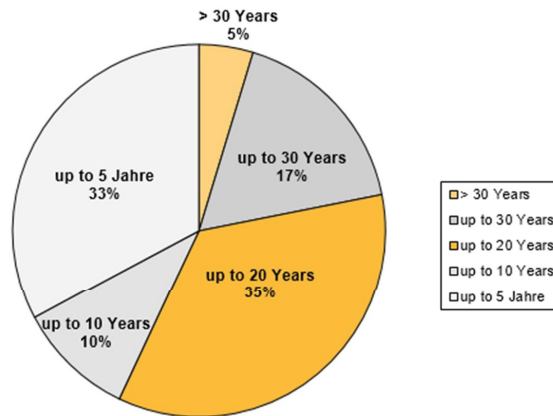
COMPANY HEALTH PROTECTION SYSTEM

To maintain good health, we offer our employees the opportunity to take advantage of our company health management system. We cooperate with the Sports Park WOFit of the TSV Wolfschlugen, where our employees can take advantage of various training offers at reduced prices. In the 14-week prevention programme "G.U.T - gesund und trainiert im Beruf" (G.U.T - healthy and trained at work), which has been awarded the SPORT PRO GESUNDHEIT (Sport for Health) quality seal by the German Olympic Sports Confederation, interested employees gain insights into the prevention areas of exercise, nutrition and relaxation. Our staff can lease bicycles at low cost through JobRad. In addition, we offer back tests and basic check-ups in cooperation with health insurance companies. Every quarter, our staff can purchase discounted points cards for the Nürtingen swimming pool. If employees would like to visit other fitness clubs, we subsidise this with 10 EUR per month. We offer annual occupational health examinations on a voluntary basis. With the preventive measures described above, we want to do our part to improve the health of our staff in a sustainable and holistic way. The fact that we have succeeded in this is evident from the significant reduction in the sickness rate (see GRI SRS 403-11).

Another desired effect of the further training measures and sports offers is that we want to bind our employees to ARNO in the long term. Our current length of service statistics show that we are succeeding in this. Almost 60 % of our employees have been working for ARNO with commitment for more than 10 years.

Length of service 2020

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INDUCTION OF NEW EMPLOYEES

In order for new employees to develop a bond with ARNO from day one, it is important to integrate them systematically. In the cross-departmental induction phase, we train our new employees to get to know and master central processes. In this way we create the basis for them to understand the processes and interrelationships and to approach their new tasks with interest and motivation. Every new employee is assigned a mentor who is the contact person for questions or problems during the induction and integration period. During the induction period, regular feedback meetings are held with the HR department. We are happy to take on board any suggestions for improvement, which we then implement and incorporate into future induction programmes.



TRAINING OF YOUNG PEOPLE

In order to counteract demographic change, we train apprentices and dual students in the following professions:

- Warehouse logistics specialist (m/f/d),
- Media designer (m/f/d),
- Wood engineering (m/f/d) as Dual Study Programme (DHBW),
- Business Administration - Industry (m/f/d) as Dual Study Programme (DHBW),
- Business Administration - specialising in logistics and supply chain management (m/f/d) as Dual Study Programme (DHBW).

Our trainees know our company down to the smallest detail. They identify with our philosophy, are open-minded and bring in new ideas. We want to retain them in the long term through attractive offers and our training and fitness programmes.

Key Performance Indicators to criteria 14 to 16

Key Performance Indicator GRI SRS-403-9: Work-related injuries
The reporting organization shall report the following information:

a. For all employees:

- i.** The number and rate of fatalities as a result of work-related injury;
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities);
- iii.** The number and rate of recordable work-related injuries;
- iv.** The main types of work-related injury;
- v.** The number of hours worked.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number and rate of fatalities as a result of work-related injury;
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities);
- iii.** The number and rate of recordable work-related injuries;
- iv.** The main types of work-related injury;
- v.** The number of hours worked.

You will find the remaining numbers c-g of the indicator SRS 403-9 in the GRI standard and may additionally report them here.

Key Performance Indicator GRI SRS-403-10: Work-related ill health

The reporting organization shall report the following information:

a. For all employees:

- i.** The number of fatalities as a result of work-related ill health;
- ii.** The number of cases of recordable work-related ill health;
- iii.** The main types of work-related ill health.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number of fatalities as a result of work-related ill health;
- ii.** The number of cases of recordable work-related ill health;
- iii.** The main types of work-related ill health.

You will find the remaining numbers c-e of the indicator SRS 403-10 in the GRI standard and may additionally report them here.

Key Performance Indicator GRI SRS-403-9: Work-related injuries

a. For all employees:

- i.** The number and rate of fatalities as a result of work-related injury; 0 (none)
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities); 0 (none)
- iii.** The number and rate of recordable work-related injuries; 0 (none)
- iv.** The main types of work-related injury; 0 (none)
- v.** The number of hours worked. 101,317,72 hours

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization: 0 (none)

- i.** The number and rate of fatalities as a result of work-related injury; 0 (none)
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities); 0 (none)
- iii.** The number and rate of recordable work-related injuries; number 24 / rate 51 %
- iv.** The main types of work-related injury; Cut injuries
As a result of the frequency of cut injuries, instruction on the proper use of cutter knives will be provided in 2021. In addition, the wearing of PPE gloves was recommended.
- v.** The number of hours worked. 58,965,63 hours

Key Performance Indicator GRI SRS 403-10: Work-related ill health

a. For all employees: 0 (none)

- i.** The number of fatalities as a result of work-related ill health; 0 (none)
- ii.** The number of cases of recordable work-related ill health; 0 (none)
- iii.** The main types of work-related ill health. 0 (none)

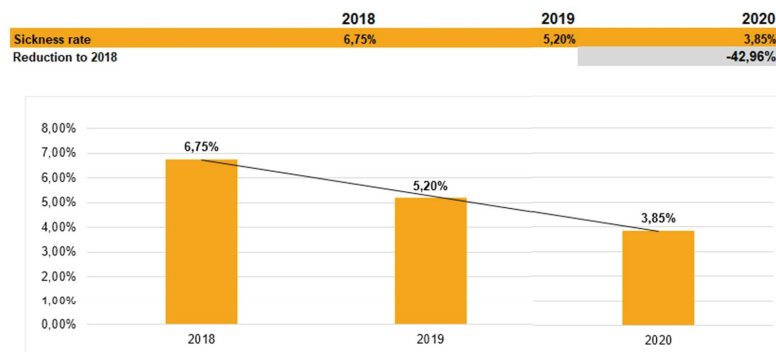
b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number of fatalities as a result of work-related ill health; 0 (none)
- ii.** The number of cases of recordable work-related ill health; 0 (none)
- iii.** The main types of work-related ill health. 0 (none)

Due to the preventive measures offered as part of our occupational health management, the sickness rate has improved significantly. In 2020, the sickness rate was 3.85% (see 16. Qualification).

Sickness Rate

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Key Performance Indicator GRI SRS-403-4: Worker participation on occupational health and safety

The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:

a. A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers.

b. Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.

Re a: Employee participation in occupational safety and health protection

Our digital occupational health and safety concept, developed almost 15 years ago on the basis of BS OHSAS 18001, has become established. In 2018, the BS was replaced and supplemented by the requirements of ISO 45001 in order to create all conceivable conditions for the best possible occupational safety, health and environmental protection in the performance of work. Our commercial and industrial employees can access the content posted in the

digital occupational health and safety concept either from their workplace or via a freely accessible tool. In addition to safety-relevant topics, our crisis and emergency plan is also stored. Our supervisors ensure safe behaviour, the safe condition and proper handling of work equipment and materials, the selection and use of personal protective equipment (PPE) and the protection of the environment. Every year, our supervisors carry out the safety training required by law, which is verifiably documented. Unsafe situations, deficiencies, near-accidents or similar can be reported by our employees to the safety officer (Sifa) or the safety representatives, who will immediately take care of eliminating the dangerous situations. If there is no acute need for action, it is possible to post safety-relevant issues via Lessons Learned tickets or our "Safety and hazard information" form. The incoming topics are discussed in the Safety and Environment Committee (SCC) and measures are initiated. Personal protective equipment (PPE) is available to all employees, and first-aid kits are continuously checked by a safety officer. Visitors receive instruction in the safety regulations before they are admitted. If, despite all precautionary measures, accidents occur or staff members have health problems, our trained first-aid team is available and regularly refreshes its knowledge in external training courses. A telephone emergency chain ensures that first aiders can be reached at any time and under any circumstances. All occupational accidents, including commuting accidents, are recorded in our first-aid book and reported to the BG (see 16 Qualification).

Re b: Employer-employee committees for occupational safety and health protection

In our safety and environmental committee (SUC), employees from human resources, development, production, logistics, administration and quality and environmental management work together with the management, the safety officers and the safety specialist on topics relating to occupational safety, health and environmental protection.

Key Performance Indicator GRI SRS-404-1: Average hours of training

The reporting organization shall report the following information:

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

i. gender;

ii. employee category.

As part of the onboarding process, we familiarise our new employees with our corporate philosophy and our values on the basis of the [ARNO Code of Conduct](#). Onboarding is carried out via an induction phase which is based on the chronological process flow of a project. During the departmental run-through, our new colleagues get to know the processes, responsible and responsible employees. Through this approach, we want to convey the overall context to our new colleagues and show them that they are part of ARNO. We are firmly convinced that employees who think and act holistically and have the feeling that they can make a difference enjoy their work more and are more creative, motivated and committed. We offer internal or external training measures to expand know-how and maintain work motivation. Internally, we regularly conduct training on IT solutions, materialities, project knowledge, lessons learned and much more.

In 2020, 88 internal and external training courses took place. Every employee took part in at least one internal training event, and some of our employees received external training. As the effort for the breakdown by gender and employee category is associated with great expense for us and this is disproportionate to any recognisable benefit due to its complexity, we have refrained from determining these key figures.

Key Performance Indicator GRI SRS-405-1: Diversity

The reporting organization shall report the following information:

a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:

- i.** Gender;
- ii.** Age group: under 30 years old, 30-50 years old, over 50 years old;
- iii.** Other indicators of diversity where relevant (such as minority or vulnerable groups).

b. Percentage of employees per employee category in each of the following diversity categories:

- i.** Gender;
- ii.** Age group: under 30 years old, 30-50 years old, over 50 years old;
- iii.** Other indicators of diversity where relevant (such as minority or vulnerable groups).

a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:

- i.** Gender;

GRI 405-1 Governance bodies by gender



Management function	number	gender					
		Female		masculine	%	diverse	%
Leaders	26	5	19,23%	21	80,77%	0	0,00%

ii. Age group: under 30 years old, 30-50 years old, over 50 years old;

GRI 405-1 Governance bodies by age



Management function	number	Age groups					
		<30 years	%	30-50 years	%	> 50 years	%
Management and employees with management functions	26	2	7,69%	15	57,69%	9	34,62%

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iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).

No subdivision (0)

b. Percentage of employees per employee category in each of the following diversity categories:

i. Employees inclusive temporary staff by gender

GRI 405-1 Employees per employee category incl. temporary staff



Number of employees 2020	number	gender					
		masculine	%	Female	%	diverse	%
Managing directors	3	2	66,67%	1	33,33%	0	0,00%
Employees with management function	23	19	82,61%	4	17,39%	0	0,00%
Commercial employees	84	54	64,29%	30	35,71%	0	0,00%
Industrial employees incl. temporary staff	119	70	58,82%	49	41,18%	0	0,00%
Dual students	4	2	50,00%	2	50,00%	0	0,00%
Trainees	3	2	66,67%	1	33,33%	0	0,00%
total	236	149	63,14%	87	36,86%	0	0

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ii. Age group: under 30 years old, 30-50 years old, over 50 years old;

GRI 405-1 Number of permanent employees by age



Number of employees 220 without temporary staff	number	age					
		<30 years	%	30-50 years	%	> 50 years	%
Managing directors	3	0	0.00%	2	66.67%	1	33.33%
Employees with management function	23	2	8.70%	13	56.52%	8	34.78%
Commercial employees	84	17	20.24%	37	44.05%	30	35.71%
Industrial employees without temporary staff	38	1	2.63%	17	44.74%	20	52.63%
Dual students	4	4	100.00%	0	0.00%	0	0.00%
Trainee	3	3	100.00%	0	0.00%	0	0.00%
total	155	27	17.42%	69	44.52%	59	38.06%

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iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).

GRI 405-1 Permanent employees with disabilities



Employees with disabilities	2	masculine	%	female	%	diverse	%
industrial	1	0	0.00%	1	100.00%	0	0.00%
commercial	1	1	100.00%	0	0.00%	0	0.00%

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GRI 405-1 Permanent employees and temporary staff divided into commercial or part-time



Number of employees	236	masculine	%	female	%	diverse	%
including temporary staff	81	45	55,56%	36	44,44%	0	0,00%
thereof part-time	17	1	5,88%	16	94,12%	0	0,00%

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Key Performance Indicator GRI SRS-406-1: Incidents of discrimination

The reporting organization shall report the following information:

- a. Total number of incidents of discrimination during the reporting period.
- b. Status of the incidents and actions taken with reference to the following:
 - i. Incident reviewed by the organization;
 - ii. Remediation plans being implemented;
 - iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;
 - iv. Incident no longer subject to action.

a./b.: No cases of discrimination have been known since the existence of the ARNO Group.

Criterion 17 concerning RESPECT FOR HUMAN RIGHTS

17. Human Rights

The company discloses what measures it takes, strategies it pursues and targets it sets for itself and for the supply chain for ensuring that human rights are respected globally and that forced and child labour as well as all forms of exploitation are prevented. Information should also be provided on the results of the measures and on any relevant risks.

ARNO has been committed to respecting human rights across the company for years. To underline this stance, we joined the United Nations Global Compact (UNGC), the world's largest initiative for sustainable and responsible corporate governance, on 20 February 2020. By signing the Letter of Commitment, we commit to the 10 universal UNGC principles in the areas of human rights, labour standards, environment and corruption prevention (see 1 Strategic analysis and measures). By joining the UNGC, we are automatically part of the local [German Global Compact Network \(DGCN\)](#).

As a medium-sized enterprise (SME), we see ourselves as having a special responsibility and as a driver in our industry to advance the principles of the UNGC. We pay particular attention to the 10 principles of the Global Compact. We expect our partners to respect and implement them. Within the supplier selection process, we check whether all regulations are complied with (see 4. Depth of the Value Chain, Chapter 3 Project Management and Global Procurement).

We only include those suppliers and service providers in our supplier pool who

- accept our [ARNO Code of Conduct](#)
- answer our [Supplier questionnaire](#) to our full satisfaction,
- accept our [Quality Assurance Agreement \(QAA\)](#).

This regulation applies equally to our subsidiaries (see 4. Depth of the value chain).

In 2020, we revised the above documents. After the update, we conducted a supplier study to determine exactly whether the standards we require are being met (see GRI SRS-412-1). The study involved 99 suppliers (see GRI SRS-412-1). We therefore consider our goal to have been achieved. In the future, we will continue to follow the procedure described in 4. Depth of the Value Chain - 3. Project Management and Global Procurement) to ensure that international standards are maintained within our supply chain. By the end of 2021, we will also include our service providers in the procedure.

Through this sustainability report, called a Communication of Progress (COP) at the UNGC, we will regularly report on progress in implementing the 10 UNGC Principles and on our activities to promote sustainable development. Our sustainability report or COP can be accessed via our website, social media, the UNGC and DNK, by business partners, customers, suppliers, civil society organisations, government agencies and all private individuals.

Member of the United Nation Global Compact (UNGC)

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Values such as quality, sustainability and responsibility - we have not only internalised them, but also publicly commit to them. As a family business, social and economic sustainability are particularly close to our hearts. These values are deeply rooted in everything we do on a personal and professional level.

Since 2020, ARNO has been committed to the UN Global Compact Corporate Social Responsibility Initiative and its principles in the areas of human rights, working conditions, environment and anti-corruption.



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Only together can we shape the world sustainably for future generations. As a global company operating in many countries with different cultures, it is a matter of course for us to make an active contribution to sustainable development.

Key Performance Indicators to criteria 17

Key Performance Indicator GRI SRS-412-3: Investment agreements subject to human rights screenings

The reporting organization shall report the following information:

a. Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.

b. The definition used for 'significant investment agreements'.

Re a. Total number and percentage of significant investment agreements and contracts that include human rights clauses or that have been screened for human rights aspects.

We award our investments predominantly to European business partners, which we select via our [Supplier questionnaire](#). Furthermore, we oblige our suppliers to comply with the [ARNO Code of Conduct](#), which expressly prohibits human rights violations. If potential suppliers refuse to answer the supplier questionnaire, or if human rights violations are evident in the supplier questionnaire or at the supplier's location, we terminate the business initiation. We exclude suppliers who refuse to sign the ARNO Code of Conducts from our supplier pool.

In 2019 and 2020, we did not make any significant investments above EUR 100,000, so the percentage is 0%.

Re b. The definition used for "significant investment agreements".

For us, significant investment agreements are investments of EUR 100,000 or more.

Key Performance Indicator GRI SRS-412-1: Operations subject to human rights reviews

The reporting organization shall report the following information:

a. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.

ARNO manufactures at its main site in Wolfschlugen near Stuttgart. We produce in series with a supplier network that has grown over decades. We oblige our suppliers to comply with human rights via the processes and

documents described in the criteria 4. depth of the value chain, chapter 3. project management and global procurement as well as 17. human rights. During supplier visits and audits, we investigate whether these are actually observed in the supplier production sites. In 2021, we conducted a supplier study. Based on the purchasing volume of the months January 2020 - April 2021, the top 99 suppliers were surveyed (cf. GRI SRS-414-2).

This is the result of the study:



Supplier study on compliance with human rights 2021



Country code	Inquired suppliers	Return Supplier Questionnaire	Return Quality Assurance Agreement (QAA)	Compliance with "7. Labor and Human Rights" NOMINAL based on requested suppliers	Compliance with "7. Labor and Human Rights" PERCENTAGE based on requested suppliers
BG	3	3	3	3	100%
CN	2	2	2	2	100%
CZ	1	1	1	1	100%
DE	56	56	56	56	100%
GB	1	1	1	1	100%
LV	1	1	1	1	100%
NL	1	1	1	1	100%
PL	10	10	10	10	100%
RO	10	10	10	10	100%
SI	1	1	1	1	100%
TR	11	11	11	11	100%
UKR	1	1	1	1	100%
US	1	1	1	1	100%
total	99	99	99	99	100%

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Key Performance Indicator GRI SRS-414-1: New suppliers subject to social screening

The reporting organization shall report the following information:

a. Percentage of new suppliers that were screened using social criteria.

Before working with a new supplier, we conduct a supplier analysis. Using our [Supplier questionnaire](#), which includes questions on respect for human rights and the implementation of quality, environmental, occupational safety and energy management standards, we check whether the supplier meets our procurement standards. In addition, we require the potential supplier to comply with our [ARNO Code of Conduct](#). If the potential supplier meets the initial requirements, we test in several supplier phases whether the supplier is suitable for our company. Suppliers who have passed all supplier phases and met our procurement standards are entered into the ARNO Group supplier database (cf. 4. Depth of the value chain - 3. Project management and procurement).

Suppliers who have passed all supplier phases and have met our procurement standards are transferred to the ARNO Group's supplier database.

At the same time, we carry out supplier assessments at regular intervals, in which sustainability standards are taken into account. As a DIN EN ISO 14001 certified company, we prefer to work with supplier partners who offer environmentally compatible materials, are certified and at the same time respect the ILO core labour standards. Based on the supplier assessment, we evaluate which suppliers are to be subjected to a supplier audit. Where possible, we carry out audits on site so that we get a realistic picture of the working conditions in the production facilities. If on-site audits are not possible due to a pandemic, they are carried out remotely.

Key Performance Indicator GRI SRS-414-2: Social impacts in the supply chain

The reporting organization shall report the following information:

- a.** Number of suppliers assessed for social impacts.
- b.** Number of suppliers identified as having significant actual and potential negative social impacts.
- c.** Significant actual and potential negative social impacts identified in the supply chain.
- d.** Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.
- e.** Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.

At the beginning of 2021, we revised our [Supplier questionnaire](#) and created a new [Quality Assurance Agreement \(QAA\)](#). The QAA regulates which contractual services are to be fulfilled. Together with the [ARNO Code of Conduct](#), these documents aim to create a long-term supplier partnership characterised by shared values, mutual benefits and a clear quality target.

a. Number of suppliers screened for social impact.

In May 2021, 99 international suppliers received our new supplier questionnaire and quality assurance agreement. By mid-July 2021, all suppliers had answered the questions.

b. Number of suppliers identified as having significant actual and potential negative social impacts.

No negative social impacts were identified within the returns. If any negative aspects are identified, ARNO will terminate the business relationship.

c. Significant actual and potential negative social impacts identified within the supply chain.

None

d. Percentage of suppliers where significant actual and potential negative social impacts have been identified and improvements agreed as a result of the assessment.

None

e. Percentage of suppliers for which significant actual and potential negative social impacts were identified and as a result the business relationship was terminated, and reasons for this decision.

None

Criterion 18 concerning SOCIAL MATTERS

18. Corporate Citizenship

The company discloses how it contributes to corporate citizenship in the regions in which it conducts its core business activities.

We attach great importance to social responsibility and are involved in numerous, diverse projects.

- Cooperation with the GARP Education Centre

Here the focus is on integrating young unemployed people, older and disabled people as well as refugees into the labour market.

- Workshops for the disabled

For many years we have been awarding contracts to workshops for the disabled so that people with disabilities can also participate in working life.

- Long-standing university cooperation with the Peter Behrens School of Arts in Düsseldorf and the Hochschule für Gestaltung in Schwäbisch Gmünd.

The promotion of young creative talent is an important part of our corporate philosophy. Within the framework of student projects, we actively participate in the sustainable promotion and support of junior designers. Working with students is a win-win situation. Synergy effects are equally present. Thanks to the cooperation with young creative minds, we always keep our finger on the pulse. At the same time, we can pass on our knowledge from over 80 years in the retail business to the younger generation.

- Employer's Liability Insurance Association for Wood and Metal (BGhm)

The BGhm supports us in the prevention of accidents at work, occupational diseases and work-related health hazards. We train our safety specialists and safety officers at the BGhm.

- Chamber of Industry and Commerce (IHK)

Together with the Chamber of Industry and Commerce, we train our apprentices and take part in seminars and courses for further training. In order to implement our occupational health and safety concept in accordance with the rules (see 16. Qualification), we obtain information from the IHK about the legal provisions and the latest developments in occupational health and safety management. In return, we make one of our employees available to the IHK as a training examiner.

- Laptop donation campaign "heyalter"

In 2021, we donated 15 used, functional laptops with integrated camera and microphone to "[heyalter](#)". In 2020, the heyalter campaign was awarded the "Lower Saxony Prize for Civic Engagement" and the Braunschweig Prevention Prize 2020. Heyalter collects old computers and laptops, makes them fit and distributes them to pupils who cannot afford a computer for homeschooling.

- Support Plan International

Since 1 February 2001, i.e. for more than 20 years, we have been supporting [Plan international](#), an organisation that promotes children's rights and equality for girls in more than 75 countries. By taking on a child sponsorship, our sponsored children are given the chance of a self-determined childhood and a better future.

- Christmas Stars" fundraising campaign

We participate in the regional star campaign of Café Regenbogen. For this purpose, we collect donations for poinsettias. The star donations go to children who have expressed a Christmas wish on a star or to those in need after Hartz IV with entitlement to shop at the Tafelladen. In 2020, our employees donated 35 poinsettias at 25 EUR each.

- Coffee money fundraising

There is a coffee machine in our foyer. Here, our employees can buy Fairtrade coffee for 0.30 EUR per cup. Every year, we donate the money raised to a charitable organisation. In 2020, we had no significant income due to the corona pandemic. In 2019, our coffee money went to the following organisations:

- Caritas Filter Neckar 500.00 EUR
- German Foundation for World Population 500.00 EUR

- Sponsoring regional sports clubs

We are happy to sponsor local sports clubs so that they can finance their playing costs and expand their youth work. For more than 15 years, we have been a regular sponsor of the TSV Wolfschlügen handball department. In 2019, we provided financial support to SV Hardt for the organisation of the Hardt Highland Games.

- ARNO Retail Award

The ARDA Retail Award was created in 2016 by the ARNO Group and the Art Directors Club (ADC) to promote young creative talent. In 2018, Outletcity Metzingen was won as a partner. Under the motto "From offline to online to offline - the new way of outlet buying", students developed designs for the online store "Outletcity.com" under the practical guidance of our designer. The best concept was awarded the ARNO Retail Award.

- Canteen meal allowance

All our employees, including temporary staff (pupils, students, leasing staff), who eat in our canteen receive a meal allowance of EUR 3.00 per day.

- Happy Thursday

Once a week, our employees meet after official working hours for an after-work drink in our ARNO Lounge. We provide drinks free of charge. The

meeting serves as a personal exchange in an informal, cheerful atmosphere. Since 2020, Happy Thursday has taken place online.

- Summer barbecue and Christmas party

Together with our employees, we organise summer barbecues and Christmas parties. In a sociable, relaxed atmosphere, there are games, a DJ, we eat together and exchange ideas. This strengthens the team spirit, promotes communication and has a positive effect on the working atmosphere. In 2020, we invited our employees to a digital Christmas party.

Key Performance Indicators to criteria 18

Key Performance Indicator GRI SRS-201-1: Direct economic value generated and distributed

The reporting organization shall report the following information:

a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:

- i.** Direct economic value generated: revenues;
- ii.** Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;
- iii.** Economic value retained: 'direct economic value generated' less 'economic value distributed'.

b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.

Re a. The following are our time accrued, direct economic values generated and distributed.

In 2020, ARNO GmbH generated revenues of EUR 21,092,533.

ii. Distributed economic value (operating costs, employee wages and benefits, payments to employers, payments to government and community investments) was EUR 11,131,328.

iii. The retained economic value was EUR 9,960,204.

Re b. Separation by national or regional significance or at market level has no meaning for us. As we are a project finisher, we consider our projects exclusively at project level.

Criteria 19–20 concerning ANTI-CORRUPTION AND BRIBERY MATTERS

19. Political Influence

All significant input relating to legislative procedures, all entries in lobby lists, all significant payments of membership fees, all contributions to governments as well as all donations to political parties and politicians should be disclosed by country in a differentiated way.

As we want to make independent decisions and expect the same from our business partners, we do not exercise any political influence. We neither make party donations nor support politicians or political associations.

ARNO is a member of the following associations:

- Creditsafe (credit information),
- Chamber of Industry and Commerce (IHK),
- The Family Entrepreneurs,
- Taxpayers' Association,
- Federation of the Self-Employed (BDS),
- RKW Baden-Württemberg.

Key Performance Indicators to criteria 19

Key Performance Indicator GRI SRS-415-1: Political contributions
The reporting organization shall report the following information:

a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.

b. If applicable, how the monetary value of in-kind contributions was estimated.

Re a./b. We do not make donations to political parties, so the performance indicator GRI SRS-415-1 is not relevant for us.

20. Conduct that Complies with the Law and Policy

The company discloses which measures, standards, systems and processes are in place to prevent unlawful conduct and, in particular, corruption, how they are verified, which results have been achieved to date and where it sees there to be risks. The company depicts how corruption and other contraventions in the company are prevented and exposed and what sanctions are imposed.

As a DIN EN ISO 9001 and DIN EN ISO 14001 certified company, it is a matter of course for us and has been firmly anchored and lived practice for years to regularly monitor the legal and environmental regulations (laws, legal ordinances, administrative regulations) applicable to our business activities, to check their scope and to apply them. Our occupational safety concept is based on DIN EN ISO 45001. We also ensure that the latest laws and regulations are always applied in the area of occupational safety and health protection.

The review of new or amended legal regulations is carried out on the basis of:

- Updates from various online services, newsletters,
- information letters from auditing and tax companies,
- client information letters, etc.

Each applicable legal regulation is assigned to a responsible employee who is responsible for the further monitoring, review and application of the regulations. The responsible persons, including managers, are listed in our legal register. The legal register is accessible to all employees from the administration and the commercial sector. This and supplementary training and instruction ensure that all activities are always carried out in accordance with the rules.

The legal register is part of the agenda at the regular meetings of the Safety and Environment Circle (SUK), which also includes members of the management, the management level, our safety specialist and the safety officers as well as the quality and environmental management. Here, changes in the law are discussed, effects on the company are examined and measures for implementation are initiated. As part of the annual safety briefing on accident prevention required by law, we oblige our managers to train their employees on occupational health and safety in the first quarter of each year. Within our occupational health and safety concept, each department has access to its own risk assessments, technical operating instructions, etc. (see 16. Qualification - Occupational Health and Safety).

In addition, our Group Financial Director ensures that all official permits are

available and that existing permits are adjusted if necessary. All notices of approval, permits and official orders are checked for environmentally related conditions and requirements.

When reviewing relevant standards for product development, we distinguish between basic and project-specific standards. Basic standards are regularly monitored and updated by the Head of Development. For new projects, the project management team checks before the start of the project which project-specific standards are to be applied, which country-specific or regional laws and which directives and environmental protection regulations are to be taken into account.

These processes, described in our integrated quality and environmental management system, ensure that all relevant regulations and other requirements are identified, fulfilled and anchored in the legal register. If necessary, we submit our legal register to a public institution for independent review. Legal compliance, the effectiveness of conformity with the law is documented by this procedure and a maximum of legal certainty is achieved.

Bribery and corruption damage competition. In our Corporate Social Responsibility guideline, the [ARNO Code of Conduct](#), we prohibit our employees in Germany and abroad from engaging in any form of corruption. We strictly reject fraud, embezzlement, bribery and corruption. As any violation will be punished with consequences under labour law, we exclude corruption and bribery risks within our business activities.

As a member of the United Nations Global Compact (UNGC), we insist that our suppliers comply with SA 8000, the UNGC and the International Labour Organisation (ILO). We therefore oblige our supply partners within the supply chain to comply (see 4. Depth of the value chain and 17. Human rights).

Important fields of action that have arisen in recent years due to the legal regulation are:

- **DSGVO**

As a result of the DSGVO, concrete packages of measures were derived and all employees were trained in the handling of sensitive data. New employees are instructed before they start work and must submit a declaration of consent. On the basis of Article 37 of the GDPR, we have appointed an independent company data protection officer and data protection coordinator. The data protection officer performs the tasks assigned to him by law, applying his expertise and professional qualifications. He informs and advises the company management and the employees regarding their data protection obligations. Furthermore, he monitors compliance with the data protection regulations, the

strategies for the protection of personal data, the allocation of responsibilities and the training of employees. A release process has been installed for data access.

- **Data security (compliance audit)**

In addition to providing functional and reliable IT services, the most important task of IT is to ensure the necessary data security. Precautions for data security are included in the instructions for data security, data protection and password protection. In addition, a strong hardware firewall and an IT provider ensure data security. Our spam volume in 2020 of 0.01% in the company is impressive proof of this. Due to technical developments, a constantly changing, dynamic threat situation and legal requirements, our data security concept is regularly adapted. A compliance IT audit takes place once a year. Independent IT security experts check whether the legal requirements, security regulations, data protection and data retention regulations are being complied with. The audit report can be viewed at the Head of IT.

- **Repeal of the Privacy Shield**

On 16 July 2020, the Privacy Shield agreement ratified with the USA, which allowed EU business partners to transfer personal data, e.g. employee or consumer data, to certified companies in the USA, was revoked by the European Court of Justice (ECJ). We have complied with this decision and moved the storage of our personal data to a country in the European Union.

- **REACH**

As a manufacturer of presentation systems, ARNO is a so-called "downstream user" in the sense of REACH. Our products are complex articles according to REACH and are not subject to registration according to Article 7. As a downstream user, we use substances for further processing in our products that are pre-registered or registered and authorised. In our own interest and in the interest of our customers, we are in dialogue with our suppliers to ensure that all products supplied are REACH-compliant. We fulfil the obligation to inform our customers resulting from Article 33 and confirm that, at the present time and according to current knowledge, no substances named in the ECHA Candidate List (Article 59 (1)) are contained in the products in a proportion greater than 0.1% by mass. Exceptions to this may be connecting elements used by us, which, however, play a subordinate role or are hardly significant. Complex objects consisting of several products can be joined mechanically (fasteners such as sleeves, bolts, etc.) or with the help of a material. The connecting elements we use (sockets, welding and connecting bolts, etc.) may have a higher lead content than 0.1 mass percent. In summary, there are no special precautions to be taken when using our products.

- **Approved exporter**

ARNO is an approved exporter. By having a pre-declared number of tariff numbers, the export confirmation is issued more quickly. Should goods for which no pre-declared customs tariff numbers are available be shipped, the shipping department checks whether the recipients are on the financial sanctions list. If the [Market Access Database](#) shows an export ban for the customs tariff number and the recipient country, the goods will not be shipped.

- **Brexit**

Since 01.01.2021 there is a normal customs border between the United Kingdom and the European Union. As it was to be expected that the United Kingdom (England, Scotland, Wales and Northern Ireland) would become a third country, we made arrangements in 2020 independent of a free trade agreement. The CE mark previously recognised in the UK was replaced by the new UKCA (United Kingdom Conformity Assessed) conformity mark, and the VAT determination in the SAP system was adjusted. Since 01.01.2021, customs clearance has been carried out with a customs declaration.

- **EU Ecolabel for electronic displays (monitors and digital signage displays) - DECISION (EU) 2020/1804**

Since November 2020, the EU Ecolabel has been awarded to electronic displays that are energy efficient, repairable, easy to disassemble (return to the material cycle), have a minimum recycled content and contain only a limited amount of hazardous substances. Our maxim is to use only displays declared with the EU Ecolabel in our systems.

Risk assessments are carried out using early indicators, key figures and turtle diagrams. Since we visualise our main processes in Turtle Diagrams, we can directly analyse our processes, examine influencing factors and identify their effects. This process-oriented approach, which is ideal for us, provides us with important information about the respective process and possible risks. From the knowledge gained, we derive targeted measures and involve them in the process. This approach contributes significantly to the optimisation of the value chain.

Documentation on changes in the law, the legal cadastre, official regulations or regulations requiring approval, changes in standards, risk assessments, the occupational health and safety concept and all changes in the organisation resulting from it are firmly anchored in our integrated management system.

Key Performance Indicators to criteria 20

Key Performance Indicator GRI SRS-205-1: Operations assessed for risks related to corruption

The reporting organization shall report the following information:

a. Total number and percentage of operations assessed for risks related to corruption.

b. Significant risks related to corruption identified through the risk assessment.

Re a.

There is no identifiable risk of corruption at the headquarters in Wolfschlugen near Stuttgart. We oblige our employees at the headquarters and in the foreign subsidiaries to comply with the [ARNO Code of Conduct](#). By signing the declaration of commitment, the managers at all locations commit themselves to binding compliance with the guidelines set out in the ARNO Code of Conduct, which includes a ban on corruption. Our employees receive annual training on the ARNO Code of Conduct as part of their safety briefing. Written confirmation of the implementation of the guideline is obtained at this time. If violations become known or are reported, consequences under labour law will be the consequence.

Re b.

Possible bribery risks exist exclusively in the procurement area. We have laid down the following process for order processing in the quality management system: As a rule, suppliers are pre-selected by the project team, taking into account defined selection criteria. After obtaining and recording the offers, the purchase orders are released via a value-dependent release mechanism stored in the SAP system. Depending on the order value, the release and thus the decision-making responsibility is incumbent on different managers. The process description described minimises the risk of corruption.

There are no known cases of corruption in the ARNO Group.

Key Performance Indicator GRI SRS-205-3: Incidents of corruption

Die berichtende Organisation muss über folgende Informationen berichten:

- a.** Total number and nature of confirmed incidents of corruption.
- b.** Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.
- c.** Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.
- d.** Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.

During the reporting period, there were no incidents at ARNO that indicated corruption.

Key Performance Indicator GRI SRS-419-1: Non-compliance with laws and regulations

The reporting organization shall report the following information:

- a.** Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:
 - i.** total monetary value of significant fines;
 - ii.** total number of non-monetary sanctions;
 - iii.** cases brought through dispute resolution mechanisms.
- b.** If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.
- c.** The context against which significant fines and non-monetary sanctions were incurred.

Re a./b./c. During the reporting period, no fines, other penalties or non-monetary sanctions were imposed on ARNO for non-compliance with laws and/or regulations.

Overview of the GRI indicators in the Sustainable Code declaration

In this Sustainable Code declaration, we have reported according to the "comply or explain" principle on the GRI indicators listed below. This document refers to the GRI Standards 2018 for GRI SRS 303 and 403 and to the GRI Standards 2016 for all other GRI Standards applied.

Areas	Sustainable Code criteria	GRI SRS indicators
STRATEGY	1. Strategic Analysis and Action	
	2. Materiality	
	3. Objectives	
	4. Depth of the Value Chain	
PROCESS MANAGEMENT	5. Responsibility	GRI SRS 102-16
	6. Rules and Processes	
	7. Control	
	8. Incentive Systems	GRI SRS 102-35 GRI SRS 102-38
	9. Stakeholder Engagement	GRI SRS 102-44
	10. Innovation and Product Management	G4-FS11
ENVIRONMENT	11. Usage of Natural Resources	GRI SRS 301-1
	12. Resource-Management	GRI SRS 302-1 GRI SRS 302-4 GRI SRS 303-3 GRI SRS 306-2
	13. Climate-Relevant Emissions	GRI SRS 305-1 GRI SRS 305-2 GRI SRS 305-3 GRI SRS 305-5
SOCIETY	14. Employment Rights	GRI SRS 403-4
	15. Equal-Opportunities	GRI SRS 403-9
	16. Qualifications	GRI SRS 403-10 GRI SRS 404-1 GRI SRS 405-1 GRI SRS 406-1
	17. Human Rights	GRI SRS 412-3 GRI SRS 412-1 GRI SRS 414-1 GRI SRS 414-2
	18. Corporate-Citizenship	GRI SRS 201-1
	19. Political Influence	GRI SRS 415-1
	20. Conduct that Complies with the Law and Policy	GRI SRS 205-1 GRI SRS 205-3 GRI SRS 419-1