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**THE CIRCULAR
ECONOMY**
IS THE KEY TO A
SUSTAINABLE
FUTURE

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GENERAL INFORMATION

This sustainability report from Progroup AG focuses on the 2022 financial year and covers all the business units that were operating in the reporting period. Any variations are highlighted. The report makes reference to GRI standards and the content was externally audited by GUTcert – GUT Zertifizierungsgesellschaft für Managementsysteme mbH, Berlin (see page 54).

FOREWORD

SUSTAINABILITY REPORT

2022

Dear readers,

As a manufacturer of recyclable products, Progroup is part of the circular economy that conserves resources. Our containerboard is made from recovered paper, a secondary raw material. The corrugated board end product can be recycled. This means we set an example of how a successful circular economy can work.

The worsening impact of climate change illustrates that we need to step up our efforts even more. Climate neutrality remains the big challenge for Progroup because our processes are energy-intensive. This is why we particularly want to mention that in the reporting year, as planned, our overall missions were at the same level as the previous year despite the company's growth. One factor that contributed significantly to this was our waste-to-energy plant at our Eisenhüttenstadt site that supplies our paper machine there with all the steam it requires. Since the start of 2023, we have been constructing another power plant of this type in Sandersdorf-Brehna. We deliberately develop all of our sites in accordance with the "zero waste" principle.

In the 2022 financial year, we achieved significant growth in revenue of around 30 per cent. We gave our employees a company performance bonus so they could share in this success. We now have around 1,700 employees at 15 sites in Europe.

In this, our second sustainability report, we set out what we achieved in 2022. For the first time, we are reporting not just on our activities in relation to ecology and social aspects, but also on economic matters. There is also a particular focus on explaining our governance structures that form the essence of every company that wants to be sustainable.

Taking ecological, economic and social responsibility has always been part of the role we feel we must play as a family company. You can continue to follow us on this journey.

Yours



Maximilian Heindl
Chief Executive Officer, Progroup AG

OUR COM PANY 1

AN EXPANDING FAMILY COMPANY

- BUSINESS MODEL
- DIGITAL TRANSFORMATION

OUR SUSTAINABLE PRODUCTS

- PART OF THE CIRCULAR ECONOMY
- GREEN HIGHTECH
- ADDING VALUE IN EUROPE
- CORRUGATED BOARD INSTEAD OF PLASTIC

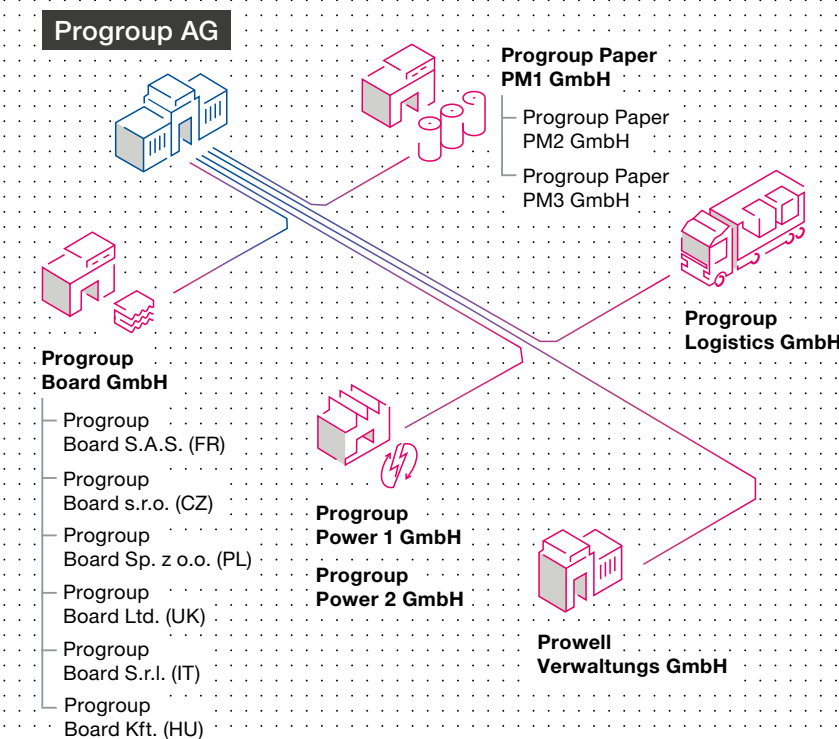
BUSINESS ETHICS

- COMPLIANCE STRUCTURE
- WHISTLEBLOWER SYSTEM
- CODE AND POLICIES
- MANAGEMENT
- SUSTAINABLE PROCUREMENT

AN EXPANDING FAMILY COMPANY

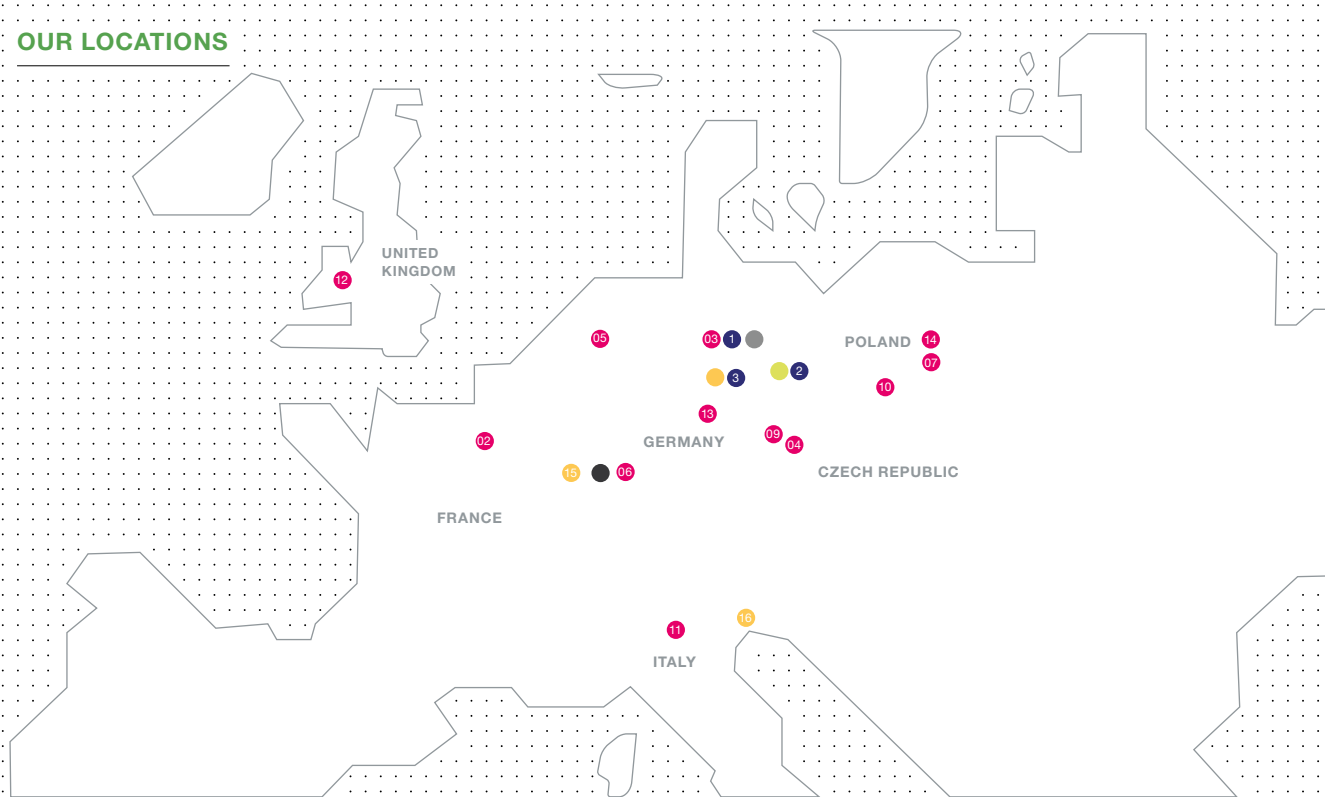
Progroup AG, which is based in Landau in the German state of Rhineland-Palatinate, is a family-run company that has been working for many decades with its selection of medium-sized customers both in Germany and abroad. We are proud to be one of the biggest manufacturers of containerboard and corrugated board sheets in Europe. Environmental protection is part of our company's philosophy. Ever since our company was founded back in 1991, we have pursued a consistent growth strategy that is based on technological leadership and an innovative business model which successfully combines profitability, close links to customers and ecological aspects.

PROGROUP AG'S CORPORATE STRUCTURE



The scope of this sustainability report encompasses all the business units of Progroup AG that were operating in the reporting period. This includes those shown here, with the exception of Progroup Power 2 GmbH, Prowell Verwaltungs GmbH and Progroup Board Kft.

OUR LOCATIONS



Progroup manufactures containerboard and corrugated board sheets of different grades. We produce containerboard in Germany, and corrugated board sheets in six different European countries.

- Board
- Paper
- Logistics
- Power
- Group Office
- Under planning/construction

WHAT MAKES PROGROUP SPECIAL



OUR VISION

Our visionary business strategy and the unique business model are what make us the company with the biggest organic growth in the industry.



OUR MISSION

Our partners are independent packaging manufacturers. We follow our mission in helping them to grow – with reliability, expertise and the outstanding structures of a highly specialised provider.



OUR CULTURE & VALUES

The culture in our family company is unique and gives us a key competitive advantage that cannot be copied.

BUSINESS MODEL

Our business model is unique in many different ways. Our target customers are family-run, small and medium-sized enterprises that manufacture packaging but do not have their own corrugated sheetboard production capacities. We have often been working with these customers for many decades. As we only manufacture containerboard and corrugated board sheets, but do not make any finished packaging ourselves, we do not compete with them but instead grow alongside them thanks to our closely

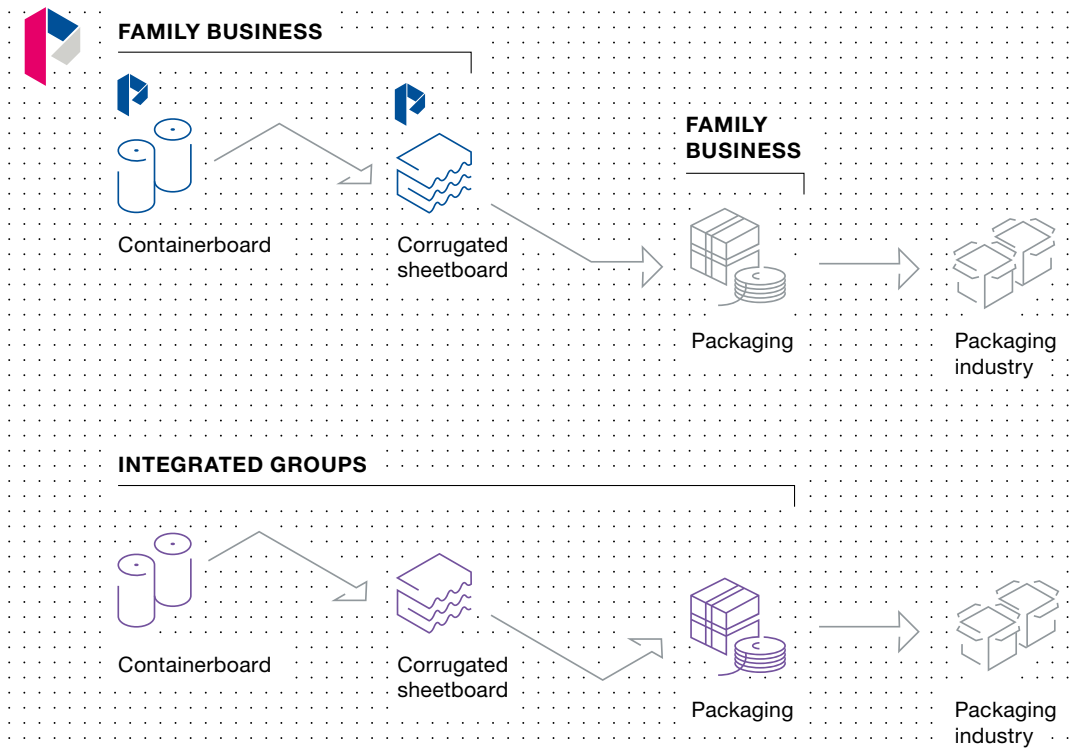
linked production. With some of our biggest customers, the cooperation goes one step further. Progroup does not just act as a supplier, but instead works with them to develop complete packaging parks.

The packaging park I model involves a customer establishing themselves right next to one of our corrugated sheetfeeder plants. With the packaging park II model, we do the reverse and

construct a corrugated sheetfeeder plant next to our customer, which will purchase the majority of the volumes that we produce over the medium term. When we link up with a customer in this way, we build highly efficient corrugated board plants that are very much state-of-the-art when it comes to technology. A plant like this will operate for at least 25 years. In both cases, we link together the manufacture of the corrugated

board sheets and packaging. The production reflects the volumes that are required, with both partners retaining their independence. The ecological advantages are also relevant: Our corrugated board sheets do not have to be transported by truck over long distances, but instead travel via conveyor belts from one plant to another. This allows us to take traffic off the roads, reduce CO₂ emissions and lower logistics costs.

PACKAGING MANUFACTURERS AS TARGET CUSTOMERS



Progroup's business model (top) differs from that of integrated groups (bottom). Instead of producing packaging ourselves, we deliver corrugated board sheets particularly to small and medium-sized packaging manufacturers. They are mostly family businesses, just like us.

WE PRODUCE OUR OWN CONTAINER BOARD IN-HOUSE

However, we still do the majority of our business as a traditional supplier. Our customers also enjoy benefits here: As we produce our own containerboard, we are able to produce reliably and also cater for requests at very short notice. The combination of a large number of smaller and medium-sized orders allows our facilities to operate with a very high workload, efficient production with a low level of rejects and great efficiency as a result. This is the basis on which we are able to offer even smaller and medium-sized series

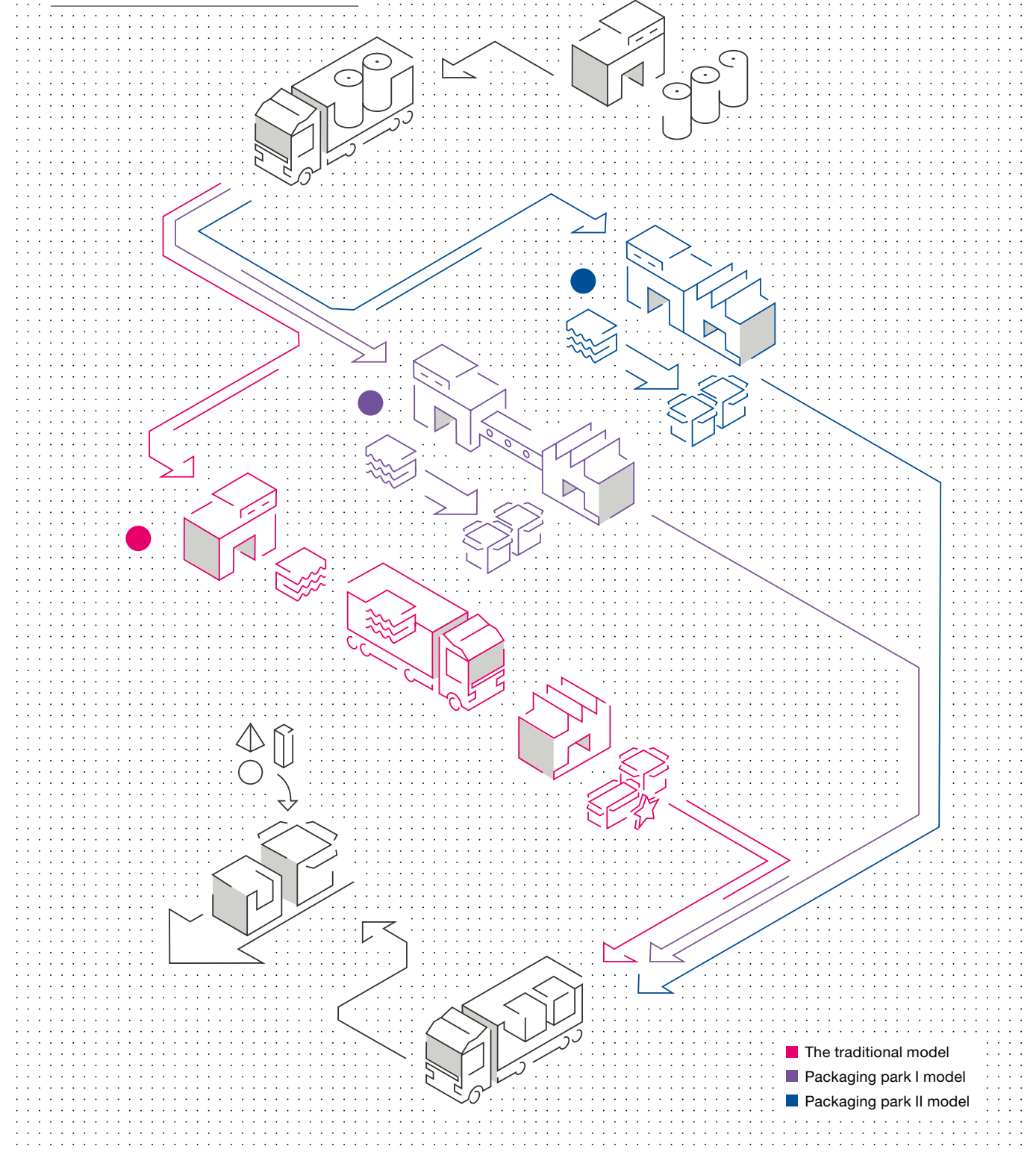
of orders with attractive conditions. We therefore view our customers and the way we work together in partnership as a vital component of our unique business model.

DIGITAL TRANSFORMATION

The fact that Progroup is one of the pioneers of digital transformation in the paper industry is no accident, but part of the Progroup strategy. We rely on a high degree of automation, maximum standardisation of

workflows and the production of large quantities – otherwise the levels of investment that we make would not pay dividends. Our customers also benefit from our thirst for innovation: They grow alongside us by up to 20 per cent each year. We have networked all our sites and all processes that link us to our customers. This enables us to achieve a high degree of transparency. On the one hand we are able to optimally balance out the capacities of our plants, and on the other we can deliver to our customers just in time.

OUR PACKAGING PARK MODELS



OUR SUSTAINABLE PRODUCTS

PART OF THE CIRCULAR ECONOMY

Progroup's products are shining examples of the circular economy. We only ever use recovered paper as the raw material for our containerboard. The end product is also a recyclable product because at the end of its life the corrugated board is largely processed through waste separation and reused – throughout Europe. Progroup is FSC®-certified at its production sites and complies with either "FSC® Recycled" or "FSC® Mix". Our production processes also follow the concept of a cycle: We produce energy from production residues and waste materials in our waste-to-energy plant in Eisenhüttenstadt (Brandenburg). Our water loops are closed on two of the three paper machines, and we recycle corrugated board rejects back into the production cycle as a raw material used for papermaking.

GREEN HIGHTECH

We have pursued a Greenfield strategy ever since our company was founded: We do not buy existing plants but instead always build our own new production facilities at carefully selected sites. This allows us to construct highly efficient, flexible facilities that have the very best technology and are way ahead of the market standard. Our machines are not just highly efficient when it comes to energy and water consumption, but they also enable us to produce paper and corrugated board sheets that are particularly lightweight. Despite less material being used, they are just as stable as conventional products. With **nextboard®** we have developed a corrugated board on which we have continuously reduced the grammage

while maintaining consistent quality. What this means for our customers is a lower transport weight and transport volume. In addition, the products save raw materials, water and energy during production and have lower CO₂ emissions. We call them **nextgeneration®**.

We also have an alternative for the production of highly stable corrugated boards whose manufacturing usually requires fresh fibre paper. As is the case with all our containerboard, it is made entirely from recovered paper.

MODELLFABRIK PAPIER

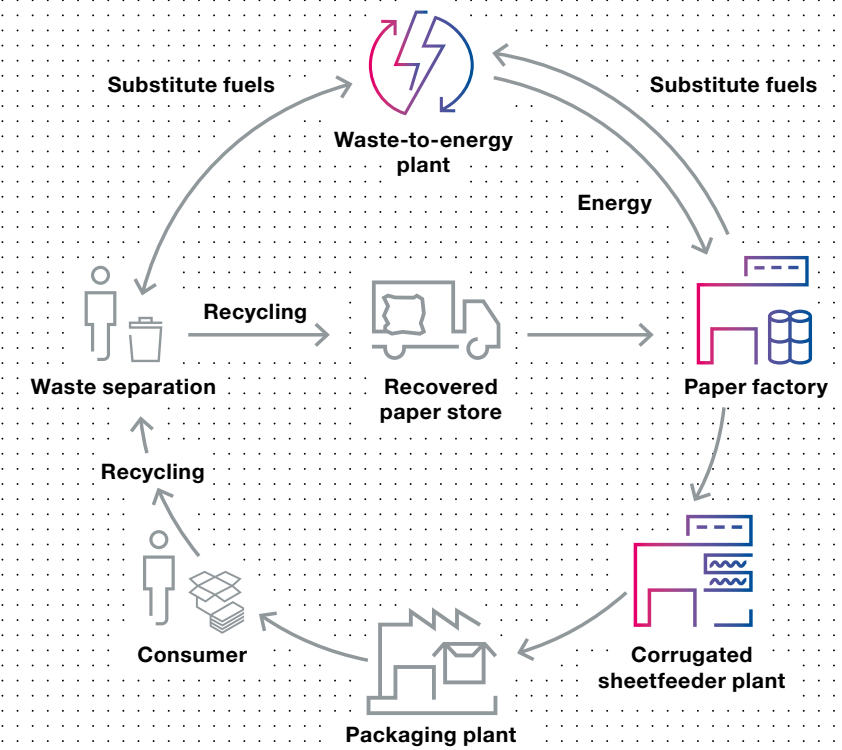
Progroup is a partner of "Modellfabrik Papier", a not-for-profit enterprise that was established in 2021 and brings together science and business. The partners work together to develop production processes that can help the paper industry to achieve climate neutrality by 2050. There are currently working groups focusing on topics such as raw materials, digitisation, energy or the bioeconomy.

[Learn more at: modellfabrikpapier.de]

ADDING VALUE IN EUROPE

Many companies are currently engaged in the painstaking process of bringing their production sites and global supply chains back to Europe. Progroup does not face this challenge. We only manufacture our corrugated board sheets in Central Europe, at sites which are very close to our customers. We mostly cover paper production, which is the most environmentally relevant part of the upstream value-adding process, our own paper factories. We only purchase small

PROGROUP AS PART OF THE CIRCULAR ECONOMY



A **circular economy** is defined as a regenerative system in which the use of resources and waste production, emissions and energy wastage are minimised by slowing down, reducing and closing energy and material cycles. With our paper factories, our corrugated sheetfeeder plants and our waste-to-energy plant, we are part of a successful circular economy.

amounts of the containerboard used in our corrugated sheetfeeder plants externally. This means that quality and a reliable supply are safeguarded. Our recovered paper raw material also comes almost entirely from European sources, with around 70 per cent of it coming from Germany alone. This all has huge logistical advantages which are reflected in the price, but in particular also in the life-cycle assessment of our corrugated board sheets.

CORRUGATED BOARD INSTEAD OF PLASTIC

With the Green Deal, the European Union has set out the framework for sustainable development: Economic growth and resource use need to be decoupled from one another. The driving force behind this transformation will be renewable energies and renewable raw materials, but it is all based on switching to a circular economy.

We have already made this step with our containerboard and corrugated board sheets made from recycled fibres. Around 80 per cent of paper is recycled in Germany. But in particular corrugated board is an excellent alternative to plastic packaging which is gradually being removed from circulation by the European Union. This is the great opportunity for our products and one of their most important contributions to conserving resources.

DIGITAL INTEGRATION OF PROCESSES



Digital linking of all participants in the supply chain



General **balancing** of needs and capacities to achieve the overall optimum



Reliable **just-in-time deliveries** to customers within 24 to 48 hours

BUSINESS ETHICS

We are a family business that has worked together with its customers and suppliers over many decades in a partnership based on trust. We consider fairness, observing the rule of law and integrity to be the foundation of our corporate culture. In particular, we condemn any form of forced or child labour.

We safeguard and bolster ethical business practices in particular through our compliance system and our purchasing principles. From 2024, Progroup must comply with the German Supply Chain Due Diligence Act. This act prescribes certain duties of care (due diligence) that must be undertaken to identify and prevent any negative impacts on human rights and environmental concerns all

along supply chains. We are currently preparing to meet these duties and implement appropriate management processes.

COMPLIANCE STRUCTURE

We have embedded the issue of compliance in the structure of our business. The Board member responsible for this is Dr. Volker Metz. The Chief Compliance Officer Dr. Stefan Schmidt reports to him each month. Possible breaches of laws or regulations are reported to the Executive Board either by the Chief Compliance Officer or by the legal department.

All employees complete general compliance training on a regular basis and the level of participation is reviewed. In addition, we provide other mandatory training, for example in antitrust law

or data protection. This is assigned to the relevant employees based on the level of risk depending on which area they work in. To comply with compliance-relevant regulations, we carry out risk-based random checks, in particular in relation to antitrust law, money laundering and data protection.

Progroup has not breached any important laws or regulations either in this reporting year or in previous years. Our company also did not have any fines imposed upon it.

WHISTLEBLOWER SYSTEM

Progroup has had an electronic [whistleblower system](#) for many years. Employees or external parties can use a communication platform on our homepage to report wrongdoing or submit documents, including anonymously. This can also be done by e-mail or post. Any tip-offs go to our Chief Compliance Officer, who looks into the issues and discusses any relevant questions with the Executive Board.

The whistleblower system is not just an important component for complying with the German Whistleblower Protection Act, which comes into force in 2023, but also gives our company the opportunity to find out about any irregularities at an early stage, whether they apply to us or our supply chain.

No critical incidents were reported through the whistleblower channels in 2022. Even in previous years, we only recorded one to three incidents a year. Most of them involved matters relating to employment law. There has so far been no report in relation to corruption. The cases were investigated by the Chief Compliance Officer. No incident ended up with legal action being taken.



OUR CODE PROVIDES GUIDANCE FOR OUR EMPLOYEES

CODE AND POLICIES

We have set out Progroup's values in our [compliance code](#). The code is at the heart of our compliance programme and provides guidance for employees. It helps people to identify cases of corruption or bribery and explains how to handle gifts or conflicts of interest. In addition, it formulates our unconditional demands when it comes to environmental protection, employee and human rights and occupational safety. We updated our code of compliance in December 2022 so that it now also increasingly focuses on the issue of money laundering.

All our employees are made aware of the code during their compliance training. We explain specific aspects

GROUP POLICIES

- [Code of compliance](#)
- Antitrust law policy
- Gifts policy
- IT use policy
- Privacy incident policy incl. reporting form
- External personnel employment policy
- Funds policy

in more detail on the intranet, particularly if any content has been updated or needs to be expanded on. The code of compliance and all the company's other policies apply through a clause in the employment contract.

Apart from the code of compliance, Progroup has a large number of internal policies and work instructions that guide the way we operate. These rules and regulations can be accessed by all employees on the intranet. They are not relevant to external stakeholders and are therefore also not communicated externally.

Policies of overarching relevance are approved by the Executive Board, others are approved by the relevant departments or sites, depending on their scope, significance and the circumstances.

It is extremely important that our policies on data protection and data security are complied with, because the risks posed by cybercrime are growing. As well as a data protection officer in all plants and at our administrative site, we also have data protection coordinators that receive briefings on data protection law. Our purchasing organisations are also given training on the requirements under data protection law.

MANAGEMENT

Progroup is a joint stock corporation under German law. This means the company is managed by two bodies, the Supervisory Board and the Executive Board. The Supervisory Board supervises the way the Executive Board runs the business; the Executive Board has responsibility for running the business. Both bodies together act as the ultimate control body.

Progroup AG is family-owned. More than 91 per cent of shares are held by the founding family through JH-Holding GmbH, with the remaining 9 per cent held by a few other shareholders. The annual general meeting, which all shareholders are invited to attend, makes decisions on specific tasks such as appointing the Supervisory Board or allocating profits.

The Supervisory Board appoints the members of the Executive Board. These leadership positions have previously been filled by people who have particular experience of working with medium-sized family companies and can be entrusted to make sure that the company continues to thrive and exist over the long term. There is a close working relationship between the owners, Supervisory Board and Executive Board.

Boards

At the turn of 2022/2023, Maximilian Heindl succeeded Jürgen Heindl as Chief Executive Officer of Progroup, with Jürgen Heindl moving to the Supervisory Board at the same time. Jürgen and Maximilian Heindl are both Progroup majority shareholders and also represented on the decision-making bodies. This does not result in a conflict of interest.

In 2022, the Supervisory Board consisted of:

- Rainer Dietmann, lawyer, Chairman of the Supervisory Board, member since 28.08.2007
- Prof. Dr. Rudolf Wimmer, Professor of Leadership and Organisation at the Witten Institute for Family Businesses at Witten/Herdecke University, member since 06.02.2008
- Christian Buchel, member of the Executive Board of ENEDIS and Chairman at EDSO, member of Progroup's Supervisory Board since 24.01.2019

Since 01.01.2023, Jürgen Heindl, founder of Progroup AG, is member and deputy chairman of the Supervisory Board.



Progroup Board since 01.01.2023, left to right: Dr. Volker Metz, Maximilian Heindl

In 2022, the Executive Board consisted of:

- Jürgen Heindl, Board member and Chief Executive Officer from 29.08.2007 to 31.12.2022
- Maximilian Heindl, member since 01.08.2017, Chairman since 01.01.2023
- Dr. Volker Metz, Chief Financial Officer of Progroup AG, member since 01.11.2016
- Philipp Kosloh, Chief Operating Officer of Progroup AG, member from 01.11.2016 to 02.05.2022

Since 1 January 2023, the Executive Board of Progroup has only had two members, Maximilian Heindl and Dr. Volker Metz.

The members of the Executive Board are contractually obliged to avoid any conflicts of interest. For example, they are prohibited from having any stake in competitors in the market

or secondary roles, unless they are disclosed to the Supervisory Board or the annual general meeting. Outside of the stated bodies, there is no disclosure of possible conflicts of interest.

Remuneration policy

Previously there was not any assessment of the Executive Board in relation to its sustainability management. However, in the future there will be bonus arrangements relating to the attainment of sustainability goals. For 2023, specific goals have been set for the Executive Board. They are broken down to the management of the different business areas.

The Executive Board and managers receive a basic salary and variable, performance-related payments. Severance payments are assessed in each individual case. Board contracts include provisions relating to repayments. There are no retirement benefits, apart from the contributions made to the statutory pension scheme.

The remuneration of the Supervisory Board is set by the annual general meeting; the remuneration of the Executive Board is set by the Supervisory Board in consultation with the owners. The elements of the Executive Board remuneration are reviewed annually. This is based on the provisions in the German Stock Corporation Act.

SUSTAINABLE PROCUREMENT

Progroup has a central purchasing division. Independent departments are exclusively responsible for procuring recovered paper, containerboard and freight.

In our general purchasing conditions, we have outlined the requirement of our business partners to show awareness of the environment and not waste resources when they manufacture their products, as well as to comply absolutely with laws and international standards. This

includes in particular protection of health and the environment, employee and human rights, and preventing corruption. If a supplier behaves unlawfully, Progroup reserves the right to withdraw from contracts or dismiss them without notice.

In all of this, we rely on partnerships with our suppliers and a working relationship that is defined by shared values and objectives and the willingness to take responsibility together. We have set this out in our purchasing guidelines.

Preparation for the German Supply Chain Due Diligence Act

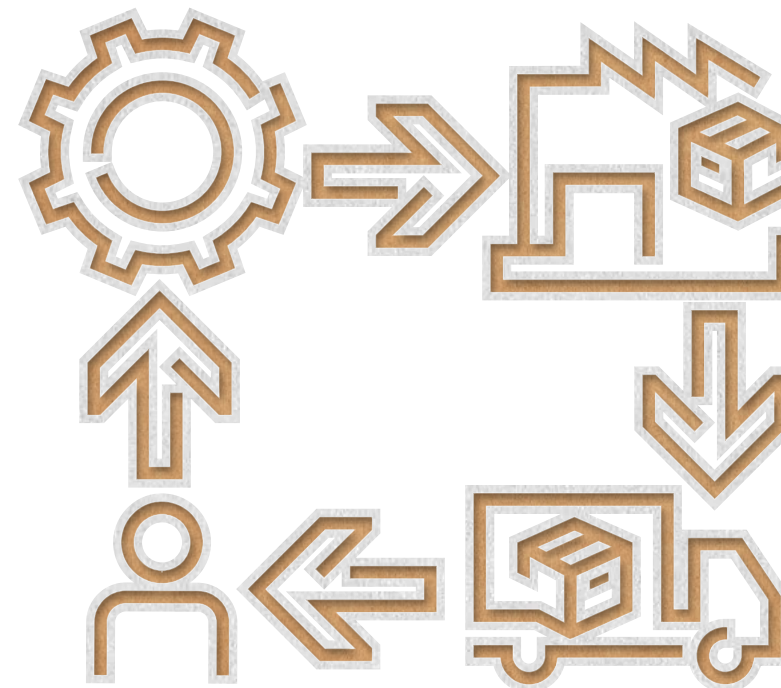
From 01.01.2024, Progroup will have to comply with the specifications of the German Act on Corporate Due Diligence to Prevent Human Rights Violations in Supply Chains (Supply Chain Due Diligence Act). To make sure the company is as well prepared for this as possible, we started a project

relating to it in the reporting period. Split into six different work packages, the project participants from all divisions of the company work on the different stages of implementation depending on their area of focus. The six work packages are as follows:

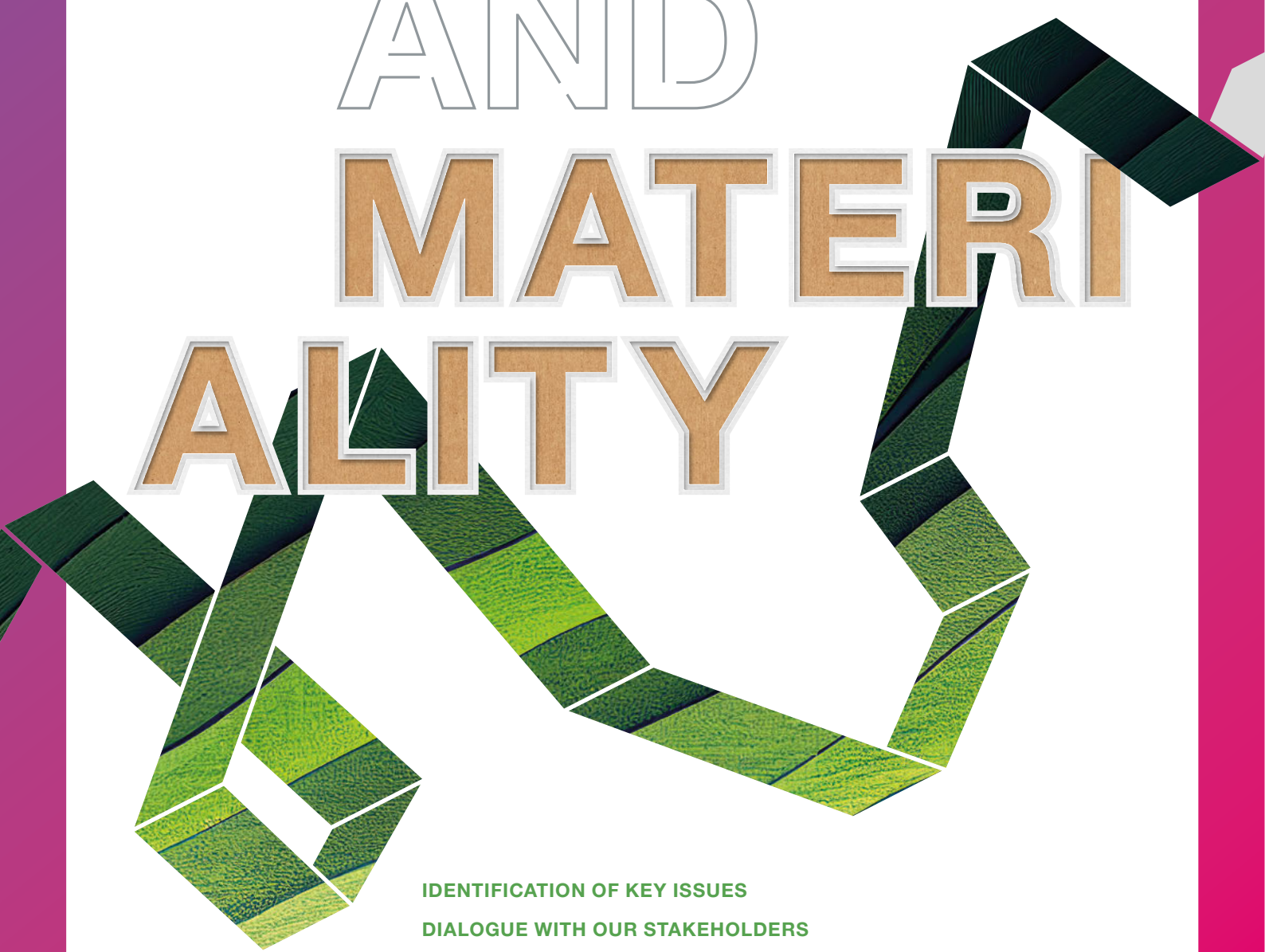
- Intra-company risks
- Risks involving our suppliers
- Selection of a risk management tool
- Coordination with our customers
- Implementation of a complaints procedure and reviewing the processes and documents produced during the course of the project to make sure they are legally compliant
- Definition of new processes and documentation

In addition, we receive support from external experts who help us to implement the project.

The work done by the project group will ensure that Progroup meets all the requirements of the Supply Chain Due Diligence Act. As part of the project, the intention is to expand the Progroup risk management system so that we can screen and minimise any human rights risks and environmental risks. In addition, we will implement a structured process for qualifying our suppliers which ensures that our suppliers meet the legal requirements as well. What is more, an annual report will be sent to the Federal Office for Economic Affairs and Export Control and the responsible people will be defined with appropriate documentation and training. We will also provide a software solution for the complaints procedure in line with the requirements of the Supply Chain Due Diligence Act.



STAKE HOLDERS AND MATERIALITY



IDENTIFICATION OF KEY ISSUES
DIALOGUE WITH OUR STAKEHOLDERS
SUSTAINABILITY ORGANISATION

2

IDENTIFICATION OF KEY ISSUES

Papermaking is resource-intensive. Even though Progroup uses recovered paper as a raw material, the demand for energy and water remains high, which is typical of the industry. This is why for around 30 years Progroup has been focusing on aspects of sustainability that we refer to as our Green Hightech strategy: We reduce our levels of consumption and optimise products using modern technology. Growing sustainably by embracing innovations has been the foundation of our corporate strategy from day one.

We last reviewed and expanded our sustainability strategy in 2021. We did this by linking our existing ecological and social activities to other aspects of

sustainable business and developing a cohesive overall strategy which focuses on the long term.

The sustainability strategy is an integral part of the corporate strategy. It has been devised by a core internal team with scientific support and approved by the Executive Board of Progroup AG. The Board member responsible for sustainability is Dr. Volker Metz, Group Chief Financial Officer.

In developing the sustainability strategy, we looked at which economic, ecological and social issues are having an impact on our business today and will do so in the future, and also at what impacts our own activities are having on economic, ecological and social concerns. We incorporated the viewpoint of our internal and external stakeholders and also consulted the United Nations Sustainable Development Goals (SDGs) to reliably capture the macro framework.

In total, we came up with around 40 sustainability topics which we have examined and prioritised by looking at two aspects:

- With which topics do we make a relevant contribution to sustainable development?
- Which topics have a decisive influence on the way our company is perceived by the relevant stakeholders?

The topics recognised as being essential were the three to four topics in each sustainability dimension which were judged to be of the highest relevance from both perspectives. In the economic sphere, growth, innovation and cost efficiency were regarded as being particularly relevant. They were not given their own measured

sustainability variables, but defined as a requirement for doing business sustainably over the long term.

For the dimensions of ecology and social aspects, there were six essential topics which we have set out with detailed action strategies and specified targets for the period through to 2030 and in some cases beyond. One of these is the issue of employee satisfaction. We will focus on this even more in the future. To do this, in 2022 we developed a strategy and goals that we will report on here.





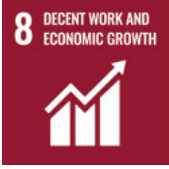

We developed all the strategies for action derived from the key topics on the basis of scientific scenarios which cover the period up to 2050. As a result, this includes elements of the European Green Deal: Emissions into the air and water, energy efficiency and the circular economy.

In the first quarter of 2022, we applied the targets which have been defined for the company together with the divisional managers to the individual divisions of the company.

OUR KEY SUSTAINABILITY TOPICS

THE SUSTAINABLE DEVELOPMENT GOALS

The United Nations has established a total of 17 Sustainable Development Goals (SDGs) which it wants to use to promote sustainable development around the world. Progroup focuses on six of these goals in particular.

SDG	Key topic	Measured variable	2012	2021	2022	Target for 2025	Target for 2030
 13 CLIMATE ACTION	Reduction in CO ₂ emissions (Scope 1 and 2) ^[1]	Specific CO ₂ e emissions (t of CO ₂ e/ t of total output ^[2])	0.32	0.23 (-28 %)	0.23 (-28 %)	-35 %	-40 %
		Specific CO ₂ e emissions for corrugated board (t of CO ₂ e/ 1000m ²)	0.245	0.177 (-28 %)	0.182 (-26 %)	-35 %	-40 %
		CO ₂ e emissions in total (t of CO ₂ e)	527,821	712,041	694,457	Constant emissions with further growth of the company	Constant emissions with further growth of the company
 6 CLEAN WATER AND SANITATION	Reduction in water consumption	Specific fresh water quantity (m ³ /t of total output ^[2])	3.27	2.07 (-37 %)	2.15 (-34 %)	-35 %	-40 %
 15 LIFE ON LAND	Reduction in the use of raw materials	Use of kraftliner (proportion of the amount of paper used in total)	14 %	11 % (-20 %)	12 % (-19 %)	-25 %	-30 %
		 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Grammage (g/m ²)	497	489 (-1.8 %)	489 (-1.8 %)	-3 %
 8 DECENT WORK AND ECONOMIC GROWTH	Boosting our employees' level of satisfaction	Rate from the "Engagement" and "Attractiveness" indicators	Not recorded	Not recorded	68 %	Average for manufacturing sector ^[3]	Best-in-class ^[4]
	Improvement in occupational safety	Notifiable workplace accidents per 1 mill. hours worked	No direct comparable figure available	Paper machines: 17.5 Corrugated sheetfeeder plants: 18.3 CHP plant: 0	Paper machines: 22.9 ^[5] Corrugated sheetfeeder plants: 24.4 CHP plant: 10.1	At least industry average ^[6]	<5
 5 GENDER EQUALITY	Boosting equal opportunities	Percentage of women among salaried employees	Not recorded	33 %	33 %	40 %	50 %
		Percentage of women in management positions	Not recorded	8 %	9 %	12 %	20 %

[1] Owing to a lack of availability, in some cases emissions factors from previous years were used for the calculation.

[2] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.

[3] Average for manufacturing sector: engagement: 68 %; attractiveness: 66 %

[4] Best-in-class: engagement: 93 %; attractiveness: 94 %

[5] Including external service providers

[6] Industry average: paper machines: 18.3; corrugated sheetfeeder plants: 11.7; Power plant: 11.1 (Figure from 2021 annual report because the 2022 figure was not yet available at the time of writing.)

DIALOGUE WITH OUR STAKEHOLDERS

To ensure that Progroup’s strategy is as focused as possible, we conducted more than 30 interviews with stakeholders as part of the 2021 strategy development process. They included internal stakeholders such as the family that owns the business, the management and other employees,

but also external stakeholders such as suppliers, investors and associations.

The dialogue with stakeholders was split into two stages. A survey of the employees and initial discussions with external stakeholders were conducted as part of a master’s thesis. An online questionnaire was created to try to appeal to as broad a range of employees as possible. Based on these results, the second

stage of the dialogue involved a more in-depth discussion which the whole sustainability team took part in. There were then internal discussions with selected experts from different fields.

We held direct talks with each of our external stakeholders, structured according to previously defined content. They were tailored to reflect the areas in which the other party worked.

For example, the team spoke to representatives of a machine manufacturer about modifications to boost the energy efficiency of future generations of machines, while financial institutions were asked about their requirements in relation to disclosing sustainability indicators. In addition, we incorporated and evaluated requests from investors.

In conclusion, it can be stated that our external stakeholders are increasingly striving to integrate sustainability measures into the way they work, especially when it comes to CO₂ reduction and compensation.

As far as the expectations placed on Progroup are concerned, the stakeholder survey revealed that in particular the family that owns the company and the management as well as the capital market expect Progroup to address issues of sustainability.

It also became clear that in general large B2B customers and end customers tended to be more interested in sustainability aspects of our products, whereas there were different levels of interest among smaller customers and suppliers.

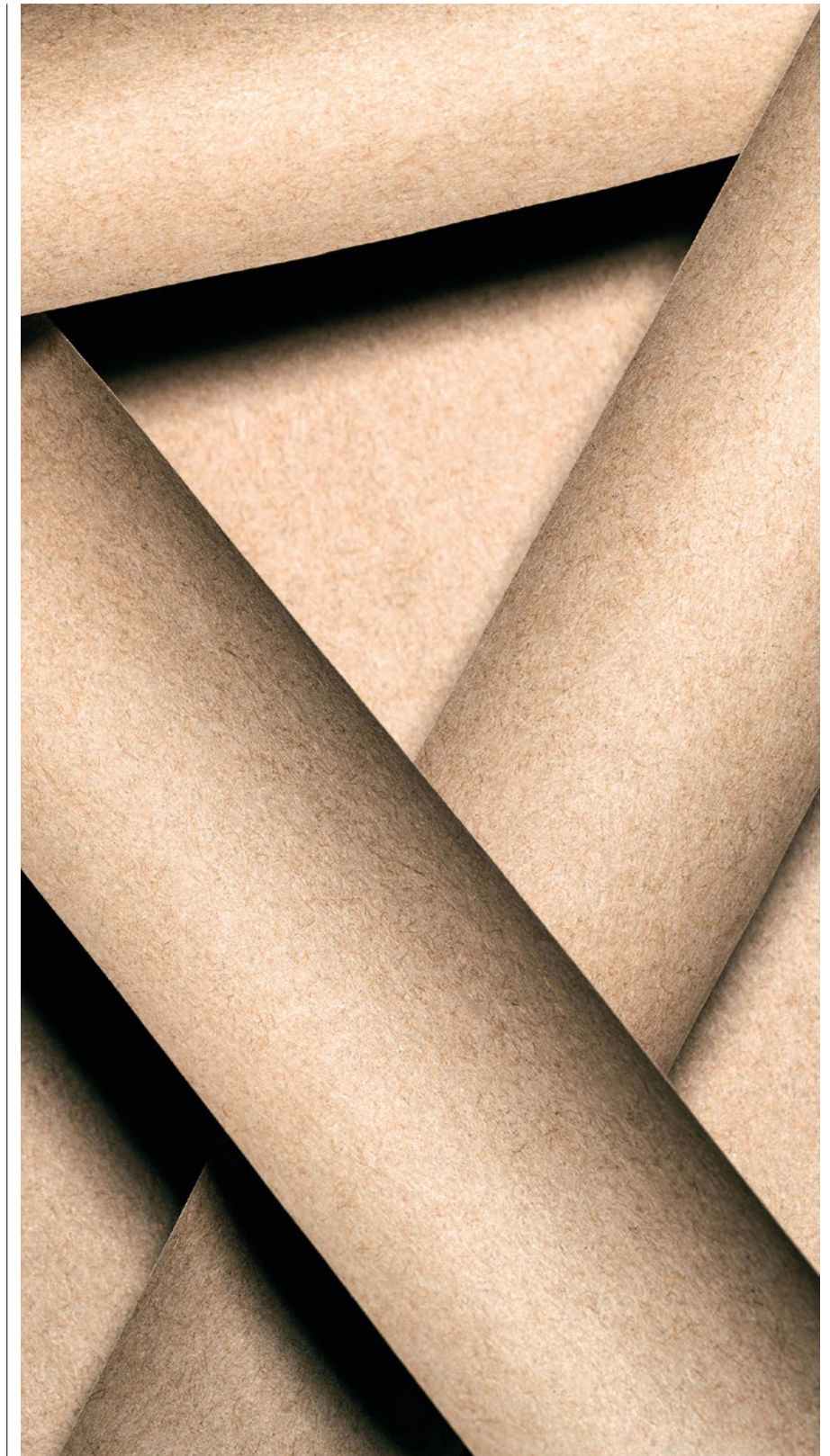
In relation to our employees, it can be stated in summary that they consider Progroup to be sustainable and identify with the ecological issues that the company is pursuing. In terms of specific employee issues, many would like to see a greater commitment from Progroup, and we started addressing this at the end of 2022. Moreover, we are examining the potential of sustainability measures that our employees think could be implemented in their area of influence.

REDUCING CO₂ EMISSIONS IS ABSOLUTELY CRUCIAL

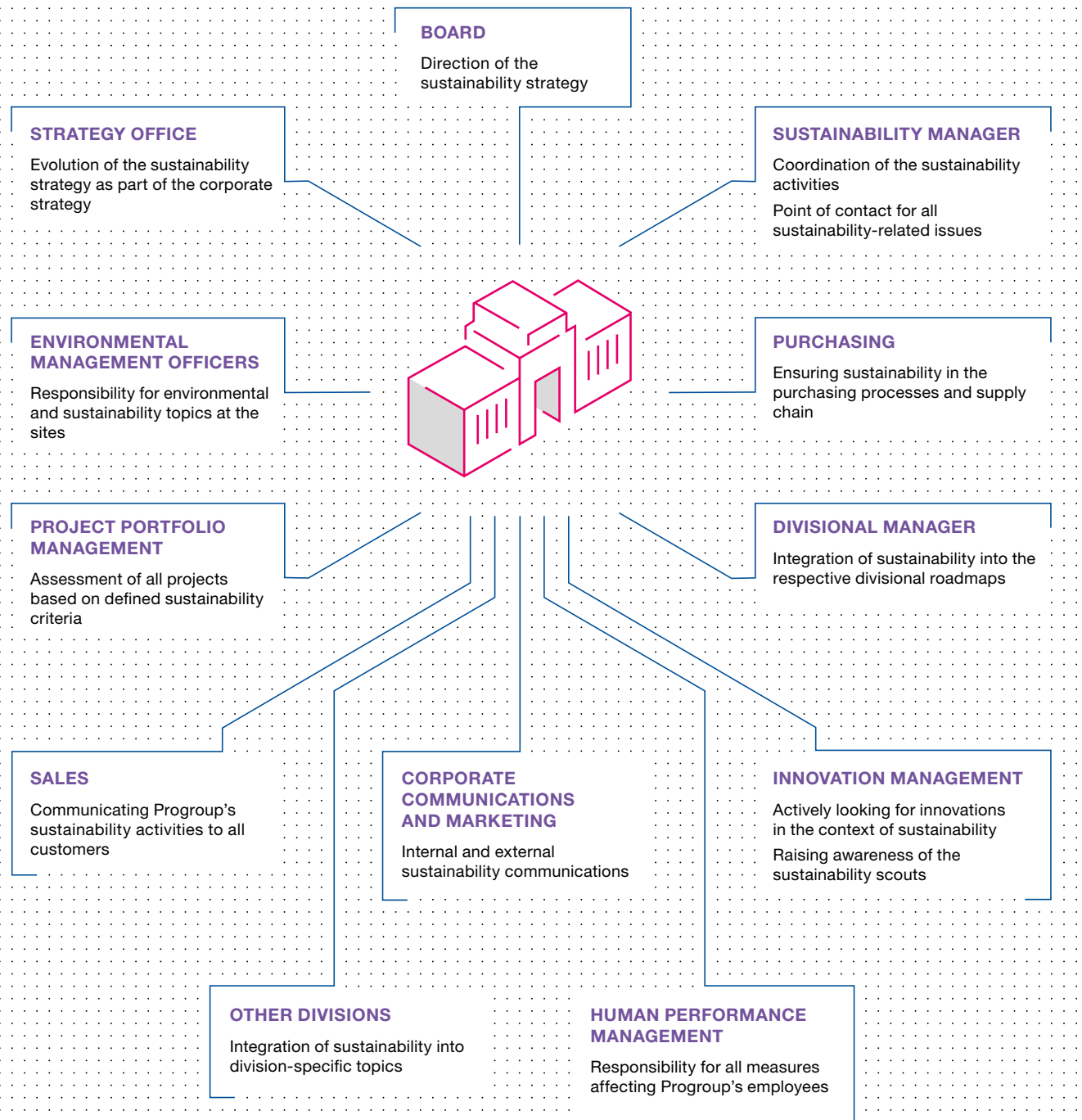
STAKEHOLDER GROUPS CONSIDERED

Family, Supervisory Board, Board

Customers	Packaging park customers	Regional customers		
Employees	Current employees	Future employees		
Capital market	Investors	Banks	Rating agencies	
Partners & suppliers	Disposal firms	Machine manufacturers	Carriers	Other suppliers
Politicians/legislators	EU	D, PL, F, CZ, IT, UK	German states	
Politicians/funders	EU Green Deal	National funding		
Community	Local community, politicians	Associations, social groups	Residents	
Society	NGOs	Science		
End customers	Corporates (EU, global)	SMEs (various sectors)	E-commerce	Consumers



SUSTAINABILITY ORGANISATION



Sustainability is firmly established at all levels in all divisions.

ALL DIVISIONS OF THE COMPANY ARE PART OF THE SUSTAINABILITY NETWORK



SUSTAINABILITY ORGANISATION

Sustainability management means systematically embedding social and ecological requirements in the structures and processes of a company.

The requirements are very varied and the timescale for implementation often stretches over decades.

Sustainability management is therefore a complex task that can be accomplished only by working across departments and hierarchies. This is

why we have created an organisational structure that spreads the workload, clearly establishes responsibilities and assigns tasks to the divisions of the company. Adhering to this benefits both the individual division and the shared sustainability goal. All divisions of the company are part of the same network.

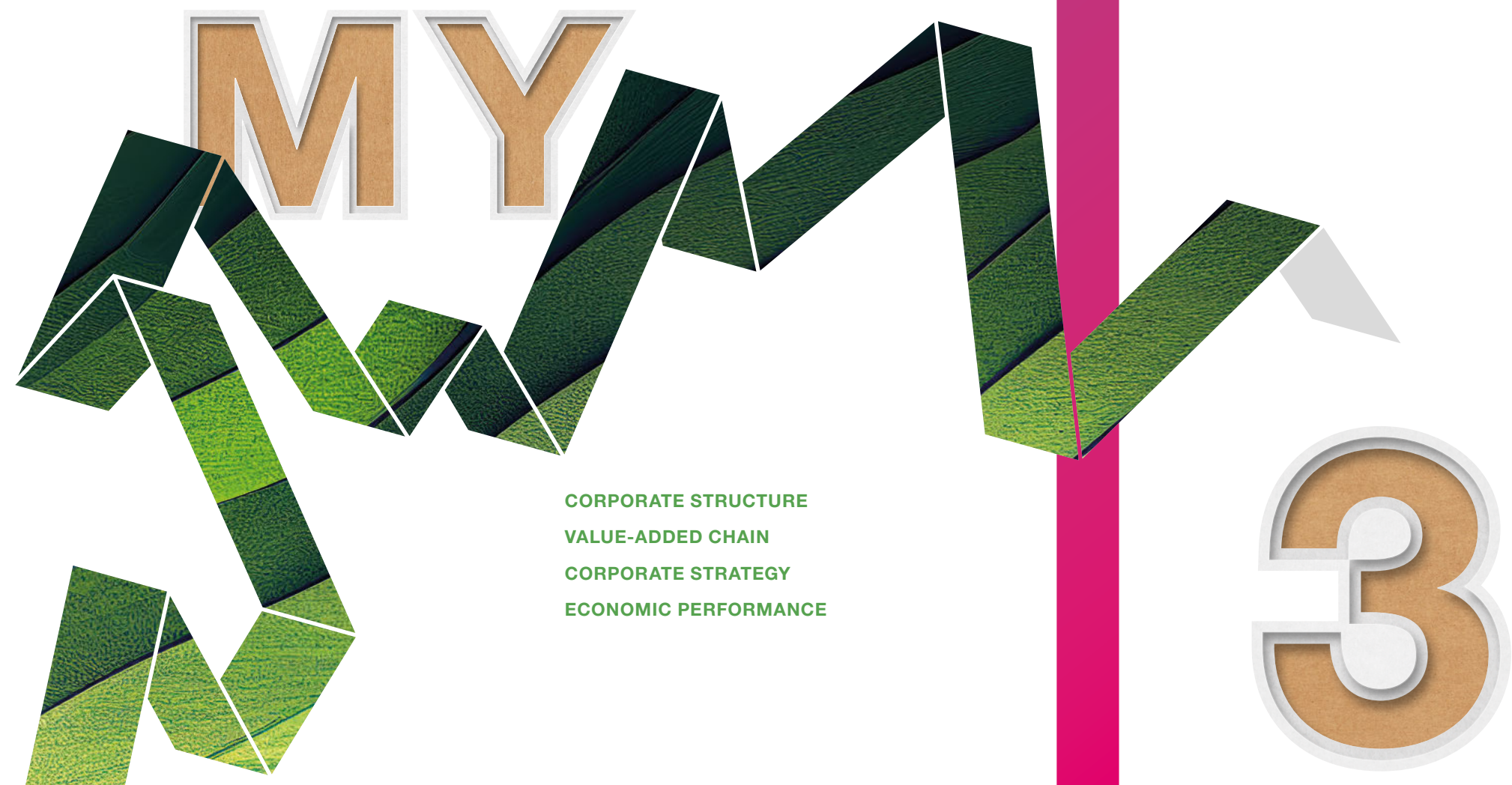
The Executive Board makes major policy decisions. Subordinate to it is the Strategy Office, which develops the overall strategy of the company, including its sustainability strategy. The sustainability manager provides the technical expertise and coordinates the sustainability activities.

There is also a prominent role for the operational management, which integrates sustainability aspects into its planning and presents it to its teams, as well as the Project Portfolio Management division, in which new projects are examined to establish their feasibility, viability and sustainability.

Key roles are also played by the following divisions:

- Innovation Management**
Reviews all innovations to determine if there are more sustainable ways to achieve the goals, and deliberately looks for innovations to achieve Progroup's sustainability goals.
- Corporate Communications & Marketing**
Gives Progroup visibility on the issue of sustainability to external and internal stakeholders.
- Sales**
Makes customers aware of opportunities and risks in the context of sustainable development and positions Progroup as a powerful partner for a sustainable future.
- Human Performance Management**
Draws up all the measures of the sustainability strategy that relate to the employees, and implements them.

ECO NOMY



CORPORATE STRUCTURE
 VALUE-ADDED CHAIN
 CORPORATE STRATEGY
 ECONOMIC PERFORMANCE

PROGROUP IS ACTIVE AT 14 LOCATIONS IN CENTRAL EUROPE

CORPORATE STRUCTURE

The corporate group has fifteen companies including Progroup AG. Progroup AG has stakes in eight companies in Germany and six abroad. The Board division comprises a total of twelve corrugated sheetfeeder plants. The controlling company is Progroup Board GmbH, which oversees the five corrugated sheetfeeder plants in Germany. The seven plants abroad are operated by fully owned subsidiaries of Progroup Board GmbH in France, Great Britain, Poland, the Czech Republic and Italy. This also includes the latest corrugated sheetfeeder plant PW14 in Stryków (Poland), which started trial production in the fourth quarter of 2022. In the 2022 financial year, the company Progroup Board Kft. (Budapest, Hungary), which was

founded in 2019, did not engage in any business operations.

The Paper division is engaged in the upstream stage in the value creation chain because it produces containerboard. This division comprises Progroup Paper PM1 GmbH with its paper factory in Burg and its fully owned subsidiaries, Progroup Paper PM2 GmbH with its paper factory in Eisenhüttenstadt and Progroup Paper PM3 GmbH in Sandersdorf-Brehna. Progroup Power 1 GmbH with its waste-to-energy plant in Eisenhüttenstadt supplies Progroup Paper PM2 GmbH with steam and a proportion of its electricity, which is very efficient.

Progroup Logistics GmbH as a logistics company provides transport services within Progroup and externally.



VALUE-ADDED CHAIN

The value-added chain within the corporate group starts with the three paper factories. The paper machine PM2 is supported by Progroup Power 1 GmbH in an upstream stage with the production of steam. The most important input factor for paper production is recovered paper. The paper factories predominantly supply the corrugated sheetfeeder plants within the corporate group as well as a small number of external customers. The complementary technical configuration means that it is possible to produce containerboard with a grammage of between 60 g/m² and 230 g/m².

The second key stage in the value-added chain is the production and distribution of corrugated board sheets and therefore delivering products to the packaging manufacturers, which in turn supply the end customers/consumers. Between the individual stages in this value-added chain are transport logistics processes which are supported by Progroup Logistics GmbH.

The product range at the Board plants comprises single-wall to triple-wall corrugated board sheets with different flute sizes. The grammages range from around 300 g/m² to almost 2 kg/m². In general there are trends towards lighter-weight corrugated board that has the same strength and small batches in order to meet the ever more differentiated requirements of the packaging industry. Progroup is well positioned in the market to cater for both trends and has therefore been able to operate very successfully despite a volatile market environment in 2022.

The company's customer base for corrugated board mainly comprises medium-sized packaging manufacturers. The Paper division mainly supplies the company's Board plants along with some external customers.

CORPORATE STRATEGY

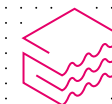
Our mission is to be the preferred partner for independent packaging manufacturers that we can help to grow profitably and tap into new potential with the reliability, know-how and outstanding structures that a highly specialist provider is able to offer. Our vision is to change the industry. We want to be Europe's market leader for corrugated sheetboard and the fastest organically growing, most efficient company in the industry.

We know that long-term growth is only possible if we do not lose sight of the importance of people and the environment. The fact that our company's continuous growth must be sustainable has never been in question and provides the foundation of our corporate strategy. To implement this strategy consistently, we devise rolling, specific strategy periods of ten years each. Since 2016, we have been pursuing the "TWO25" ten-year

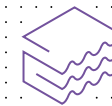
strategy. What we are aiming to achieve is to double the size of the company by 2025 compared to 2015. At the end of the reporting period, we were already 85 per cent of the way to achieving this target.

All of Progroup's activities are focused on profitable growth, which we want to achieve through innovations as well as leading the way on costs and organisation. At the end of the reporting period, we were building two more state-of-the-art corrugated board plants, one near to Pirmasens in Rhineland-Palatinate and one in northern Italy. The plants are expected to start operating in 2024. Our second waste-to-energy plant is set to start operating in 2025. We received the approval for this at the beginning of 2023 and construction work began at the end of the first quarter. It is being constructed in Sandersdorf-Brehna (Saxony-Anhalt) in order to supply steam to our newest paper factory at the same site (PM3). This will significantly improve our company's carbon footprint.

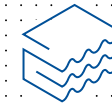
TWO25 STRATEGY COMPONENTS



Growth & integration

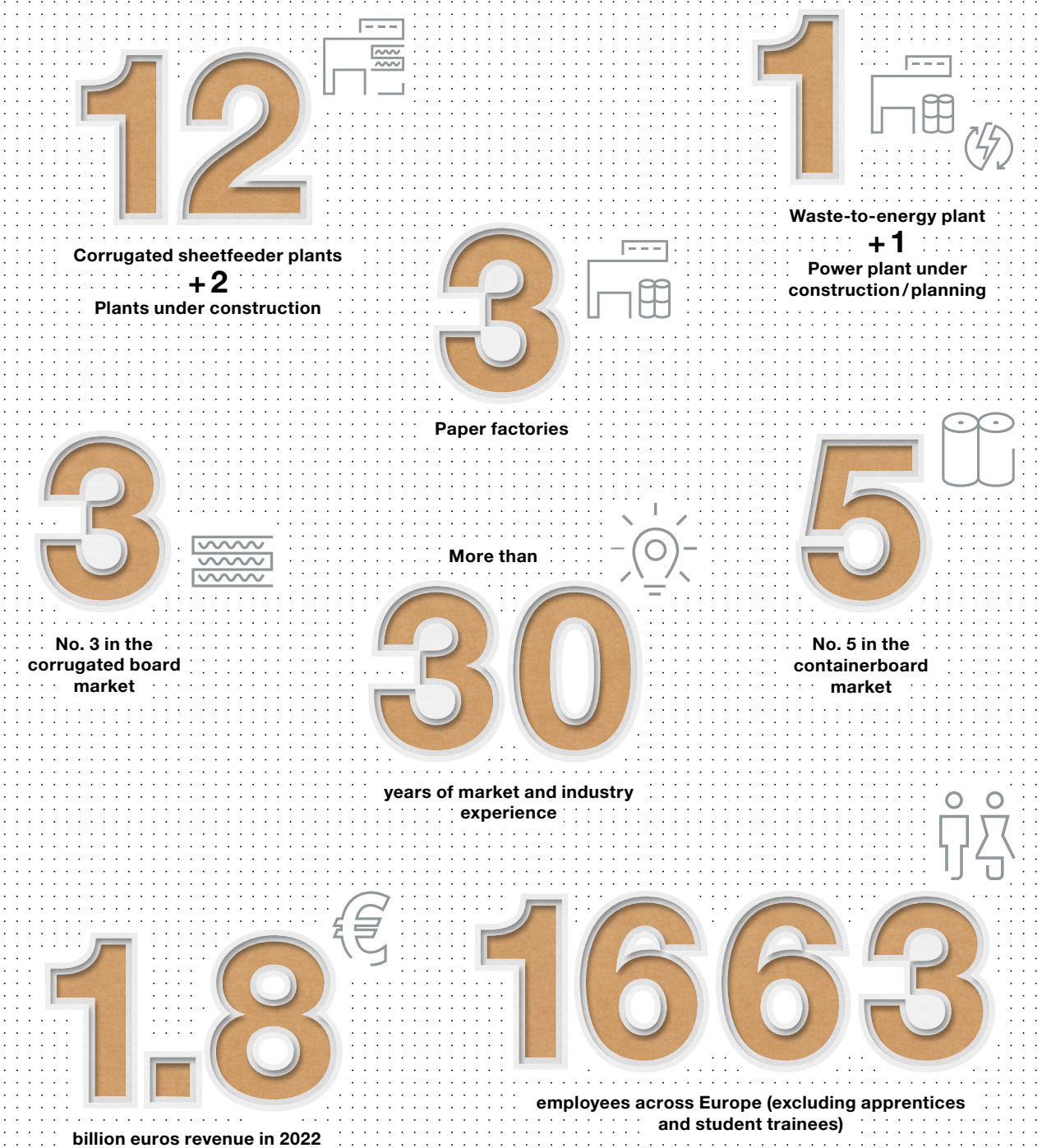


Cost leadership & profitability



Organisation & personnel development

PROGROUP TODAY



(as of 31/12/2022)

ECONOMIC PERFORMANCE

In the 2022 financial year, with 1,663 employees (2021: 1,501) we generated revenue of 1.759 billion euros (2021: 1.357 billion).

We did not manage to achieve the previous year's record-breaking sales of corrugated board. However, the sales trend was above the trend in the reference market. Overall, the market for both containerboard and corrugated board was characterised by fluctuating conditions in the market in 2022. Throughout the year, the market for containerboard was shaped by a high level of supply contrasting with a fall in demand for corrugated board.

The raw material prices that continued to rise through to the middle of the year and the massive rise in energy costs as a result of Russia's war of aggression against Ukraine led to increases in the price of containerboard in the first half of the year. The surplus in supply caused stock levels to rise significantly throughout the paper industry. As a consequence, there were numerous production cutbacks and shutdowns in the third quarter.

This in turn led to an imbalance in the recovered paper market and as a result to a significant drop in recovered paper prices in the second half of the year. As energy prices also began to drop slightly after peaking in the third quarter, the prices of containerboard fell significantly in the fourth quarter.

As is usually the case, the price of corrugated board followed the price trend in the containerboard market with the typical lag time. Following the steep rise in commodity prices, higher energy, freight and packaging costs also caused corrugated board prices to rise in the first half of the year. Overall, this led to a sharp rise in revenue. In the fourth quarter, the steep fall in containerboard prices resulted in significant price corrections for corrugated board sheets.

As part of this price trend, there was a very significant increase in revenue in the Progroup group of 29.6 per cent compared to the previous year. The revenue amounted to € 1.759 billion, following revenue of € 1.357 billion in 2021.

The costs of materials rose by around 23 per cent compared to the previous

year. This increase was a result of the higher starch, recovered paper and paper prices. In addition, higher energy costs also contributed to the increase.

Personnel costs also rose noticeably by around 13 per cent compared to the previous year. In addition to the general adjustments to wages and salaries, the increase resulted primarily from growth in the average number of employees. We recruited new employees in particular in administration (shared service and group roles) and in operations (Board Operations).

The other operating expenses were also significantly above the level of the previous year at 22 per cent, which is essentially attributable to higher freight costs and higher maintenance costs.

The decline in interest expenses compared to the previous year is fundamentally down to a lower volume of credit.

More than two-thirds of the income tax paid in the 2022 financial year resulted from corporation and business tax on the Progroup AG

corporate fiscal unit in Germany. In addition, the companies in France and the Czech Republic also made a particular contribution to the income tax that was paid.

The annual profit more than doubled to € 197.9 million (2021: € 94.8 million). The exceptionally high increase in profit can be attributed to the high margins that the company was able to achieve at the start of 2022. It also benefited from hedging transactions for electricity and gas. Changes in the general business climate and the hedging transactions expiring mean that these profits cannot be carried forward to 2023. The earnings position is expected to return to normal in the 2023 financial year.

Our employees also benefit from this good result. Every employee gets to share in the profit through the company performance bonus. For 2022, it is around 50 per cent higher than the average figure expected and therefore the maximum such bonus that has been paid.

EMPLOYEES SHARE IN THE SUCCESS OF THE COMPANY

KEY FIGURES



REVENUE

2021: € 1,357 mill.

2022: € 1,759 mill.

Change:

+29.6%



PROFIT

2021: € 94.8 mill.

2022: € 197.9 mill.

Change:

+108.8%*



NUMBER OF EMPLOYEES

2021: 1501

2022: 1663

Change:

+10.8%

*Special effects



CIRCULAR ECONOMY IN PRACTICE

OUR RAW MATERIALS

- FEWER RAW MATERIALS IN CORRUGATED BOARD
- RECYCLED FIBRE INSTEAD OF FRESH FIBRE

WATER AND WASTEWATER

- BIOLOGICAL WATER TREATMENT
- REDUCTION OF WASTEWATER

ENERGY AND EMISSIONS

- OUR WASTE-TO-ENERGY PLANTS
- GREENHOUSE GAS BALANCE

CIRCULAR ECONOMY IN PRACTICE

Putting the concept of the circular economy into practice is challenging. Progroup's products already reflect the idea behind the circular economy: Our containerboard is made from a secondary raw material. The corrugated board end product can

then be recycled – a shining example of how a circular economy can work. At the same time, the process of papermaking still uses a great deal of energy and water. Our biggest tools for doing business ecologically are therefore technologies which reduce the amount of energy and water required or allow us to reduce the amount of raw materials used in our products.

There are also other parameters which need to be right: As part of the process of making containerboard, we release impurities from the recovered paper. We guarantee that all impurities are in fact removed and disposed of in such a way that no harm is caused to people or the environment. If we are using fresh fibres – which is only the case with 12 per cent of the raw paper that is used in corrugated board production – we ensure that they come from sustainably managed forests and not from overfelling.

To provide transparency over how we tackle these issues, we monitor our environmental performance and subject ourselves to auditing and certification by relevant institutions. We will be evaluating potential negative impacts in our supply chains from the 2024 financial year. We are currently setting up an appropriate risk management system. Details on this can be found on page 19.

OUR CERTIFIED ENVIRONMENTAL PERFORMANCE



ENERGY AND ENVIRONMENTAL MANAGEMENT

All paper factories are certified to DIN ISO 14001 and DIN ISO 50001 or EMAS-certified. The waste-to-energy plants of Progroup Power 1 and 2 (in the construction phase) are also EMAS-certified. All corrugated sheetfeeder plants are certified to DIN ISO 50001; one is also certified to ISO 14001.



RESPONSIBLE FORESTRY

All of our paper and corrugated board plants are FSC®-certified (multi-site). Our papers and corrugated board sheets conform to "FSC® Recycled" or "FSC® Mix".



FOOD-SAFE PRODUCTS

Our containerboard and corrugated board sheets are certified by ISEGA. They are designed to be used in secondary packaging. However, they are also suitable for direct contact with dry, non-greasy food and food that is washed or peeled before being consumed.

OUR RAW MATERIALS

Our most important raw material is different grades of recovered paper. This secondary raw material is becoming increasingly rare and expensive because the demand for papers based on recovered paper continues to rise.

The market is highly competitive, yet using recovered paper still makes more sense ecologically than purchasing fresh fibre which – apart from anything else – is equally rare and costly. In addition, we are reducing the grammage of our corrugated board sheets and exploring alternative materials.

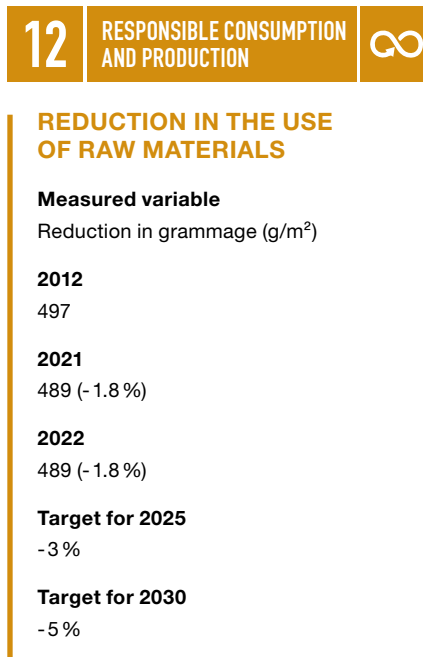
FEWER RAW MATERIALS IN CORRUGATED BOARD

We are striving to reduce the quantity of raw materials we use. This is why we are now manufacturing corrugated board sheets that are lighter and lighter and yet still satisfy the same technical requirements. Since 2012, we have reduced the average grammage by 1.8 per cent and we aim to reduce it by 3 per cent by 2025, and by 5 per cent by 2030.

Our weight-optimised products are **nextboard®** corrugated boards. In addition to a significantly improved life cycle assessment, they feature a volume that is 15 per cent lower than Progroup's conventional grades of corrugated board, which saves storage and transport costs. **nextboard®** is also noted for its higher compressive strength and edge crush resistance than other products which use the same quantity of raw materials. We manage to produce this special stability thanks to a change in the corrugated board design.

In 2022 we managed to maintain the previous year's figure, but we were

unable to improve it any further. This is down to the composition of the products that our customers order, with increasing quantities of heavier grades of corrugated board in the reporting period compared to the previous year. As we base this indicator on the quantities sold, the impact is reflected in the measured variable.



RECYCLED FIBRE INSTEAD OF FRESH FIBRE

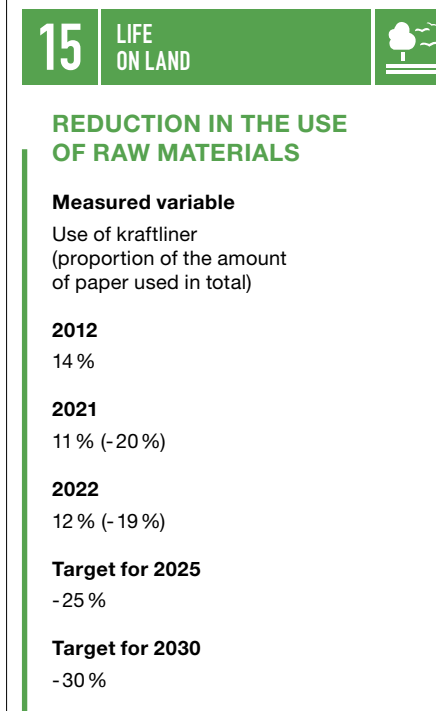
We also buy kraftliner for corrugated boards which need to be particularly resilient. Kraftliner is base paper that is made primarily from fresh fibre and is therefore especially robust. We use kraftliner exclusively for the corrugated board cover layer because it is more expensive than recycled paper and its life cycle assessment is not as good.

In our paper factory in Burg we are able to manufacture a type of containerboard from recycled fibres that is just as robust. We call it

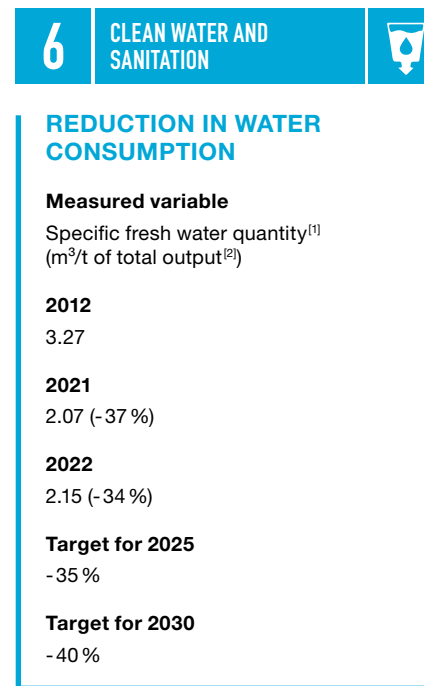
“Proliner K”. In many cases, we are able to replace the containerboard based on fresh fibre with this recycled containerboard.

Our aim is to reduce the fraction of kraftliner used by around 25 per cent in 2025 compared to 2012; by 2030 the saving should be as much as 30 per cent.

By increasingly using Proliner K, we will not only reduce the amount of wood we use in our upstream supply chain, but will also achieve a significant energy benefit.



In the reporting period, the proportion of kraftliner of the amount of paper used in total increased slightly. The absolute amount of kraftliner used has not increased compared to 2021. This result is also down to the portfolio and dependent on the orders placed by our customers.



[1] Does not include our administration site in Landau.
[2] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.

WASTEWATER AND WATER

The process of producing containerboard uses a lot of water. In our paper factories, we utilise water not only in the production process, for example for breaking down recovered paper, but also for cooling and cleaning the facilities.

To reduce the level of consumption, we operate closed water cycles on two of our three paper machines (PM1 in Burg and PM3 in Sandersdorf-Brehna). This means that there is no wastewater from production on these two machines, and on PM3 wastewater only comes from ancillary systems alongside the paper machine. These technologies are unique in our industry.

This has enabled us in recent years to significantly reduce the amount of

fresh water we require for each tonne of total output. Compared to 2012, the reduction by 2021 was around 37 per cent and by 2022 was around 34 per cent. This slight increase in the specific water consumption is attributable primarily to the increased amount of water used at our combined heat and power plant compared to the previous year. In 2021, we had a longer shutdown and periods in which the plant was operating at a reduced capacity. We improved both these elements in 2022.

By 2030, the intention is that the reduction in the specific amount of fresh water – relative to one tonne of total output – should be 40 per cent.

The total water demand in 2022 was 6,457,751 cubic metres. Our administration site in Landau is not included. As our company is growing, the demand for water will also rise in the medium term. Nevertheless, compared to other companies in the paper industry, Progroup is particularly efficient when it comes to using water. In 2022, we required an average of 3.4 cubic metres of water per tonne of containerboard.

OUR RAW MATERIALS AND THEIR PROCESSING



RECOVERED PAPER

We do not just use any old recovered paper, but instead employ recovered paper from households that has been sorted as well as paper returned from commercial sources. As recovered paper is often contaminated by plastic and other foreign substances, we subject it to mechanical cleaning. Our products are checked every two years by independent experts to certify that they are completely safe. We ourselves constantly check the quality in our laboratory. Progroup's containerboard and corrugated board sheets are approved for contact with dry and non-greasy foodstuffs.



FRESH FIBRE PAPER

We buy in base paper with a high fresh fibre content for the purpose of manufacturing highly stable, moisture-resistant corrugated boards, as are required for transatlantic shipments, for example. We process this kraftliner to make the top layer for the corrugated boards.



STARCH

Starch is essential for the production of paper and corrugated board. It is applied to the raw paper so that the fibres bind together better, and so gives the paper strength. During further processing, we use starch as glue in order to bond together the corrugated board sheets. Starch is a natural product that we purchase from Germany, Poland and Belgium in particular.



COLOURS

The top layers of our containerboard are dyed brown. We source the dyes from India in particular. We only ever use raw materials, additives and finishes which are registered under the REACH Regulation and are permitted according to the 36th Recommendation of Germany's Institute for Risk Assessment.

BIOLOGICAL WATER TREATMENT

Our paper factory PM3 in Sandersdorf-Brehna is not just one of the world’s most efficient paper machines; we have also integrated a state-of-the-art biological circulating water treatment plant which has been installed for the first time anywhere. It reduces the amount of fresh water that is used by around 80 per cent compared to similar factories. Impurities which are transferred from the recovered paper into the process water are biologically degraded in the plant under anaerobic conditions and converted into biogas. We feed this into the boiler house to produce steam. The steam is in turn

used on the paper machine for drying. This means that the plant overall consumes up to 10 per cent less fossil resources. In Sandersdorf-Brehna, this technology enables us to save up to 3.75 million cubic metres of fresh water and up to 62 million kilowatt hours of natural gas each year.

REDUCTION OF WASTEWATER

The closed circuits have drastically reduced not just our demand for fresh water, but also the amount of wastewater we have produced in recent years. PM1 does not produce any, and PM3 only produces wastewater from ancillary systems. The wastewater

on PM2 is treated to the very latest standards by the Oderaue Drinking Water and Sewage Disposal Association. Wastewaters from our corrugated sheetfeeder plants do not require any special treatment, but are instead transported via the sewer system into the public wastewater treatment plants.

ENERGY AND EMISSIONS

Climate neutrality is a major challenge for Progroup, as it is for many other manufacturing companies. In Germany, the paper industry is one of the three most energy-intensive industries. Although less energy is required for producing recycled paper than for fresh

fibre paper, our company is still to a large degree energy-dependent. The final drying of the containerboard is done using steam, whose production consumes a lot of energy.

In the reporting year, our total emissions were at roughly the same level as the previous year despite our growth. Our absolute emissions were in fact reduced slightly. This is mainly attributable to the improved emissions factor for the steam that we purchase. The slight increase in the specific emissions per 1,000 square metres of corrugated board is down to various factors: As the economy recovered from the impact of the coronavirus pandemic, overall energy consumption rose. To cover this demand, the use of coal to generate electricity also increased again. There was a deterioration in the national electricity mix in many European countries. In addition, in the reporting year the war in Ukraine had profound consequences for energy supplies. Natural gas was no longer available at comparable prices. What this meant for Progroup was that in some corrugated sheetfeeder plants in phases it was no longer possible to use natural gas for economic reasons. Instead, we switched to production with heating oil, which generates higher emissions.

We also continuously optimise our facilities. This allows us to utilise steam and heating energy more efficiently. At the same time, the most effective lever at present for reducing costs and emissions is to operate waste-to-energy plants. Using substitute fuels also allows us to reduce the amount of gas we use.



Vital raw material: Different grades of recovered papers

13 CLIMATE ACTION		
REDUCTION IN CO ₂ e EMISSIONS (SCOPE 1 AND 2) ^[1]		
Measured variable Specific CO ₂ e emissions (t of CO ₂ e/t of total output ^[3])	Measured variable CO ₂ e emissions in total ^[2] (t of CO ₂ e)	Measured variable Specific CO ₂ e emissions for corrugated board ^[2] (t of CO ₂ e/1000m ²)
2012 0.32	2012 527,821 t CO ₂ e	2012 0.245
2021 0.23 (-28 %)	2021 712,041	2021 0.177 (-28 %)
2022 0.23 (-28 %)	2022 694,457	2022 0.182 (-26 %)
Target for 2025 -35 %	Target for 2025 Constant emissions (comp. to 2012) despite growth	Target for 2025 -35 %
Target for 2030 -40 %	Target for 2030 Constant emissions (comp. to 2012) despite growth	Target for 2030 -40 %

[1] Owing to a lack of availability, in some cases emissions factors from previous years were used to calculate the emissions.

[2] Does not include our administration site in Landau.

[3] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.

PPI AWARD

At the start of 2023, Progroup received the Pulp & Paper International Award (PPI Award) in the "Sustainability Leadership Award 2023" category. With this coveted paper industry award, the information provider "Fastmarkets Forest Products" recognises the special achievements of companies, mills and individuals in the pulp, packaging and paper industry. This year's award recognises our high-tech sites that allow us to make the best possible contribution to a circular economy. Our Eisenhüttenstadt site is a perfect example of this: This is where we produce papers that are very lightweight and yet are still strong – based exclusively on recovered paper. The energy required for this is supplied from the company's own waste-to-energy plant. By thermally utilising what are known as rejects – waste materials from paper production and also from industry – it supplies the whole paper machine with all the hot steam it needs.

OUR WASTE-TO-ENERGY PLANTS

We acquired our first power plant from EnBW in Eisenhüttenstadt in 2016 and have been operating it ourselves ever since. The second has been under construction in Sandersdorf-Brehna since the end of 2022. The approval process has been completed here. They are both CHP plants in which in particular we convert waste materials from papermaking and substitute fuels into energy.

In Eisenhüttenstadt, we produce roughly 1.2 million tonnes of steam and approx. 130 gigawatt hours of electricity each year. This means that, apart from when the power plant is being inspected, we provide all the

steam that PM2 requires. The volume of electricity produced is equivalent to approx. 50 to 60 per cent of the power that PM2 requires, but in the period under review this was fed into the power grid due to network regulations. The combined heat and power plant in Sandersdorf-Brehna is set to start operating in mid-2025 and on average will provide 125 tonnes of steam per hour and generate up to 20 megawatts of electrical power.

By 2025 we want to reduce our specific emissions – relative to our total output of containerboard and corrugated board sheets – by 35 per cent. By 2030 the new power plant should help us to achieve a saving of 40 per cent.

GREENHOUSE GAS BALANCE

Our absolute emissions in 2022 in Scopes 1 and 2 were 694,457 tonnes of CO₂ equivalents. Compared to the previous years, our calculation for 2022 also includes the emissions from our commercial vehicle fleet. In addition, we have started to record the first categories of our Scope 3 emissions. They amounted to 639,439 tonnes of CO₂ equivalents.

The recording of our Scope 3 emissions for 2022 covers the categories that are most relevant for our production processes: the upstream emissions from the purchase of electricity and fuels, transmission and distribution losses from the purchase of electricity, production materials, office equipment, related services, capital goods, purchased logistics services as well as water consumption and wastewater. The production materials make up the largest share. In this category, we have recorded the most important materials for us. These include glue, starch and dye for papermaking, starch and caustic soda for the production

of corrugated board and the external purchase of containerboard. We have not yet recorded our use of recovered paper. In addition, the emissions from our purchased logistics services make up a large share of the overall Scope 3 emissions. In this category, we have set out the transport consignments that we issue. Only the consignments of the purchased quantities of recovered paper transported to our paper machines are not included. We will continue to expand the calculation in 2023.

For an energy-intensive company like ours, it is another way to become carbon-neutral by 2045. This will only work if in the coming years renewable energy and green hydrogen is made available in sufficient quantities and other general conditions (for example the possibility of storing captured CO₂ volumes) are put in place so that not only we but the industry as a whole can manufacture products in a carbon-neutral way. Politicians are in the process of establishing the general framework for this.

In 2023, we started to develop a transformation concept for a reference corrugated sheetfeeder plant. This project is receiving state funding. The aim is to provide a detailed description of the previous, current and future-planned efforts to combat climate change at this site and to develop a strategy that is consistent with limiting global warming to 1.5 °C and meets the goal of achieving climate neutrality over the long term. The intention is then to adopt the transformation concept at the rest of our plants.

GREENHOUSE GAS EMISSIONS IN TONNES OF CO₂ EQUIVALENTS (CO₂e) ^[1]

Scope	Emissions sources	2012	2021	2022
Scope 1	Natural gas	118,576	280,275	234,632
	Heating oil	3,267	3,794	10,256
	Diesel	6,227 ^[2]	6,876 ^[2]	7,477
	Coal	1,350	0	0
	Burning of substitute fuels	179,575	156,492	174,850
	Total	308,996	447,437	427,215
Scope 2	Purchased electricity	154,465	208,771	247,555
	Purchased steam ^[3]	64,361	55,833	19,687
	Total	218,825	264,604	267,242
Scope 1 and 2 total		527,821	712,041	694,457
Scope 3	Purchased electricity – upstream emissions			64,025
	Purchased fuel – upstream emissions			44,073
	Purchased electricity – transmission and distribution losses			10,349
	Production materials ^[4]			391,012
	Office equipment			1,103
	Related services			360
	Capital goods			37,978
	Purchased logistics services ^[5]			88,497
	Water consumption and wastewater			2,041
	Total			639,439
Scope 1-3 overall total				1,333,895

[1] Basis of calculation: internal calculation, based on Greenhouse Gas Protocol, does not include our administration site in Landau.

[2] The commercial vehicle fleet is not included.

[3] For the period of the power plant inspection.

[4] The recovered paper used is not included.

[5] The consignments of the purchased quantities of recovered paper transported to our paper machines are not included.

SOCIAL ASPECTS

5

WORKFORCE

- FEEDBACK FROM THE WORKFORCE
- TRAINING AND DEVELOPMENT
- BOOSTING EQUAL OPPORTUNITIES
- OCCUPATIONAL SAFETY AS THE MOST IMPORTANT TASK

CHARITABLE INVOLVEMENT

- PROJECTS

WORKFORCE

Having good personnel is crucial to the success of any business. We do everything we can to recruit employees, train them and retain them over the long term.

Progroup has grown significantly in the last decade. The number of employees has more than doubled since 2012, and has risen by 10.8 per cent compared to 2021. In 2022, we employed 1,663 salaried staff and industrial employees in six European countries and offered apprenticeships to a total of 45 young people in 12 different professions and five fields of study at seven locations in Germany (correct as of: 31/12/2022).

We are particularly pleased that we are able to create apprenticeships and jobs in places where they are rare, usually away from urban centres and in some cases also in economically deprived regions.

The combination of growth and high-tech means that our human resources activities focus on three particular areas that we defined as part of our sustainability strategy for 2021:

- **Employee satisfaction**
We find out how satisfied our employees are and intervene if there are any negative changes.
- **Diversity and equal opportunities**
We are developing a programme to promote women and we want to be a company that attracts all talents and retain our employees for a long period of time.
- **Occupational safety and health protection**
Despite the high performance requirements, preserving the health and safety of our employees is the top priority for Progroup.

In the period under review, we initiated or developed a series of measures which we want to use to address these issues.

OUR VALUES

Progroup's corporate values are our compass: The values define how we work together in a team and with customers and the attitude we want to display in pursuing our goals.

We highlight these values to new employees as soon as they join our company. We want them to be embraced and passed on.



VISIONARY

Dynamism & flexibility
Inspiration & learning



DRIVING FORWARD

Innovation & responsibility
Performance & reward



UNIFYING

Cooperation & team spirit
Trust & reliability

FEEDBACK FROM THE WORKFORCE

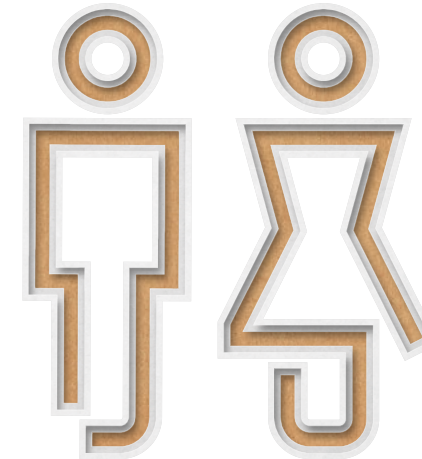
All companies are already suffering from a shortage of skilled workers and this is set to become even more acute in the future. This is why it is so important for us to keep and retain our employees. Employee surveys help us to measure their level of satisfaction and identify issues where we as an

employer need to do more to increase the level of satisfaction.

In 2018, we carried out our first ever cultural analysis – a comprehensive survey of all employees that covers various aspects of day-to-day working at Progroup and is done every three to four years. We repeated the whole survey in 2022. In addition, annual “pulse checks” are starting in 2023.

They contain fewer questions and are designed to flag up any discrepancies sooner.

These pulse checks are based on the “Engagement” and “Attractiveness” indicators. The first indicator reflects how willing the employees are to get fully involved at work, and how much of an affiliation they have with the company.



The second indicator reflects how attractive Progroup is perceived to be as an employer. Overall, six statements such as “I enjoy my current job” or “I’m proud to be able to tell other people that I work for Progroup” need to be rated on a scale of one to five. The survey is issued online across the company in each employee’s national language.

In 2022, 63 per cent of our employees participated in the cultural analysis. The first measured variable “Engage-

ment” was rated positively by 77 per cent of those surveyed, which was a good outcome. The “Attractiveness” indicator was also rated positively by slightly fewer of the respondents, but still a majority (59 per cent). This means that overall in 2022 we achieved a satisfaction score of 68 per cent. This puts us on a par with other manufacturing companies.

EMPLOYMENT STRUCTURE (GROUP-WIDE)

		2021			2022		
Number of employees		Male	Female	Total	Male	Female	Total
Acc. to employment category	Salaried employees	295	143	438	364	178	542 (+24 %)
	Wage earners	1,051	12	1,063	1,111	10	1,121 (+5 %)
Acc. to hierarchy	Directors	4	0	4	4	0	4
	Operational management	9	0	9	8	1	9
	Managers (incl. wage earners)	192	17	209	209	20	229 (+10 %)
Acc. to employment contract	Permanent	1,323	155	1,478	1,456	187	1,643 (+11 %)
	Fixed-term	23	0	23	19	1	20 (-13 %)
Acc. to employment relationship	Full time	1,338	135	1,473	1,464	157	1,621 (+10 %)
	Part time	8	20	28	11	31	42 (+50 %)

■ As of 31/12/2021

■ As of 31/12/2022

EMPLOYMENT STRUCTURE (COUNTRY-SPECIFIC)

							
		2022					
Number of employees		Germany	France	Poland	Czech Republic	Italy	United Kingdom
Acc. to employment category	Salaried employees	494	5	20	10	6	7
	Wage earners	737	44	169	55	59	57
Acc. to hierarchy	Directors	4	0	0	0	0	0
	Operational management	9	0	0	0	0	0
	Managers (incl. wage earners)	184	6	19	6	7	7
Acc. to employment contract	Permanent	1,220	49	189	65	56	64
	Fixed-term	11	0	0	0	9	0
Acc. to employment relationship	Full time	1,194	49	188	62	65	63
	Part time	37	0	1	3	0	1

As of 31/12/2022

8 DECENT WORK & ECONOMIC GROWTH



BOOSTING OUR EMPLOYEES' LEVEL OF SATISFACTION

Measured variable
Rate from the "Engagement" and "Attractiveness" indicators

2022
68 %

Target for 2025
Average for manufacturing sector^[1]

Target for 2030
Best-in-class^[2]

To evaluate the results of the cultural analysis and improve the corporate culture where there is a need to take action, we have initiated a multi-stage process. As the results differ significantly between divisions, they were initially discussed in the individual divisions. Measures within each division will thus be addressed directly. In addition to this, we also look at issues that affect the whole company. They are worked on in a working group that meets regularly and is made up of members of the management team and the Board and one employee from the human resources department. The working group has identified the error and feedback culture as an area

that requires particular improvement. This is where our managers have a role to play. They must firstly provide space to learn from any errors, and secondly not just demand excellent work but praise it too. This is why we have decided to work more with our managers to create a constructive and appreciative leadership culture.

The introduction of a "lessons learned" process should help with this. This involves recording positive and negative incidents across the company and sharing them across divisions or the whole company, for example via our Progroup app. We will thus encourage mistakes to be addressed openly.

We hope that in the coming years this will enable us to significantly boost our employees' level of satisfaction and be "best-in-class" by 2030.

TRAINING AND DEVELOPMENT

We want to enhance and develop the skills of our workforce. New recruits should be taught the knowledge that exists within the company in a straightforward way. At the same time, our long-serving employees should constantly be given the opportunity to learn about and operate the latest technologies.

Since 2021, we have used our digital learning platform "Progroup Campus" to make it easier for our employees to access further training and knowledge within the company. The platform was first launched in Germany, but since the end of 2022 it has also been accessible from our international sites. In terms of content, the content was expanded by around 180 learning units and thus doubled in the year under review. Training for our production employees and on the new SAP version that has been introduced can now also be completed via the Progroup Campus. There are plans to expand the offer for 2025.

We also continued to champion the manager development and talent programme in 2022. By the end of the reporting period, around 45 per cent of our managers had completed the training programme, and we were once again able to select four talented individuals for our specific Progroup talent programme.

After completing the switch over to the SAP S/4 HANA system in the commercial division in 2022, in 2023 we started focusing on comprehensive digitisation in human resources. We want to tackle one of the challenges

of our constant growth by simplifying and standardising business processes that we use every single day. Embracing technology solutions will allow us to optimise manual processes that involve lots of paperwork in the future. We want to minimise risks and save time. This changeover will tie up significant amounts of our personnel resources until 2024.

All employees received an appraisal of their performance and their career development in their annual employee appraisal interview.

BOOSTING EQUAL OPPORTUNITIES

A low proportion of women in the workforce is symptomatic of the structure of the workforce in the paper and corrugated board industry. This is the case at Progroup too. Around 70 per cent of our jobs are in production and – despite all the technology – this still involves physical work and operating in multiple shifts. The number of women here is vanishingly small. Although 33 per cent of salaried employees are women, the figure in the overall workforce is just 11 per cent. 16 per cent of the women who work for us work part-time.

The low proportion of women at Progroup is not what we want to see. We would like to recruit more female employees to our company. To make this clear, we have set ourselves target quotas for the next few years in order to increase the proportion of women among salaried employees to 50 per cent. The intention is also to gradually fill management positions with more women.

This category includes all employees with leadership responsibility, at all hierarchical levels. We want to achieve a share of 20 per cent here by 2030.

5 GENDER EQUALITY



BOOSTING EQUAL OPPORTUNITIES

Measured variable
Percentage of women among salaried employees

2021
33 %

2022
33 %

Target for 2025
40 %

Target for 2030
50 %

Measured variable
Percentage of women in management positions

2021
8 %

2022
9 %

Target for 2025
12 %

Target for 2030
20 %

Our management team has included one woman since 2022.

In the year under review, the percentage of women in management positions increased slightly, while the percentage among salaried employees remained constant. However, in 2022 there was also not yet a strategy in place to increase the percentage of women.

HIGHLIGHTS OF THE CULTURAL ANALYSIS 2022

79%



...there's a good working relationship between immediate colleagues.

65%



Progroup's corporate structure has changed in a positive way in recent years.

75%



I enjoy my current job.

[1] engagement: 68 %; attractiveness: 66 %
[2] Best-in-class: engagement: 93 %; attractiveness: 94 %

8

DECENT WORK &
ECONOMIC GROWTH**IMPROVEMENT IN
OCCUPATIONAL SAFETY****Measured variable**Notifiable workplace accidents
per 1 mill. hours worked**2021**Paper machines: 17.5
Corrugated sheetfeeder plants: 18.3
Waste-to-energy plant: 0**2022**Paper machines: 22.9^[1]
Corrugated sheetfeeder plants: 24.4
Waste-to-energy plant: 10.1**Target for 2025**At least industry average^[2]**Target for 2030**

<5

^[1] Including external service providers^[2] Industry average:
Paper machines: 18.3
Corrugated sheetfeeder plants: 11.7
Waste-to-energy plant: 11.1

(Figure from 2021 annual report because the 2022 figure was not yet available at the time of writing.)

**OCCUPATIONAL SAFETY
AS THE MOST
IMPORTANT TASK**

One of our most important tasks is still to ensure occupational health and safety at our workplaces. To make sure this is done in the best way possible, responsibility and organisation is split between the individual divisions of Paper (Progroup Paper PM1 GmbH and subsidiaries), Board (Progroup Board GmbH and subsidiaries) and the CHP plant (Progroup Power 1 GmbH). Our administration site in Landau is looked after by the occupational safety specialists for the Board division, and Progroup Logistics GmbH is looked after by the specialists for the Paper division. The reason for this split is that the respective value chains have different production workflows. The occupational safety specialists talk to each other online if required and also meet in person twice a year.

Despite every effort being made, in the year under review more accidents occurred at all sites than in the previous

year. We responded by taking extensive measures and recruited additional occupational safety specialists. In some cases, our accident statistics record not just our own employees, but also workers from external service providers.

Paper division

To make our employees aware of occupational safety, they use our digital occupational safety tool to undergo quarterly training that is tailored to the specific work they do. If the specified number of completion attempts (3) is exceeded, the manager receives a notification and must enable the training in the system again. This ensures that the manager can respond with appropriate qualification measures, for example. Risk assessments are conducted on a regular basis and updated if an incident occurs. This includes our safety checks, which we outlined in the previous sustainability report. In addition, all employees are required to report any hazards or unsafe situations.

If an incident occurs, it is entered in the electronic first-aid log by the injured person or their manager. This ensures that the respective manager and the occupational safety team is automatically informed. How the incident happened, its cause and actions taken to prevent the incident from occurring in future are then jointly discussed and documented. These details are then passed on to the managers of all paper machines.

Despite taking all these precautions, in the reporting period there were 22.9 notifiable workplace accidents per 1 million hours worked on our paper machines. In total, there were 129 accidents (107 internal, 22 external) during 1,264,800 hours worked (1,011,840 internal, 252,960 external). 100 of the incidents involved entries in the first-aid log that did not lead to any time off work (83 internal, 17 external). 29 were notifiable workplace accidents that led to an absence from work of at least four days (24 internal, 5 external). The most common types of injuries are bruises, cuts and abrasions. The number of injuries is not what we aspire to and we really want to improve it. This is why in 2022 we created a position for a third occupational safety specialist on our paper machines. We plan to expand the whole structure for identifying hazards and risks in 2023. This will involve redefining responsibilities as well as the specific assessment process.

Board division

Safety briefings are given in our corrugated sheetfeeder plants primarily by the operations manager or the shift supervisor. The training plans are drawn up by the occupational safety specialist using various job profiles. For certain topics, in a similar way to our paper machines, the digital tool is used for briefings. Risk assessments

are prepared by the operations managers together with the safety experts and then lodged in the digital occupational safety tool. They are reviewed and updated annually and when a particular event demands this. In addition, in some of our corrugated sheetfeeder plants we have also introduced safety checks where our employees look at potential hazards

**PRO ACTIVE.
THE ZERO-ACCIDENT
SAFETY CULTURE**

- Occupational safety is one of Progroup's key values.
- Accident prevention and cost leadership are driven by the same thing.
- Each person is responsible for their own safety and the safety of others.
- We want to identify the causes of accidents and take action before something happens.
- We can only achieve our target of preventing accidents by working together.

and risks before they embark on a particular task. They are set to be rolled out to all plants in 2023.

Based on the risk assessments and analyses of accidents, we have identified essentially the following risks that may cause injuries: Risk taking, working methods and level of vigilance of the employees. These are also the risks that mainly led to injuries during the reporting period.

After an accident occurs, the relevant plant is obliged to notify a defined list of people, including the management and the Board, within 24 hours. In addition, an entry must be made in the digital occupational safety tool. The occupational safety specialist and the plant in question will then consult to reach a conclusion on which activity caused each incident. The aim is to identify preventative measures and designate who is responsible for implementing them. The implementation is monitored at regular intervals with selected senior managers from the company's head office and the plants. The most common types of injuries are lacerations and bruising. In total, there were 140 accidents at our corrugated sheetfeeder plants in 2022. 40 of them led to notifiable absences because employees were unable to work; the other 100 were just entries in the first-aid log. These figures only include Progroup employees. In the period under review, we recorded 24.4 notifiable workplace accidents per 1 million hours worked. 1,642,200 hours were worked in total.

In 2022, we took various measures to minimise the work-related risks and hazards. For instance, the Board launched "PRO ACTIVE. The zero-accident safety culture" to emphasise that occupational safety represents one of the company's key values.



Information cubes made of corrugated board and placed in prominent positions right across the company highlight the occupational safety campaign.

**THE RECRUITMENT
OF MORE PERSONNEL TO
THE AREA OF
OCCUPATIONAL
SAFETY
UNDERLINES HOW
IMPORTANT IT IS**



Progroup donated 1,500 euros to the voluntary fire brigade in Trzcinica (PL).



Donation handover ceremony: Phillipos Vrizas (right), manager of the Sandersdorf-Brehna site, and Kay Schäfer (3rd from right), PM3 dispatch manager, handed over the donation cheque to Bitterfeld-Wolfen-Gräfenhainichen Social Welfare Association.



Photo calendar from the "Look at this" photographic competition at the Eisenhüttenstadt site.

Managers were also made more aware of the issue. All operations managers received appropriate training. What is more, we enhanced the level of visibility in the various working areas, for example by installing information cubes to raise the level of awareness of occupational safety among all employees.

In addition, our corrugated board plants have an internal information portal which also lists all the processes, responsibilities and basic principles of occupational safety. In the reporting period, we enhanced the quality of the accident analyses by adopting an interdisciplinary approach to look at them with various levels of management, an occupational safety specialist and the person involved in the accident.

Besides recruiting a third occupational safety specialist, we decided at the end of 2022 that in future occupational safety should also be reflected in the

plant wage paid to the employees. For example, the intention is to pay a bonus as soon as a set number of preventative measures has been implemented.

Waste-to-energy plant division

Owing to the smaller number of employees at just one site previously, we only have one colleague who is responsible for occupational safety in our combined heat and power plant. Training here is also provided mainly using our occupational safety tool. In addition, the employees receive external training for specific tasks as well as additional briefings following an accident. Risk assessments are updated on a regular basis. Unsafe situations are also digitally recorded and reported. To ensure that these situations are rectified, they are regularly discussed by all managers, added to the digital production tool and responsibilities are defined. The main risks identified are the potential to fall when working in elevated work-

places, the risk of scalding yourself on hot media and the risk of tripping and falling on uneven outside paths. These risks were identified by observing the personnel on each shift followed by an inspection with the occupational safety specialist and the maintenance team. In the period under review, none of the risks led to an injury with serious consequences.

There was one notifiable workplace accident in our combined heat and power plant in 2022. 98,880 hours were worked in total. This therefore yields a figure of 10.1 for every 1 million hours worked. These statistics include all Progroup employees.

CHARITABLE INVOLVEMENT

Progroup is a good neighbour at the sites where it operates. This is why we are involved with charitable causes. The main areas we support focus in particular on working with children

and young people, ecological activities and supporting special initiatives in the region. This focus stems from Progroup's corporate strategy. Our goal is to create lasting partnerships that will benefit the local people over the long term. At the same time, our involvement means that we enhance local networks and the reputation of our company, including among potential applicants.

PROJECTS

We carry out a large number of different projects every year. Starting with the next sustainability report, we will provide a closer look at their selection and our underlying concept, which we finalized and comprehensively developed for the first time in 2023. We are already emphasizing selected projects this year:

2022 saw us continue our cooperation with Wi-Wa-Wunderland in Eisenhüttenstadt. During this year, we

helped to support their "LOOK AT THIS" photographic competition for children and young people. The winning photos were compiled to create a calendar for 2023.

With the multi-generational house in Offenbach an der Queich, the location of one of our corrugated sheetfeeder plants very close to our administrative site in Landau, we cooperated in a workshop on natural history, art and creativity to help provide holiday care at the multi-generational house.

During the open day for our paper machine PM3 in Sandersdorf-Brehna, the refreshment vouchers were sold by the Bitterfeld-Wolfen-Gräfenhainichen Social Welfare Association. The total of the proceeds raised was topped up by Progroup and donated to the association. In 2023 there will again be an open day at one of our locations. As in Sandersdorf-Brehna, regional clubs and organizations will have the opportunity to be present and present

their work. We continue to follow our concept and donate the income generated there to a local organization.

Another project that is very close to our hearts is working with and supporting the voluntary and junior fire brigades in the locations where we operate. This is because they will attend our sites and help us if a fire breaks out. It is our way of giving something back and in the reporting period we supported, among others, the voluntary fire brigades in Petersberg, Offenbach, Stryków and Trzcinica.

Almost all of our projects and campaigns have in common that they are designed for the long term. Progroup is a reliable partner for clubs, organizations and social and community involvements.

GRI INDEX

Progroup AG has reported the information that is stated in this GRI index for Progroup for the period running from 1 January 2022 to 31 December 2022 with reference to the GRI standards.

GRI Standard	Disclosure	SDG no.	Location
General Disclosures			
GRI 2: General Disclosures 2021			
2-1	Organizational details		Pages 9, 10, 17
2-2	Entities included in the organization's sustainability reporting		Page 9
2-3	Reporting period, frequency and contact point		Page 5, Legal information
2-5	External assurance		Pages 5, 54
2-6	Activities, value chain and other business relationships		Pages 11, 29
2-7	Employees		Pages 44, 45
2-9	Governance structure and composition		Pages 17, 18
2-10	Nomination and selection of the highest governance body		Pages 17, 18
2-11	Chair of the highest governance body		Page 18
2-12	Role of the highest governance body in overseeing the management of impacts		Page 18
2-13	Delegation of responsibility for managing impacts		Pages 18, 21
2-14	Role of the highest governance body in sustainability reporting		Pages 18, 21
2-15	Conflicts of interest		Page 18
2-16	Communication of critical concerns		Page 16
2-17	Collective knowledge of the highest governance body		Page 18
2-18	Evaluation of the performance of the highest governance body		Pages 18, 19
2-20	Process to determine remuneration		Pages 18, 19
2-22	Statement on sustainable development strategy		Foreword
2-23	Policy commitments		Pages 16, 17
2-24	Embedding policy commitments		Pages 16, 17
2-25	Processes to remediate negative impacts		Pages 16, 17
2-26	Mechanisms for seeking advice and raising concerns		Pages 16, 17
2-27	Compliance with laws and regulations		Pages 16, 17
2-29	Approach to stakeholder engagement		Pages 24, 25
Material Topics			
GRI 3: Material Topics 2021			
3-1	Process to determine material topics		Page 21
3-2	List of material topics		Pages 22, 23

Reduction in water consumption

GRI 3: Material Topics 2021			
3-3	Management of material topics		Pages 37, 38
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	6	Pages 37, 38
Progroup KPI			
	Specific fresh water quantity	6	Page 37

Reduction in CO₂ emissions

GRI 3: Material Topics 2021			
3-3	Management of material topics		Pages 38-41
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	13	Page 41
305-2	Energy indirect (Scope 2) GHG emissions	13	Page 41
305-3	Other indirect (Scope 3) GHG emissions	13	Page 41
305-4	GHG emissions intensity	13	Page 38

Reduction in the use of raw materials

GRI 3: Material Topics 2021			
3-3	Management of material topics		Page 36
Progroup KPI			
	Use of kraftliner	15	Page 36
	Grammage	12	Page 36

Boosting our employees' level of satisfaction

GRI 3: Material Topics 2021			
3-3	Management of material topics		Pages 44-46
Progroup KPI			
	Rate from the "Engagement" and "Attractiveness" indicators	8	Page 46

Boosting equal opportunities

Progroup KPI			
	Percentage of women among salaried employees	5	Page 47
	Percentage of women in management positions	5	Page 47

Improvement in occupational safety

GRI 3: Material Topics 2021			
3-3	Management of material topics		Pages 48-50
GRI 403: Occupational Health and Safety 2018			
403-9	Work-related injuries	8	Page 48

Certificate

Validation Sustainability Report

After remote assessment, document inspection and discussions with responsible employees, we confirm the credibility, transparency and plausibility of the information in the Sustainability Report, business year 2022, published by



Progroup AG

with the headquarter
Horstring 12, 76829 Landau.

Progroup AG prepares its Sustainability Report 2022 based on the GRI Standards (Version 2021).

The focus of the audit is on the principles of corporate sustainability responsibility as well as the reliability and quality of the report content on a sample basis.

The validation of the sustainability related disclosures presented in the report is planned and performed to enable us to express our opinion with limited assurance.

Berlin, 21. Juli 2023

Prof. Dr.-Ing. Jan Uwe Lieback
Director

No. N-23-24804-EN

GUTcert

Eichenstraße 3b • 12435 Berlin • Germany
Tel.: +49 30 2332021-0 • info@gut-cert.de • www.gut-cert.de

afnor
GRUPE



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CONTACT

**Contact for questions about the report
or its content:**
Progroup AG, Madlen Bollinger
E-mail: madlen.bollinger@progroup.ag
Phone: +49 6341 557-0 (Head Office)

